PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
STATE OF NEW JERSEY
REPORT OF AUDIT
WITH
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED
DECEMBER 31, 2025

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GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
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GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
ROSTER OF OFFICIALS
December 31, 2025

The following officials were in office during the year ended December 31, 2025:

MEMBERS	POSITION
Charles Fentress	Chairman
Paul Medany	Vice Chairman
Gregory Ferretti	Secretary/Treasurer
Charles Della Vecchia	Assistant Secretary/Treasurer
B.J. Heinz	Commissioner

OTHER OFFICIALS	
George Strachan	Executive Director
Tracey Giordano	Chief Financial Officer
Amanda Liberto	Acting Finance Director
Laurie Burns	County Clerk to the Board of County Commissioners
John Alice, Esquire	Solicitor
Frank J. DiMarco	County Commissioner Liaison
TD Bank, N.A.	Trustee

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY

PART I

FINANCIAL SECTION

FOR THE YEAR ENDED
DECEMBER 31, 2025

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

INDEPENDENT AUDITORS' REPORT

The Honorable Chairman and Members of the
Gloucester County Improvement Authority
2 South Broad Street
Woodbury, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of the Gloucester County Improvement Authority, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester (the "Authority"), as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the Gloucester County Improvement Authority, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, as of December 31, 2025, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 misstatement, 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 Authority'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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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 auditing standards generally accepted in the United States of America, requirements prescribed by the Division, and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, requirements prescribed by the Division, and *Government Auditing Standards*, we:

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the Authority's total OPEB liability and related ratios, schedule of the Authority's proportionate share of the net pension liability and schedule of the Authority's pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying supplementary schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary schedules 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 October 13, 2026, on our consideration of the Authority'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 solely 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 the effectiveness of the Authority's 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 Authority's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Voorhees, New Jersey
October 13, 2026

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

The Honorable Chairman and Members of the
Gloucester County Improvement Authority
2 South Broad Street
Woodbury, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the business-type activities of the Gloucester County Improvement Authority, in the County of Gloucester, State of New Jersey, a component unit of the County of Gloucester, (the "Authority"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 13, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and the audit requirements as prescribed by the Division.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division, in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Voorhees, New Jersey
October 13, 2026

Gloucester County Improvement Authority
Management's Discussion and Analysis
For the Year Ended December 31, 2025
(UNAUDITED)

The Gloucester County Improvement Authority (the "Authority") is a public agency providing solid waste disposal and management services, nursing home and day care facilities, equestrian and event facilities, recycling, clean communities program support, and bond financing assistance for the entities in the County of Gloucester. This section of the Authority's annual financial report provides a discussion and analysis of the financial performance for the year ended December 31, 2025.

FINANCIAL HIGHLIGHTS

The operation of the landfill is the GCIA's main source of income. It derives its revenues primarily from (a) ash waste residue delivered from the facility, (b) bypassed acceptable waste, and (c) non-perishable waste delivered to the landfill. The Service Agreement provides for the establishment of a tipping fee for acceptable waste delivered to the facility pursuant to a formula that escalates annually as a function of, among other things, the Producer Price Index for Commodities. To operate the Shady Lane facility, the GCIA receives funds per day for all residents on Medicaid and also funds per resident who pays privately. The childcare facility receives weekly fees from all families with children in the facility. The Dream Park charges fees for boarding of horses and horse show and dog show events at the facility.

- **Total Assets** - As of December 31, 2025, total assets were $161,345,563.42, deferred outflows of resources were $17,623,246.00 and after deducting liabilities of $166,948,955.27 and deferred inflows of resources of $27,076,807.00, net position equaled ($15,056,952.85). This is compared to year ended December 31, 2024, total assets were $142,944,124.36, deferred outflows of resources were $21,833,672.00 and after deducting liabilities of $164,978,210.29 and deferred inflows of resources of $27,179,229.00, net position equaled ($27,379,642.93).

- **Total Operating Revenues** - 2025 operating revenues totaled $45,364,134.52, which was an increase of $1,485,279.27 from 2024 operating revenues of $43,878,855.25. The primary reason for the increase in revenue was an increase in total tonnage received.

- **Total Operating Expenses** - 2025 operating expenses totaled $36,815,927.37, which was a decrease of $2,861,247.86 from 2024 operating expenses of $39,677,175.23. The main reasons for the decrease in expenditures was the result of decreases in salaries and wages, employee benefits and depreciation, depletion and amortization expense.

- **Net Non-Operating Revenues (Expenses)** - In 2025, the Authority had net non-operating revenues of $3,774,482.93 compared to $5,038,631.60 of non-operating revenues in 2024. This difference can be attributed to the decrease in investment and other income and increase in the annual OPEB contributions and budgeted capital expenses.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts - Independent Auditors' Reports, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental schedules.

The basic financial statements report information about the Authority as a whole, using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. As the Authority follows the accrual method of accounting, the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in net position regardless of when cash is received or paid.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

The statement of revenues, expenses and changes in net position provides a breakdown of the various areas of revenues and expenses encountered during the current year. Net position – the difference between the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources – is a measure of the Authority's financial health or position.

The statement of cash flows provides a breakdown of the various sources of cash flow, categorized into four areas: Cash flows from operating activities, non-capital financing activities, capital and related financing activities, and investing activities.

FINANCIAL SUMMARY OF THE AUTHORITY

Statement of Net Position

The Authority's total net position (deficit) was ($15,056,952.85) on December 31, 2025. Total assets, deferred outflows of resources, liabilities, and deferred inflows of resources and total net position are detailed below.

A significant portion of the Authority's net position represents its investment in capital assets (i.e. land, construction in progress, buildings, improvements and equipment), less the related debt outstanding used to acquire those capital assets. Although the Authority's investment in its capital assets is reported net of related debt, it is noted that the resources required to repay this debt must be provided annually from operations, since the capital assets themselves cannot be used to liquidate liabilities.

$250,000.00 of the net position balance is restricted in accordance with the Authority's solid waste bond resolution.

	As of December 31,		Change from 2024 to 2025	
	2025	2024	Amount	Percentage
Assets				
Current Assets	$ 93,475,214.29	$ 86,257,958.04	$ 7,217,256.25	8.37%
Non Current Assets	8,040,000.00	10,365,000.00	(2,325,000.00)	-22.43%
Capital Assets (Net of Depreciation, Depletion and Amortization)	59,830,349.13	46,321,166.32	13,509,182.81	29.16%
Total Assets	**161,345,563.42**	**142,944,124.36**	**18,401,439.06**	**12.87%**
Deferred Outflows Of Resources	**17,623,246.00**	**21,833,672.00**	**(4,210,426.00)**	**-19.28%**
Liabilities				
Current Liabilities	17,503,823.42	17,261,275.70	242,547.72	1.41%
Long Term Liabilities	149,445,131.85	147,716,934.59	1,728,197.26	1.17%
Total Liabilities	**166,948,955.27**	**164,978,210.29**	**1,970,744.98**	**1.19%**
Deferred Inflows Of Resources	**27,076,807.00**	**27,179,229.00**	**(102,422.00)**	**-0.38%**
Net Position (Deficit)				
Net Investment in Capital Assets	16,748,648.96	13,672,846.71	3,075,802.25	22.50%
Restricted	250,000.00	250,000.00	-	-
Unrestricted (Deficit)	(32,055,601.81)	(41,302,489.64)	9,246,887.83	-22.39%
Total Net Position (Deficit)	**$ (15,056,952.85)**	**$ (27,379,642.93)**	**$ 12,322,690.08**	**-45.01%**

FINANCIAL SUMMARY OF THE AUTHORITY (CONT'D)

The unrestricted net position (deficit) includes the effects of accounting standards related to pensions (GASB 68 and 71) and other postemployment benefits (GASB 75). The following table is presented to illustrate the impact of these items on unrestricted net position as of December 31, 2025:

Reconciliation of Unrestricted Net Position (Deficit):	
Unrestricted (Deficit) Net Position	$ (32,055,601.81)
Adjustments to Exclude the Effects of:	
GASB 68 and 71 - Pension Related Items	12,293,701.00
GASB 75 - OPEB Related Items	33,093,467.00
Unrestricted Net Position Before Pension and OPEB Adjustments	$ 13,331,566.19

The balance of unrestricted net position before pension and OPEB adjustments may be budgeted to meet the Authority's capital and ongoing obligations. The Authority's Board has internally designated a portion of this balance for capital equipment and capital construction reserves.

Statements of Revenues, Expenses and Changes in Net Position

	For the Years Ended December 31,		Change from 2024 to 2025	
	2025	2024	Amount	Percentage
Operating Revenues:				
Landfill Fees	$ 34,307,205.02	$ 33,268,206.61	$ 1,038,998.41	3.12%
Other Operating Revenues	11,056,929.50	10,610,648.64	446,280.86	4.21%
Total Operating Revenues	**45,364,134.52**	**43,878,855.25**	**1,485,279.27**	**3.38%**
Operating Expenses:				
Administrative:				
Salaries and Wages	1,852,430.33	2,685,672.00	(833,241.67)	-31.03%
Employee Benefits	1,400,116.79	1,677,482.73	(277,365.94)	-16.53%
Other Expenses	2,583,288.16	2,332,504.13	250,784.03	10.75%
Cost of Providing Service:				
Salaries and Wages	8,091,580.54	7,768,167.94	323,412.60	4.16%
Employee Benefits	4,673,961.69	4,419,549.68	254,412.01	5.76%
Other Expenses	14,785,269.49	15,533,002.10	(747,732.61)	-4.81%
Depreciation, Depletion, and Amortization Expense	3,429,280.37	5,260,796.65	(1,831,516.28)	-34.81%
Total Operating Expenses	**36,815,927.37**	**39,677,175.23**	**(2,861,247.86)**	**-7.21%**
Net Non-Operating Revenue (Expenses)	**3,774,482.93**	**5,038,631.60**	**(1,264,148.67)**	**-25.09%**
Change in Net Position	**12,322,690.08**	**9,240,311.62**	**3,082,378.46**	**33.36%**
Net Position (Deficit), Beginning of Year, as Originally Stated	**(27,379,642.93)**	**(40,655,515.42)**	**13,275,872.49**	**-32.65%**
Prior Period Adjustment	**-**	**4,035,560.87**	**(4,035,560.87)**	
Net Position (Deficit), Beginning, As Restated	**(27,379,642.93)**	**(36,619,954.55)**	**9,240,311.62**	**-25.23%**
Net Position (Deficit), Ending	**$(15,056,952.85)**	**$(27,379,642.93)**	**$ 12,322,690.08**	**-45.01%**

Total operating revenue increased $1,485,279.27 or 3.38% year-over-year. Landfill tipping fees revenue increased $1,006,215.49 or 3.55% primarily due to the increase in solid waste tonnage rates charged.

The costs the Authority has control over are the cost of salaries and benefits $16,018,089.35 for 2025 as compared to $16,550,872.35 for 2024, which is a decrease of $532,783.00 or 3.22%; and other expenses $17,368,557.65 for 2025 as compared to $17,865,506.23 for 2024, which is a decrease of $496,948.58 or 2.78% which were primarily the result of a decrease in the number of employees, various landfill expenses, professional fees, disposal fees, equipment rental, and maintenance costs. Depreciation, and depletion expense totaled $3,429,280.37 for 2025 as compared to $5,260,796.65 for 2024, a decrease of $1,831,516.28 or 34.81%.

OVERALL ANALYSIS & BUDGETARY HIGHLIGHTS

For the year ended December 31, 2025, the change in net position was an increase of $12,322,690.08. The net increase for the year 2025 was primarily the result of change in capital assets, increase in landfill revenue, costs related to leachate hauling and treatment, daily cover for the landfill, health benefits and pension costs, and investment and other income.

The Authority must adopt an annual budget in accordance with N.J.A.C. 5:31-2. The budget is adopted on the accrual basis of accounting with cash provisions for bond principal. Significant variances between the original adopted budget and actual budget amounts fall within the two categories of favorable and unfavorable. The Authority overall experienced modest favorable variances in budgetary expenses. As discussed above, the Authority experienced lower than expected costs related to leachate hauling and treatment, daily cover for the landfill, engineering and accounting and health benefits and pension costs. Overall, the Authority concluded the year with a net favorable operating appropriation variance across all operations.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM DEBT FINANCING ACTIVITY

At the end of December 2025, the Authority had $59,830,349.13 invested in a broad range of capital assets, net of accumulated depreciation, depletion and amortization. This amount represents an increase from the previous year. More detailed information about capital assets can be found in Note 3 to the financial statements. Total depreciation, depletion and amortization expense for the year was $3,429,280.37. The following table summarizes the Authority's capital assets, net of accumulated depreciation, depletion and amortization for the year ended December 31, 2025.

	2025
Land	$ 3,638,889.25
Construction in Progress	10,519,544.26
Vehicles	843,785.21
Buildings	12,284,878.14
Road, Scale, & Landscaping	3,176,766.56
Equipment & Improvements	5,474,368.63
Landfill	23,892,117.08
	$ 59,830,349.13

On July 16, 2025, the Authority issued its County Guaranteed Solid Waste Revenue Bonds (Landfill Expansion Projects), Series 2025 (the "2025 Bonds"). The Series 2025 Bonds were issued to finance the costs of acquisition, design, construction and equipping of new landfill cells ("Cell 17 and 18") at the Authority-owned Landfill, to increase the waste disposal capacity of the Landfill; and other capital and infrastructure improvements related thereto, and design and engineering costs therefor. The 2025 Bonds were issued originally for $16,695,000.00 with interest rates of 3.75% - 5.00%. The final maturity of the 2025 Bonds is September 1, 2034.

The Authority made interest payments of $1,107,962.17 on its outstanding bonds and loans during the period under audit. Additionally, the Authority made principal payments of $9,354,672.63 on its outstanding bonds and loans. As of December 31, 2025, the Authority had $53,446,700.17 in outstanding bonds and loans payable, including premiums on bonds and loans with principal payments due until 2034.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM DEBT FINANCING ACTIVITY (CONT'D)

The Authority originally issued $473,530,000.00 for the 12 conduit debt financing issues that are currently outstanding. On August 7, 2025, the Authority issued County Guaranteed Loan Revenue Refunding Bonds (County Capital Program), Series 2025 in the amount of $25,805,000.00. On September 4, 2025, the Authority issued County Loan Revenue Bonds (Rowan University Projects), Series 2025 in the amount of $59,805,000.00.

The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans. As of December 31, 2025, there are 12 outstanding series of conduct debt financings. The corresponding aggregate principal balance outstanding at December 31, 2025, totals $364,830,127.43 and is treated strictly as conduit debt obligations under GASB statement 91 *Conduit Debt Obligations* and accordingly is not included in the financial statements.

CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS

Solid Waste Division

Gloucester County has instituted flow control on specified waste types which creates a stable and predictable revenue stream. The Authority Board and staff have continued to implement a business plan for the Solid Waste Division which not only includes flow control, but is also aimed at capturing revenue originating in Gloucester County. The Authority has secured a stable and predictable base of solid waste generated within Gloucester County by offering competitive pricing and excellent customer service.

The Authority continues to accept beneficial and profitable waste streams from markets outside Gloucester County as well. The Authority has contracts with all municipalities and multiple customers with adjusted rates to reflect market conditions and bordering counties' pricing influence. Yearly review of all rates is performed, and the Authority is sensitive to the market and bordering counties' pricing structure. Insuring there is an economical supportive structure in Gloucester County is of utmost concern for the Solid Waste Division.

The Authority has the ability to expand its solid waste operation, unlike other facilities in the State of New Jersey. Staff and engineers developed plans for vertical and horizontal expansion in order to extend the useful life of the facility's continued operation. Those plans have been submitted to the New Jersey Department of Environmental Protection (NJDEP) and are under review. The NJDEPs initial comments have been supportive.

The Authority has recently awarded a contract for the construction of a leachate pipeline. This is an efficient, cost effective and environmentally sound way to address a byproduct of the solid waste disposal process. It will remove the need for trucking the leachate for disposal which is a significant operational cost.

CONTACTING THE AUTHORITY'S MANAGEMENT

This financial report is designed to provide Gloucester County residents, investors, clients and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the public funds it receives. If you have any questions about this report or need additional financial information, contact Mr. George D. Strachan, Executive Director, at Gloucester County Improvement Authority, 2 South Broad Street, Woodbury, New Jersey 08096. Please visit their website at: www.gcianj.com.

BASIC FINANCIAL STATEMENTS

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Net Position
As of December 31, 2025

	2025
ASSETS	
Current Assets:	
Unrestricted Assets:	
Cash and Cash Equivalents	$ 18,482,287.63
Investments	6,138,604.20
Accounts Receivable	2,272,565.50
Other Receivables	3,427,725.61
Total Unrestricted Assets	30,321,182.94
Restricted Assets:	
Cash and Cash Equivalents	19,232,640.44
Investments	41,478,811.97
Financing Receivable - County of Gloucester	2,325,000.00
Accrued Interest Receivable	117,578.94
Total Restricted Assets	63,154,031.35
Total Current Assets	93,475,214.29
Noncurrent Assets:	
Restricted Assets:	
Financing Receivable - County of Gloucester	8,040,000.00
Total Restricted Assets	8,040,000.00
Capital Assets:	
Capital Assets, Cost	206,019,649.26
Accumulated Depreciation, Depletion and Amortization	(146,189,300.13)
Total Capital Assets	59,830,349.13
Total Noncurrent Assets	67,870,349.13
Total Assets	161,345,563.42
DEFERRED OUTFLOWS OF RESOURCES	
Related to OPEB	15,961,157.00
Related to Pensions	1,662,089.00
	17,623,246.00

(Continued)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Net Position
As of December 31, 2025

		2025
LIABILITIES		
Current Liabilities Payable from Unrestricted Assets:		
Accounts Payable	$	3,944,713.75
Accounts Payable - Related to Pensions		1,270,617.00
Security Deposits		53,292.06
Compensated Absences Payable		1,711,491.25
Accrued Interest Payable		534,442.70
Reserve for Grants		307,047.15
Reserve for Donations - Nursing Home		3,026.17
Reserve for Patient Needs		14,916.74
Long Term Debt - Current Portion		6,084,672.63
Total Current Liabilities Payable from Unrestricted Assets		13,924,219.45
Current Liabilities Payable from Restricted Assets:		
Accounts Payable		20,750.97
Reserve for Recycling Programs		169,123.27
Reserve for Paulsboro Terminal Program		947,150.79
Accrued Interest Payable		117,578.94
Long Term Debt - Current Portion		2,325,000.00
Total Current Liabilities Payable from Restricted Assets		3,579,603.97
Total Current Liabilities		17,503,823.42
Noncurrent Liabilities:		
Long Term Debt - Long-Term Portion		45,037,027.54
Other Post Employment Benefits		23,864,055.00
Net Pension Liability		11,434,243.00
Accrued Liabilities - Related to Pensions		635,309.00
Estimated Liability for Landfill Closure and Post-Closure Costs		68,474,497.31
Total Noncurrent Liabilities		149,445,131.85
Total Liabilities		166,948,955.27
DEFERRED INFLOWS OF RESOURCES		
Related to OPEB		25,190,569.00
Related to Pensions		1,886,238.00
		27,076,807.00
NET POSITION (DEFICIT)		
Net Investment in Capital Assets		16,748,648.96
Restricted		250,000.00
Unrestricted (Deficit)		(32,055,601.81)
Total Net Position (Deficit)	$	(15,056,952.85)

The accompanying Notes to Financial Statements are an integral part of this statement.

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2025

		2025
Operating Revenues:		
Landfill Operating Revenue	$	29,369,629.10
Operating Income Wheelabrator Ash		4,937,575.92
Communication Tower Rental		19,576.81
Other Income		834,750.84
Private Billings		1,544,248.08
Medicaid/Medicare Billings		3,150,652.47
Other Billings		482,814.05
Miscellaneous Revenue		535,740.56
Child Care Revenue		819,455.78
Dream Park Income		878,492.91
Gloucester County Support		2,791,198.00
Total Operating Revenues		45,364,134.52
Operating Expenses:		
Administrative:		
Salaries and Wages		1,852,430.33
Employee Benefits		1,400,116.79
Other Expenses		2,583,288.16
Cost of Providing Service:		
Salaries and Wages		8,091,580.54
Employee Benefits		4,673,961.69
Other Expenses		14,785,269.49
Depreciation, Depletion, and Amortization Expense		3,429,280.37
Total Operating Expenses		36,815,927.37
Operating Income		8,548,207.15
Non-Operating Revenues (Expenses):		
Investment Income		2,813,055.46
Interest on Revenue Bonds and Loans		(861,439.48)
Cost of Issuance and Financing Fees		(149,218.75)
Budgeted Capital		(1,588,054.30)
Pension Benefit (Expense)		1,264,955.00
Annual OPEB Benefit (Expense)		3,009,981.00
Annual OPEB Contributions		(714,796.00)
Total Non-Operating Revenues (Expenses)		3,774,482.93
Change in Net Position		12,322,690.08
Net Position (Deficit), Beginning of Year		(27,379,642.93)
Net Position (Deficit), End of Year	$	(15,056,952.85)

The accompanying Notes to Financial Statements are an integral part of this statement.

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Cash Flows
For the Year Ended December 31, 2025

	2025
Cash Flows From Operating Activities:	
Receipts from Customers and Users	$ 43,191,053.71
Payments to Suppliers	(22,034,629.44)
Payments to Employees	(9,840,039.14)
Other Operating Receipts	2,791,198.00
Net Cash Provided by Operating Activities	14,107,583.13
Cash Flows From Investing Activities:	
Purchases of Investments	(67,607,511.99)
Receipts from the Maturity of Investments	70,934,938.90
Investment Income Receipts	2,813,055.46
Net Cash Provided by Investing Activities	6,140,482.37
Cash Flows From Non-Capital Financing Activities:	
Paulsboro Terminal Reimbursements	6,474,771.28
Paulsboro Terminal Disbursements	(5,944,528.97)
Grant Receipts	1,899.37
Grant Disbursements	(107,729.30)
Patients' Needs Income	33,027.35
Patients' Needs Expenses	(32,132.10)
Closure and Alternate Closure Fund Receipts	7,155,420.03
Closure and Alternate Closure Fund Disbursements	(4,914,342.33)
Net Cash Provided by Non-Capital Financing Activities	2,666,385.33
Cash Flows From Capital and Related Financing Activities:	
Lease Revenue	2,691,168.12
Payment of Bond and Loan Issuance Costs	(149,218.75)
Capital Assets Acquisitions	(16,938,463.18)
Payments for Budgeted Capital Improvements	(1,588,054.30)
Bonds and Notes Proceeds	17,991,020.50
Principal Payments on Bonds and Loans	(9,354,672.63)
Interest Paid on Debt	(1,107,962.17)
Net Cash (Used in) Capital and Related Financing Activities	(8,456,182.41)
Change in Cash and Cash Equivalents	14,458,268.42
Cash and Cash Equivalents at Beginning of Year	23,256,659.65
Cash and Cash Equivalents at End of Year	$ 37,714,928.07

(Continued)

Exhibit C

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Cash Flows
For the Year Ended December 31, 2025

		2025
Reconciliation to Statement of Net Position:		
Unrestricted Cash and Cash Equivalents	$	18,482,287.63
Restricted Cash and Cash Equivalents		19,232,640.44
	$	37,714,928.07
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$	8,548,207.15
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation, Depletion, and Amortization Expense		3,429,280.37
Changes in Assets and Liabilities:		
Accounts and Other Receivables		1,694,970.33
Accounts Payable		1,712,319.99
Other Current Liabilities		(1,277,194.71)
Net Cash Provided by Operating Activities	$	14,107,583.13

The accompanying Notes to Financial Statements are an integral part of this statement.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Gloucester County Improvement Authority (the "Authority") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Reporting Entity

The Authority is a public body corporate and politic of the State of New Jersey and was originally created as an authority by resolution adopted on December 19, 1963 by the governing body of the County of Gloucester (the "County"), pursuant to the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960, of the State of New Jersey, as amended and supplemented, ("The Act").

The Act empowers improvement authorities to provide within the County, public facilities, convention halls, equipment and facilities for public transportation, aviation facilities, garbage and solid waste systems, the improvement, furtherance and promotion of tourist industries and recreational attractiveness and planning and carrying out of redevelopment projects.

On February 6, 1985, the Board of County Commissioners (formerly Board of Chosen Freeholders) of the County designated the Authority as the agency with the responsibility for the planning, acquisition, construction, maintenance, and operation of facilities for the processing and disposal of solid waste within the County. On February 9, 1987, the Authority opened a sanitary landfill and began to accept solid waste from within the County. Additionally, on July 24, 1985, the Board of County Commissioners approved the construction of a solid waste resource recovery facility within the County to be financed by the Authority. Thereafter, the Board of County Commissioners designated the Authority as the agency with responsibility for the following programs:

A) Operations/Landfill – to administer and provide planning for the solid waste, recycling, and household special waste programs of the County, and to provide for the overall operations and management of the Authority.
B) Shady Lane Nursing Home – to provide for the operation and management of the nursing home facility.
C) Child Development Center – to provide for the operation and management of the day care facility.
D) Gloucester County Dream Park – to provide for the operation and management of the equestrian and event facilities.
E) Energy Conservation Program – to finance the acquisition and installation of energy conservation equipment leased to the County of Gloucester and various local government units in the County.
F) Government Leasing Program – to acquire, construct, renovate, and install certain equipment, vehicles, and facilities to be leased by the Authority to local government units in the County.
G) Paulsboro Overpass Project – to provide an efficient means of access to a Brownfield's Redevelopment Site in Paulsboro Borough, Gloucester County, including the construction of a road and overpass to access the redevelopment site from Route 295.
H) Paulsboro Marine Terminal Project – to procure and manage design and construction contracts for the project that is being funded by the South Jersey Port Corporation.

The Act and the resolution creating the Authority provide that the governing body of the Authority shall consist of five members, appointed by the Board of County Commissioners of the County to five-year terms.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Component Unit

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity,* as amended. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the Authority has no component units and is a component unit of the County.

Basis of Presentation

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to enterprise funds of State and Local Governments on a going concern basis. The focus of enterprise funds is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Authority is a single enterprise fund and maintains its records on the accrual basis of accounting. Enterprise funds account for activities (i) that are financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; or (ii) that are required by law or regulations that the activity's cost of providing services, including capital cost (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service). Under this method, revenues are recorded when earned and expenses are recorded when the related liability is incurred.

The transactions of the Authority are divided into five separate activities (Solid Waste Landfill, Nursing Home, Child Care, Dream Park, Other Programs) within the enterprise fund type. Each activity is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Enterprise funds are accounted for using the accrual basis of accounting.

Revenues -- Exchange and Non-Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. Fees, billings and service charges are recognized as revenue when services are provided.

Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants, contributed capital, and donations. Revenue from grants, contributed capital, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Authority must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Authority on a reimbursement basis.

Expenses - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

Budgets and Budgetary Accounting

The Authority must adopt an annual budget in accordance with N.J.A.C. 5:31-2. N.J.A.C. 5:31-2 requires the governing body to introduce the annual Authority budget at least 60 days prior to the end of the current year and to adopt not later than the beginning of the Authority's year. The governing body may amend the budget at any point during the year. The budget is adopted on the accrual basis of accounting with provisions for cash payments for bond principal. Depreciation expense, depletion expense, and the annual required contribution for the Authority's pension and other postemployment benefits (OPEB) Plan are not included in the budget appropriations.

The legal level of budgetary control is established at the time the budget is adopted. All budget transfers and amendments to those accounts must be approved by resolution of the Authority as required by the Local Finance Board. Management may transfer among supplementary line items as long as the legal level line items are not affected. There are no statutory requirements that budgetary line items not be over-expended. The Authority adopted an amending budget resolution during the year.

The Authority records encumbrances. An encumbrance represents a commitment related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract would create an encumbrance. The encumbrance does not represent an expenditure for the period, only a commitment to expend resources. At year-end, the accounting records are adjusted to record only expenses in accordance with accounting principles generally accepted in the United States of America.

Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds and cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash, Cash Equivalents and Investments (Cont'd)

New Jersey governmental units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey governmental units. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or bonds or other obligations of the school district of which the local unit is a part or within which the school district is located, bonds or other obligations approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Additionally, the Authority has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. In lieu of designating a depository, the cash management plan may provide that the local unit make deposits with the State of New Jersey Cash Management Fund.

Inventories

Inventory consists principally of parts for machinery, chemicals, medical supplies, other supplies for future consumption and is valued at cost. The Authority has determined that the inventories are immaterial and are not recorded in the financial statements.

Prepaid Expenses

Prepaid expenses recorded on the financial statements represent payments made to vendors for services that will benefit periods beyond the applicable year end. The Authority had no prepaid expenses for the year ended December 31, 2025.

Lease Receivable

Lease receivables recorded on the statements of net position represents a contract that conveys control of the right to use the Authority's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Restricted Assets

Restricted assets represent cash, investments, and receivables maintained in accordance with bond resolutions, loan agreements, grant agreements, and other resolutions and formal actions of the Authority or by agreement for the purpose of funding certain debt service payments and improvements.

Receivables and Payables

Receivables and payables between accounts are eliminated. Customer receivables represent various service fees earned but not yet collected. The Authority has provided for doubtful accounts by the allowance method. The allowance for doubtful accounts is based upon management's estimate of potentially uncollectible accounts.

Capital Assets

Capital assets primarily consist of expenditures to acquire, construct, place in operation and improve the facilities of the Authority. Assets are stated at actual cost. Donated capital assets are recorded at acquisition value at the donation date. The Authority has no infrastructure capital assets.

Expenditures, which enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the capital asset's currently capitalized cost. The cost of normal repairs and maintenance are not capitalized. Costs incurred during construction of an asset are recorded as construction in progress. In the year that the project is completed, these costs are transferred to Capital Assets - Completed. Interest costs incurred during construction are not capitalized into the cost of the asset.

Lease assets are measured on the statements of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Subscription assets, if any, are measured on the statements of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs.

Expenditures are capitalized when they meet the following requirements:

1) Cost of $5,000.00 or more
2) Useful life of more than one year
3) Asset is not affected by consumption

Depreciation, Depletion and Amortization

Amortization on lease and subscription assets and depreciation on other capital assets is computed using the straight-line method over the shorter of the lease term or the following useful lives:

	Years
Buildings	30-40
Road, Scale and Landscaping	7-20
Equipment & Improvements	3-15
Vehicles	3-15

Depletion has been provided on a percentage of depletion basis on each phase of the Landfill Projects. At December 31, 2025, the accumulated depletion represents 100% of Landfill Phases I, II, III, IV, V, VI and VII; and 8.67% of Landfill Phase IX estimated capacity. Landfill Phase VIII was not an approved extension and was not constructed.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Long-Term Debt Premiums

Long-term debt premiums arising from the issuance of long-term debt are amortized over the life of the bonds and loans, in a systematic and rational method, from the issue date to maturity as a component of interest expense. Debt premiums are presented as an adjustment of the face amount on the bonds and loans.

Deferred Outflows and Deferred Inflows of Resources

The statements of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net assets that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net assets that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the GASB standards. The Authority is required to report the following as deferred outflows of resources and deferred inflows of resources: amounts related to defined benefit pension plans and postemployment benefit plans.

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as paid time off (PTO), sick leave, vacation leave, compensatory time, and certain types of sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Authority and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Authority and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Unearned revenue is recorded as a liability until the revenue is measurable and the Authority is eligible to realize the assets as revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Conduit Debt Obligations

The Authority has issued certain debt bearing its name to lower the cost of borrowing for specific non-governmental third parties. This debt is commonly referred to as conduit debt. Typically, the debt proceeds are used to finance facilities within the Authority's jurisdiction that are transferred to the third party either by lease or by sale. The underlying lease or mortgage loan agreement (notes receivable), which serves as collateral for the promise of payments by the third party, calls for payments that are essentially the same as those required by debt. These payments are made by the third party directly to an independent trustee, who is appointed to service and administer the arrangement. The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans.

As of December 31, 2025, there were twelve series of conduit bonds outstanding in the aggregate principal amount of $364,830,127.43, which are treated strictly as conduit debt obligations under GASB Statement No. 91, *Conduit Debt Obligations,* and are therefore not included in the financial statements.

Net Position

In accordance with the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Authority has classified its net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and depletion or amortization of intangible capital assets, reduced, by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component as the unspent amount.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted - This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." This component includes net position that may be allocated for specific purposes by the Board.

Income Taxes

The Authority operates as defined by the Internal Revenue Code Section 115 and appropriately is exempt from income taxes under Section 115.

Operating and Non-Operating Revenues and Expenses

Operating revenues are those revenues generated directly from the primary activities of the Authority and are recognized on the accrual basis as earned and include all revenues derived from solid waste disposal and other revenue sources. Services are supplied to customers under a rate structure designed to produce revenues sufficient to provide for operating and maintenance costs, capital outlay, debt service, reserves, and debt service coverage. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and on investments in debt securities, and pension and OPEB benefit.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Operating and Non-Operating Revenues and Expenses (Cont'd)

Operating expenses include expenses associated with the operation, maintenance and repair of the Authority's facilities and general administrative expenses. Non-operating expenses principally include expenses attributable to the Authority's interest on funded debt, cost of issuance of bonds and renewal and replacement reserve expenses.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Impact of Recently Issued Accounting Policies

Recently Issued and Adopted Accounting Pronouncements

Statement No. 102, *Certain Risk Disclosures.* The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. That objective is achieved by requiring 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. The adoption of this Statement had no material impact on the Authority's financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as indicated below:

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. That objective is achieved by improving the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The Statement will become effective for the Authority in the year ending December 31, 2026. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Statement No. 104, *Disclosure of Certain Capital Assets.* The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement also requires additional disclosures for capital assets held for sale. That objective is achieved by improving financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. The Statement will become effective for the Authority in the year ending December 31, 2026. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Recently Issued Accounting Pronouncements (Cont'd)

The GASB has issued the following Statements which will become effective in future years as indicated below (cont'd):

Statement No. 105, *Subsequent Events*. This Statement establishes guidance for the recognition and disclosure of events occurring after the financial statement date but before the financial statements are issued (or available to be issued). The Statement requires governments to distinguish between recognized subsequent events (those requiring adjustment to the financial statements) and nonrecognized subsequent events (those requiring disclosure only), and to disclose the date through which subsequent events were evaluated. The Statement will become effective for the Authority in the year ending December 31, 2027. Management is currently evaluating the impact this Statement will have on the basic financial statements of the Authority.

Note 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Finance Related Legal and Contractual Provisions
Management of the Authority is not aware of any "Events of Default" existing under the bond resolutions authorizing the issuance of the Authority's bonds payable, loans payable and conduit debt or material violations of finance related legal and contractual provisions.

Note 3: DETAIL NOTES - ASSETS

Cash and Cash Equivalents

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits might not be recovered. Although the Authority does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first $250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the Authority in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings or funds that may pass to the Authority relative to the happening of a future condition. If the Authority had any such funds, they would be shown as Uninsured and Uncollateralized in the following schedule.

As of December 31, 2025, the Authority's bank balances were exposed to custodial credit risk as follows:

		December 31, 2025
Insured by F.D.I.C.	$	1,014,533.70
Insured and collateralized with securities held by pledging financial institutions		36,567,076.46
	$	37,581,610.16

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Investments

New Jersey authorities are limited as to the types of investments and types of financial institutions they may utilize for investing. N.J.S.A. 40A:5-15.1 provides a list of permissible investments that may be purchased by New Jersey authorities. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the local unit or units within which the Authority is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by authorities, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The Authority has no investment policy that would further limit its investment choices.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Authority, and are held by either the counterparty or the counterparty's trust department or agent but not in the Authority's name. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Authority has no investment policy to limit its exposure to custodial credit risk. All of the Authority's $47,617,416.17 as of December 31, 2025 investments in Treasury obligations, money market funds, federal, state or local bonds and certificates of deposits are held in the name of the Authority.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Authority's investment policies place no limit on the amount the Authority may invest in any one issuer. More than 5.0% of the Authority's investments are held with Certificate of Deposits (7.04%), Federal Farm Credit Bank (5.22%), Federal Home Loan Bank (30.32%), US Treasury Bills (25.23%) and US Treasury Notes (31.86%). All of the Authority's investments are either in treasury obligations, money market funds, GNMAs, FFCBs, FHLBs, CDs or direct Treasury Securities.

As of December 31, 2025, the Authority had the following investments:

Investment	Rating	Maturities	Fair Value Hierarchy Level *	Fair Value
FFCB	AA1	3/9/2026	Level 1	$ 2,487,100.00
FHLB	AA1	9/11/2026	Level 1	199,752.00
FHLB	AA1	7/29/2026	Level 1	147,987.00
FHLB	AA1	9/11/2026	Level 1	199,752.00
FHLB	AA1	7/29/2026	Level 1	493,290.00
FHLB	AA1	9/11/2026	Level 1	299,628.00
FHLB	AA1	7/29/2026	Level 1	246,645.00
FHLB	AA1	9/11/2026	Level 1	199,752.00
FHLB	AA1	3/23/2026	Level 1	1,308,747.38
FHLB	AA1	7/22/2026	Level 1	1,381,548.00
FHLB	AA1	9/11/2026	Level 1	2,996,280.00
FHLB	AA1	9/18/2026	Level 1	998,980.00
FHLB	AA1	1/26/2026	Level 1	998,430.00
FHLB	AA1	5/27/2026	Level 1	990,650.00
FHLB	AA1	9/11/2026	Level 1	129,838.80
FHLB	N/R	9/18/2026	Level 1	1,997,960.00
FHLB	AA1	8/20/2027	Level 1	1,750,315.00
FHLB	AA1	7/29/2026	Level 1	98,658.00

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Investments (Cont'd)

Concentration of Credit Risk (Cont'd) – As of December 31, 2025, the Authority had the following investments (cont'd):

Investment	Rating	Maturities	Fair Value Hierarchy Level *	Fair Value
Bank Hapoalim BM CD	N/R	9/28/2026	Level 2	$ 240,316.80
Bank of Baroda CD	N/R	12/24/2026	Level 2	240,388.80
Champlain Natl Bk CD	N/R	12/24/2026	Level 2	245,279.30
First Bk Richmond CD	N/R	8/24/2026	Level 2	240,160.80
Firstbank CD	N/R	12/23/2026	Level 2	240,271.20
Fmr & Mrcht CD	N/R	12/4/2026	Level 2	240,304.80
Fst Fed Svgs Loan CD	N/R	12/4/2026	Level 2	234,511.20
Goldman Sachs Bk CD	N/R	12/23/2026	Level 2	240,386.40
Pcb Bk CD	N/R	12/4/2026	Level 2	235,242.05
Quaint Oak Bk CD	N/R	12/30/2026	Level 2	240,280.80
State Bk of India CD	N/R	12/4/2026	Level 2	235,453.55
Union Svgs Bk CD	N/R	7/27/2026	Level 2	245,259.70
Wafd Bk CD	N/R	12/10/2026	Level 2	240,314.40
West Point Bk CD	N/R	12/4/2026	Level 2	235,037.60
GNMA II Pool 3459	N/R	10/20/2033	Level 1	23,257.05
GNMA II Pool 3499	N/R	1/20/2034	Level 1	1,390.85
GNMA II Pool 3499	N/R	1/20/2034	Level 1	4,220.57
GNMA II Pool 3529	N/R	3/20/2034	Level 1	5,939.91
GNMA II Pool 3458	N/R	10/20/2033	Level 1	14,088.58
GNMA II Pool 3458	N/R	10/20/2033	Level 1	24,609.86
GNMA II Pool 3459	N/R	10/20/2033	Level 1	13,314.10
GNMA II Pool 3499	N/R	1/20/2034	Level 1	2,877.70
GNMA Pool 672637	N/R	3/15/2038	Level 1	28,391.59
GNMA Pool 672637	N/R	3/15/2038	Level 1	28,391.58
GNMA Ser 2009-93	N/R	9/16/2039	Level 1	1,802.32
GNMA Ser 2009-93	N/R	9/16/2039	Level 1	721.63
GNMA Ser 2009-93	N/R	9/16/2039	Level 1	721.64
GNMA Ser 2009-94	N/R	9/16/2039	Level 1	4,100.69
US Treasury Bills	N/R	1/8/2026	Level 1	99,922.39
US Treasury Bills	N/R	3/31/2026	Level 1	98,844.56
US Treasury Bills	N/R	4/23/2026	Level 1	98,296.98
US Treasury Bills	N/R	4/23/2026	Level 1	196,559.00
US Treasury Bills	N/R	1/8/2026	Level 1	449,650.75
US Treasury Bills	N/R	1/8/2026	Level 1	249,805.98
US Treasury Bills	N/R	4/23/2026	Level 1	393,843.15
US Treasury Bills	N/R	4/23/2026	Level 1	98,296.98
US Treasury Bills	N/R	5/14/2026	Level 1	125,148.07
US Treasury Bills	N/R	4/23/2026	Level 1	982,969.79
US Treasury Bills	N/R	1/8/2026	Level 1	1,998,447.78
US Treasury Bills	N/R	4/23/2026	Level 1	1,965,939.57
US Treasury Bills	N/R	5/14/2026	Level 1	385,086.98
US Treasury Bills	N/R	5/28/2026	Level 1	4,127,189.50
US Treasury Bills	N/R	4/23/2026	Level 1	443,808.88
US Treasury Bills	N/R	1/8/2026	Level 1	199,844.78
US Treasury Bills	N/R	4/23/2026	Level 1	98,296.98

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Investments (Cont'd)

Concentration of Credit Risk (Cont'd) – As of December 31, 2025, the Authority had the following investments (cont'd):

Investment	Rating	Maturities	Fair Value Hierarchy Level *	Fair Value
US Treasury Notes	AA1	11/15/2026	Level 1	$ 148,032.00
US Treasury Notes	AA1	2/15/2026	Level 1	220,070.40
US Treasury Notes	AA1	8/31/2026	Level 1	150,172.50
US Treasury Notes	AA1	2/15/2026	Level 1	100,032.00
US Treasury Notes	AA1	8/31/2026	Level 1	100,115.00
US Treasury Notes	AA1	4/23/2026	Level 1	3,000,960.00
US Treasury Notes	AA1	8/31/2026	Level 1	1,001,150.00
US Treasury Notes	AA1	9/30/2026	Level 1	980,340.00
US Treasury Notes	AA1	11/15/2026	Level 1	1,973,760.00
US Treasury Notes	AA1	2/15/2026	Level 1	3,000,960.00
US Treasury Notes	AA1	8/31/2026	Level 1	3,003,450.00
US Treasury Notes	AA1	2/15/2026	Level 1	450,144.00
US Treasury Notes	AA1	2/15/2026	Level 1	200,064.00
US Treasury Notes	AA1	8/31/2026	Level 1	250,287.50
US Treasury Notes	AA1	11/15/2026	Level 1	296,064.00
US Treasury Notes	AA1	2/15/2026	Level 1	100,032.00
US Treasury Notes	AA1	8/15/2026	Level 1	197,482.00
				$ 47,617,416.17

* Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

* Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

* Level 3 inputs are unobservable inputs for the asset; they should be used only when the relevant Level 1 and Level 2 inputs are unavailable.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As stated in note 1, investments are purchased in accordance with N.J.S.A. 40A:5-15.1. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Authority has no investment policy that would further limit its exposure to credit risk.

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Accounts Receivable

Accounts receivable on December 31, 2025, consisted of the following. The Authority's policy for allowance for doubtful accounts is to review aging history periodically and deem accounts doubtful as necessary.

	December 31, 2025
Landfill Revenue	$ 1,720,817.68
Nursing Home Revenue	360,726.38
Day Care Revenue	53,713.12
Dream Park Revenue	137,308.32
	$ 2,272,565.50

Financing Receivable – County of Gloucester

The County of Gloucester has entered into Lease Agreements with the Authority in order to provide for, among other things, the lease projects and for the payment of rentals to the Authority. Pursuant to the terms of the lease agreements, the County is required to make rental payments to the Authority in order to pay or provide for the payment of certain expenses of the Authority and the payment of debt service on certain obligations of the Authority, including the Bonds. The Bonds constitute "Bonds," as such term is defined in the Lease Agreements, and as such, the debt service requirements for the Bonds are included in the rental payments, which are required to be made to the Authority pursuant to the terms of the Lease Agreements. At December 31, 2025, the lease payments to be received in the various leasing programs are as follows:

	Government Leasing
2026	$ 2,325,000.00
2027	1,915,000.00
2028	1,970,000.00
2029	2,035,000.00
2030	2,120,000.00
	$ 10,365,000.00

Note 3: DETAIL NOTES – ASSETS (CONT'D)

Capital Assets

During the year ended December 31, 2025, the following changes in Capital Assets occurred:

	Balance January 1, 2025	Additions	Transfers	Deletions	Balance December 31, 2025
Capital Assets not being Depreciated:					
Land & Land Improvements	$ 3,638,889.25	$ -	$ -	$ -	$ 3,638,889.25
Construction in Progress	12,197,768.56	1,311,454.81	(2,989,679.11)		10,519,544.26
Total Capital Assets not being Depreciated	15,836,657.81	1,311,454.81	(2,989,679.11)	-	14,158,433.51
Capital Assets being Depreciated:					
Buildings	28,543,544.63	232,577.28	2,421,413.99		31,197,535.90
Solid Waste Complex:					
Phase I	11,677,585.78				11,677,585.78
Phase II	14,111,920.41				14,111,920.41
Phase III	8,716,138.00				8,716,138.00
Phase IV	4,701,468.20				4,701,468.20
Phase V	3,300,000.00				3,300,000.00
Phase VI	27,274,823.54				27,274,823.54
Phase VII	27,341,058.00				27,341,058.00
Phase IX - Cell 16	10,884,254.15	336,643.72			11,220,897.87
Phase IX - Cells 17 & 18	-	13,431,424.63	212,646.63		13,644,071.26
Road, Scale, and Landscaping	7,269,844.48		(248,226.14)		7,021,618.34
Equipment	27,175,938.01	1,626,362.74	557,297.12	1,095,418.22	28,264,179.65
Vehicles	3,492,895.42		46,547.51	149,524.13	3,389,918.80
Total Capital Assets being Depreciated	174,489,470.62	15,627,008.37	2,989,679.11	1,244,942.35	191,861,215.75
Total Capital Assets	190,326,128.43	16,938,463.18	-	1,244,942.35	206,019,649.26
Accumulated Depreciation and Depletion					
Buildings	17,892,887.29	1,019,770.47			18,912,657.76
Solid Waste Complex	97,310,364.39	785,481.59			98,095,845.98
Road, Scale, and Landscaping	3,570,536.82	274,314.96			3,844,851.78
Equipment	22,984,690.37	900,538.87		1,095,418.22	22,789,811.02
Vehicles	2,246,483.24	449,174.48		149,524.13	2,546,133.59
Total Accumulated Depreciation and Depletion	144,004,962.11	3,429,280.37	-	1,244,942.35	146,189,300.13
Capital Assets, Net	$ 46,321,166.32	$ 13,509,182.81	$ -	$ -	$ 59,830,349.13

Depreciation and depletion expense for the year ended December 31, 2025 was charged to:

Operating / Landfill	$ 2,467,861.36
Nursing Home	667,762.82
Child Care	19,262.20
Dream Park	274,393.99
	$ 3,429,280.37

Note 4: DETAIL NOTES – LIABILITIES

Long-term Liabilities

During the year ended December 31, 2025, the following changes occurred in long-term obligations:

	Balance January 1, 2025	Additions	Reductions	Balance December 31, 2025	Due Within One Year
Bonds and Loans Payable:					
Bonds Payable	$ 34,195,000.00	$ 16,695,000.00	$ 7,345,000.00	$ 43,545,000.00	$ 6,360,000.00
NJEIT Loans	10,015,190.41		2,009,672.63	8,005,517.78	2,049,672.63
Premium on Bonds and Loans	1,053,129.20	1,296,020.50	452,967.31	1,896,182.39	
Total Bonds and Loans Payable	45,263,319.61	17,991,020.50	9,807,639.94	53,446,700.17	8,409,672.63
Other Liabilities:					
Net Pension Liability	12,457,435.00	3,331,516.00	4,354,708.00	11,434,243.00	
Net OPEB Obligation	30,543,683.00	1,996,723.00	8,676,351.00	23,864,055.00	
Other Liabilities - Related to Pension	623,750.00	635,309.00	623,750.00	635,309.00	
Estimated Liability for Landfill Closure and Post-Closure Costs	66,233,419.61	7,155,420.03	4,914,342.33	68,474,497.31	
Total Other Liabilities	109,858,287.61	13,118,968.03	18,569,151.33	104,408,104.31	-
Total Long-Term Liabilities	$ 155,121,607.22	$ 31,109,988.53	$ 28,376,791.27	$ 157,854,804.48	$ 8,409,672.63

Bonds Payable - Revenue Bonds Payable (Landfill)

The Revenue Bonds Series 2012, Series 2014, Series 2016, Series 2023, Series 2025 and Loans Payable Series 2017A, Series 2020A, and Series 2021A are direct obligations of the Authority. The Bonds and Loans are secured by a pledge on the Revenues derived by the Authority from the operation of its Landfill. The Bonds and Loans are further secured by the County Guaranty agreement between the Authority and the County (See Note 4 – Gloucester County Guaranty).

On July 10, 2012, the Authority issued its County Guaranteed Solid Waste Revenue Bonds (Landfill Project, Series 2012) (the “Series 2012 Bonds”). The Series 2012 Bonds were issued to finance the costs of acquisition, construction and equipping of a new landfill cell (“Cell 11B”) at the Gloucester County Solid Waste Complex (the “Landfill”), and other capital and infrastructure improvements related thereto, and design and engineering costs therefor, including capitalized interest of the Series 2012 Bonds for a period of approximately 12 months. The Series 2012 Bonds were issued originally for $5,300,000.00 and carried interest rates ranging from 1.50% to 5.00%. The final maturity of the Series 2012 Bonds was March 1, 2025.

On July 31, 2014, the Authority issued its County Guaranteed Solid Waste Revenue Bonds (Landfill Project, Series 2014) (the “Series 2014 Bonds”). The Series 2014 Bonds were issued to finance the costs of acquisition, design, construction and equipping of a new landfill cell (“Cell 12”) at the Landfill, and other capital and infrastructure improvements related thereto, and design and engineering costs therefor. The Series 2014 Bonds were issued originally for $5,460,000.00 and carried interest rates ranging from 2.00% to 5.00%. The final maturity of the Series 2014 Bonds is March 1, 2031.

On November 15, 2016, the Authority issued its County Guaranteed Solid Waste Revenue Bonds (Landfill Project, 2016 Refunding Series A) (the “2016 Bonds”). The 2016 Bonds were issued to advance refund all of the Authority’s outstanding callable County Guaranteed Solid Waste Revenue Bonds (Landfill Project, Series 2008) (the “2008 Bonds”). A portion of the proceeds of the 2016 Bonds were deposited in an irrevocable escrow fund established with the trustee for the 2008 Bonds, to defease the 2008 Bonds which were defeased in 2018. The Bonds were issued originally for $10,585,000.00 and carried interest rates ranging from 3.00% to 5.00%. The final maturity of the 2016 Bonds is March 1, 2030.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Bonds Payable - Revenue Bonds Payable (Landfill) (Cont'd)

On March 22, 2023, the Authority issued its County Guaranteed Solid Waste Revenue Bonds (Landfill Expansion Project – Cell 16), Series 2023 (the "2023 Bonds"). The Series 2023 Bonds were issued to finance the costs of acquisition, design, construction and equipping of a new landfill cell ("Cell 16") at the Landfill, to increase the waste disposal capacity of the Landfill; and other capital and infrastructure improvements related thereto, and design and engineering costs therefor. The 2023 Bonds were issued originally for $9,385,000.00 with an interest rate of 5.00%. The final maturity of the 2023 Bonds is March 1, 2034.

On July 16, 2025, the Authority issued its County Guaranteed Solid Waste Revenue Bonds (Landfill Expansion Projects), Series 2025 (the "2025 Bonds"). The Series 2025 Bonds were issued to finance the costs of acquisition, design, construction and equipping of a new landfill cells ("Cell 17 and 18") at the Authority-owned Landfill, to increase the waste disposal capacity of the Landfill; and other capital and infrastructure improvements related thereto, and design and engineering costs therefor. The 2025 Bonds were issued originally for $16,695,000.00 with interest rates ranging between 3.75% - 5.00%. The final maturity of the 2025 Bonds is September 1, 2034.

Bonds Payable - Revenue Bonds Payable (Nursing Home)

The 2012 Bonds are direct, special and limited obligations of the Authority. The Bonds are payable solely from the revenues derived by the Authority from the operation of its Nursing Home and secured by a lien on the pledged property and other moneys pledged by the Authority. The Bonds are further secured by the County Guaranty agreement between the Authority and the County (See Note 4 – Gloucester County Guaranty).

On February 28, 2012, the Authority issued its County Guaranteed Revenue Refunding Bonds (Shady Lane Nursing Home Project), Series 2012 (the "2012 Bonds"). The 2012 Bonds were issued to advance refund all of the Authority's County Guaranteed Revenue Bonds (Shady Lane Nursing Home Project), Series 2004 (the "2004 Bonds"). A portion of the proceeds of the 2012 Bonds were deposited in an irrevocable escrow fund established with the trustee for the 2004 Bonds, to defease the 2004 Bonds which were defeased in 2013. The 2012 Bonds were issued originally for $9,130,000.00 and carried interest rates ranging from 2.625% to 4.00%. The final maturity of the 2012 Bonds is December 1, 2029.

Bonds Payable - Lease Revenue Bonds Payable

The Lease Revenue Bonds Series A of 2013 and 2016 Refunding Bonds are limited obligations of the Authority payable from the County Trust Estate (as defined in the Bond Resolution), which includes, among other things, the Basic Lease Payments to be made by the County, and as applicable, the Local Units, under the Lease Agreement, as more fully described in Note 5. The Bonds are further secured by the County Guaranty agreement between the Authority and the County (See Note 4 – Gloucester County Guaranty).

On April 17, 2013, the Authority issued its County Guaranteed Lease Revenue Refunding Bonds, Series A of 2013 (the "Series 2013A Bonds"). The Series 2013A Bonds were issued to advance refund all of the Authority's outstanding callable County Guaranteed Lease Revenue Bonds, Series A of 2005 (the "Series 2005A Bonds"). A portion of the proceeds of the Series 2013A Bonds were deposited in an irrevocable escrow fund established with the trustee for the Series 2005A Bonds, to defease the Series 2005A Bonds which were defeased in 2015. The Series 2013A Bonds were issued originally for $24,595,000.00 and carried interest rates ranging from 2.00% to 5.00%. The final maturity of the Series 2013A Bonds is September 1, 2030.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Bonds Payable - Lease Revenue Bonds Payable (Cont'd)

On September 2, 2016, the Authority issued its County Guaranteed Lease Revenue Refunding Bonds Series 2016 (the "2016 Refunding Bonds"). The 2016 Refunding Bonds were issued to currently refund all or a portion of the Authority's outstanding callable County Guaranteed Lease Revenue Bonds (Government Leasing Program), Series 2006 (the "2006 Bonds"). The 2016 Refunding Bonds were issued originally for $5,465,000.00 and carried interest rates of 1.477%. The final maturity of the 2016 Refunding Bonds is September 1, 2026.

The following schedule reflects the Debt Requirements on bonds payable until 2034.

Year Ending December 31,	Principal	Interest	Total
2026	$ 6,360,000.00	$ 1,804,049.31	$ 8,164,049.31
2027	6,130,000.00	1,563,456.25	7,693,456.25
2028	6,370,000.00	1,321,037.50	7,691,037.50
2029	6,620,000.00	1,065,237.50	7,685,237.50
2030	6,170,000.00	782,393.75	6,952,393.75
2031	3,105,000.00	532,975.00	3,637,975.00
2032	2,795,000.00	390,937.50	3,185,937.50
2033	2,935,000.00	249,937.50	3,184,937.50
2034	3,060,000.00	125,375.00	3,185,375.00
	43,545,000.00	$ 7,835,399.31	$ 51,380,399.31
Less: Current Maturities	(6,360,000.00)		
Add: Premium on Bonds	1,765,750.37		
Long-term Portion	$ 38,950,750.37		

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Loans Payable - New Jersey Infrastructure Bank (NJIB) (f.k.a. New Jersey Environmental Infrastructure Trust)

On November 21, 2017, the Authority closed on loans from the New Jersey Environmental Infrastructure Trust totaling $5,682,251.00 for the construction of Cell 13 of the landfill. The Fund portion of the award is for $4,312,251.00 and is interest free. The remaining Trust portion is for $1,370,000.00 and carries interest rates varying from 2.125% to 5.000%. Both loans have a final maturity of August 1, 2031. As of December 31, 2025, the Authority has drawn all of these funds.

On May 13, 2020, the Authority closed on loans from the New Jersey Infrastructure Bank totaling $4,877,129.00 for the construction of Cell 14 of the landfill. The Fund portion of the award is for $3,787,129.00 and is interest free. The remaining Trust portion is for $1,090,000.00 and carries an interest rate of 5.000%. Both loans have a final maturity of August 1, 2029. As of December 31, 2025, the Authority has drawn all of these funds.

On June 10, 2021, the Authority closed on loans from the New Jersey Infrastructure Bank totaling $7,943,171.00 for the construction of Cell 15 of the landfill. The Fund portion of the award is for $4,273,171.00 and is interest free. The remaining Trust portion is for $3,670,000.00 and carries an interest rate of 5.000%. Both loans have a final maturity of August 1, 2028. As of December 31, 2025, the Authority has drawn all of these funds.

Year Ending December 31, 2025	Interest Free Loan Principal	Loan Principal	Total Principal	Rates	Interest	Total
2026	$ 1,264,672.63	$ 785,000.00	$ 2,049,672.63	5.000%	$ 134,275.00	$ 2,183,947.63
2027	1,264,672.63	820,000.00	2,084,672.63	2.125% - 5.000%	95,025.00	2,179,697.63
2028	1,264,672.63	865,000.00	2,129,672.63	2.375% - 5.000%	57,331.26	2,187,003.89
2029	707,302.56	270,000.00	977,302.56	2.500% - 5.000%	17,231.26	994,533.82
2030	315,530.55	125,000.00	440,530.55	2.625%	6,856.26	447,386.81
2031	193,666.78	130,000.00	323,666.78	2.750%	3,575.00	327,241.78
	$ 5,010,517.78	$ 2,995,000.00	8,005,517.78		$ 314,293.78	$ 8,319,811.56
Less: Current Maturities			(2,049,672.63)			
Add: Premium on Bonds and Loans			130,432.02			
Long-term Portion			$ 6,086,277.17			

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Gloucester County Guaranty

The Gloucester County Board of County Commissioners (the "Board") adopted pursuant to N.J.S.A. 40:37A-80, a resolution on November 23, 1999, as amended and supplemented (the "County Guaranty"), which authorized the guaranty by the County of the payment, when due, of the principal of and interest on certain bonds of the Authority. Pursuant to the terms of the County Guaranty, the County has covenanted to pay, when due, the principal of and interest on the outstanding County Guaranteed Bonds to the extent that the revenues or other money or securities or funds of the Authority are not available under the terms of the Resolution therefor.

The payments which are required by the County under the terms of the County Guaranty will constitute the valid, binding, direct and general obligations of the County and are payable out of the first funds becoming legally available for such purpose. In the opinion of Bond Counsel to the County, the County has the power, and is obligated, to levy ad valorem taxes upon all the taxable real property within the jurisdiction of the County, for the purpose of making such payments under the County Guaranty, as the same shall become due, without limitation as to rate or amount, if such funds are not available. The County Guaranty will remain in full force and effect for as long as the Bonds remain outstanding.

Compensated Absences

The Authority accounts for compensated absences (e.g., employee's accrued leave) as directed by Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. The accrued liability for compensated absences at December 31, 2025 is estimated at $1,711,491.25.

Net Pension Liability

For details on the net pension liability, see the Pension Plans section of this note that follows. The Authority's annual required contribution to the Public Employees' Retirement System is paid on an annual basis.

Other Postemployment Benefits Liability

For details on other postemployment benefits, see the Postemployment Benefits Other Than Pensions (OPEB) section of this note that follows. The Authority's contributions to the postemployment benefits plan are paid as they are due.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans

A substantial number of the Authority's employees participate in the Public Employees' Retirement System ("PERS") which is administered by the New Jersey Division of Pensions and Benefits. In addition, several Authority employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. As a local participating employer of these pension plans, the Authority is referred to as "Employer" throughout this Note. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
https://www.state.nj.us/treasury/pensions/financial-reports.shtml

General Information about the Pension Plans

Plan Descriptions

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Employer, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are state or local officials who are elected or appointed on or after July 1, 2007; employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least $5,000.00 annually.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

General Information about the Pension Plans (Cont'd)

Vesting and Benefit Provisions

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

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

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

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

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.50% of base salary. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

General Information about the Pension Plans (Cont'd)

Contributions

Public Employees' Retirement System (Cont'd) - *Special Funding Situation Component* - Under N.J.S.A. 43:15A, 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. One of such legislation, which legally obligates the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

The Employer's contractually required contribution rate for the year ended December 31, 2025 was 16.21% of the Employer's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2025, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2025 was $1,270,617.00 and was payable by April 1, 2026.

Employee contributions to the Plan for the year ended December 31, 2025 were $591,431.53.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Employer, under Chapter 133, P.L. 2001, for the year ended December 31, 2025 was 0.50% of the Employer's covered payroll.

Based on the most recent PERS measurement date of June 30, 2025, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2025 was $39,287.00 and was payable by April 1, 2026.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Employer contributes 3% of the employees' base salary, for each pay period.

For the year ended December 31, 2025, employee contributions totaled $32,314.71. The Employer recognized pension expense of $17,629.78 for the year ended December 31, 2025, which equaled the required contributions. There were no forfeitures during the years.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

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

Public Employees' Retirement System

Pension Liability - As of December 31, 2025, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Employer's proportionate share of the PERS net pension liability was $11,434,243.00. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2025. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2025 measurement date, the Employer's proportion was 0.0929715217%, which was an increase of 0.0012921484% from its proportion measured as of June 30, 2024.

Pension (Benefit) Expense - For the year ended December 31, 2025, the Employer recognized its proportionate share of the PERS pension (benefit) expense of ($1,264,955.00). This amount was based on the Plan's June 30, 2025 measurement date.

For the year ended December 31, 2025, the Employer has recognized as a revenue and an expenditure on-behalf payments made by the State for the State's proportionate share of the PERS pension expense, associated with the Employer, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2025 measurement date. The amounts recognized as a revenue and an expense in the financial statements was $39,287.00.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Public Employees' Retirement System (Cont'd)

Deferred Outflows of Resources and Deferred Inflows of Resources – At December 31, 2025, the Employer had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Measurement Date June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 326,012.00	$ 12,219.00
Changes of Assumptions	1,806.00	131,733.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	953,465.00
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	698,962.00	788,821.00
Authority's Contributions Subsequent to the Measurement Date	635,309.00	-
	$ 1,662,089.00	$ 1,886,238.00

Deferred outflows of resources in the amount of $635,309.00 will be included as a reduction of the net pension liability during the year ending December 31, 2026. This amount is based on an estimated April 1, 2027 contractually required contribution, prorated from the pension plan's measurement date of June 30, 2025 to the Employer's year end of December 31, 2025.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

Public Employees' Retirement System (Cont'd)

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - The Employer will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
June 30, 2024	5.08	-
June 30, 2025	5.15	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2025	-	5.15

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2021	-	5.00
June 30, 2022	5.00	-
June 30, 2023	-	5.00
June 30, 2024	-	5.00
June 30, 2025	-	5.00
Changes in Proportion		
Year of Pension Plan Deferral:		
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04
June 30, 2023	5.08	5.08
June 30, 2024	5.08	5.08
June 30, 2025	5.15	5.15

Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

Year Ending December 31,	
2026	$ 313,549.00
2027	(467,882.00)
2028	(528,692.00)
2029	(183,148.00)
2030	6,715.00
	$ (859,458.00)

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

Actuarial Assumptions

Public Employees' Retirement System

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2025. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	Measurement Date June 30, 2025
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	3.25% - 7.75% Based on Years of Service
Investment Rate of Return	7.00%
Period of Actuarial Experience Study upon which Actuarial Assumptions were Based	July 1, 2021 - June 30, 2024

For the June 30, 2025 measurement date, pre-retirement mortality rates were based on the Pub-2016 General Below-Median Income Employee mortality table with an 86.3% adjustment for males and 97.6% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Post-retirement mortality rates were based on the Pub-2016 General Below-Median Income Healthy Retiree mortality table with a 93.3% adjustment for males and 99.5% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2016 Non-Safety Disabled Retiree mortality table with a 156.9% adjustment for males and 139.0% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Mortality improvement is based on Scale MP-2021.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

Actuarial Assumptions (Cont'd)

Public Employees' Retirement System (Cont'd)

In accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2025) 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 rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2025 are summarized in the table below:

	Measurement Date June 30, 2025	
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.55%
Non-U.S. Developed Markets Equity	12.75%	8.77%
International Small Cap Equity	1.25%	8.77%
Emerging Markets Equity	5.50%	10.30%
Private Equity	13.00%	12.00%
Real Estate	8.00%	10.78%
Real Assets	3.00%	7.90%
High Yield	4.50%	6.63%
Private Credit	8.00%	9.00%
Investment Grade Credit	7.00%	5.47%
Cash Equivalents	2.00%	3.61%
U.S. Treasuries	4.00%	3.61%
Risk Mitigation Strategies	3.00%	7.26%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. 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 would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Pension Plans (Cont'd)

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System

The following presents the Employer's proportionate share of the net pension liability as of the June 30, 2025 measurement date, calculated using a discount rate of 7.00%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate used:

	December 31, 2025		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Authority's Proportionate Share of the Net Pension Liability	$ 15,652,797.00	$ 11,434,243.00	$ 7,838,914.00

Pension Plan Fiduciary Net Position

Public Employees' Retirement System

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS' fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The Authority has established a postemployment benefit plan to assist retirees in paying for medical coverage. Retirees can continue the same medical coverage they had as active employees. The Authority subsidizes premiums for employees who are retirement eligible under the terms of their union agreement. The eligibility for each union group is detailed on the next page. Under Chapter 78 P.L. 2011 employees with 20 or less years of service as of the effective date of the law June 28, 2011 pay a percentage of the premium depending on their pension annuity. All but one of the current retirees are grandfathered and are not paying any part of their premiums. The Authority pays the entire premium for employees who are grandfathered. No assets are accumulated in a trust. In accordance with GASB Statement No. 75, this plan is considered a Single Employer, Defined Benefit OPEB Plan that is not administered through a Trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)

General Information about the OPEB Plan (Cont'd)

Plan Description and Benefits Provided (Cont'd)

Union Summary and Additional Retirement Eligibility
All Union Groups require PERS service retirement plus the additional eligibility requirements below. If Eligibility 1, Eligibility 2, or Eligibility 3 requirement is fulfilled, then the retiree is eligible for retiree medical benefits.

Union	Eligibility 1	Eligibility 2	Eligibility 3
The Communications Workers of America	25 years of PERS service		
DREAM Park Unit, USW	Age 65 and 25 years of PERS service	Age 62 and 20 years of PERS service	
UFCW, Solid Waste	Age 55 and 25 years of PERS service	Age 60 and 20 years of PERS service	Age 62 and 15 years of GCIA service
UFCW, Child Development Center	25 years of PERS service and 7 years of GCIA service	Age 62 and 15 years of GCIA service	
AFSCME	25 years of PERS service and 7 years of GCIA service	Age 62 and 15 years of GCIA service	Age 60 and 20 years of PERS service
GCIA Admin	25 years of PERS service and 7 years of GCIA service	Age 62 and 15 years of GCIA service	

Employees Covered by Benefit Terms

At December 31, 2025, the following employees were covered by the benefit terms:

	December 31, 2025
Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	46
Inactive Employees Entitled to but Not Yet Receiving Benefit Payments	13
Active Employees	110
	169

Contributions

Employees are not required to contribute to the plan.

Total OPEB Liability

The Authority's total OPEB liability of $23,864,055.00 as of December 31, 2025, was measured as of December 31, 2024. The liabilities were determined by an actuarial valuation as of January 1, 2026, with the use of updated procedures to adjust from the actuarial valuation date to the measurement date of December 31, 2024.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)

Actuarial Assumptions and Other Inputs

The following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60% Annually
Salary Increases	0.25% - 4.05%
Discount Rate	4.16%
Healthcare Cost Trend Rates	
Initial Rate Pre-Medicare Assumed at 9.00% for 2025 and 8.00% for 2026	
Initial Rate Medicare Assumed at 11.00% for 2025 and 6.14% for 2026	
Decrease to 5.41% and 4.89% by 2030	
Decrease to 4.58% and 4.20% by 2050	
Ultimately Leveling Off at 4.04% and 3.78% in 2075	

The discount rate used to determine the liabilities is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

An experience study was not performed on the actuarial assumptions used in the valuation since the plan had insufficient data to produce a study with credible results. Mortality rates and termination rates were based on standard tables either issued by the SOA or developed for the applicable grade of employee. The actuary has used their professional judgement in applying these assumptions to this plan.

Changes in the Total OPEB Liability

The following table shows the changes in the total OPEB liability for the year ended December 31, 2025.

	December 31, 2025	
Balance at Beginning of Year		$ 30,543,683.00
Changes for the Year:		
Service Cost	$ 827,503.00	
Interest Cost	1,169,220.00	
Change in Benefit Terms	-	
Benefit Payments	(714,796.00)	
Changes of Assumptions	(2,281,182.00)	
Differences Between Expected and Actual Demographic Experience	(5,680,373.00)	
Net Changes		(6,679,628.00)
Balance at End of Year		$ 23,864,055.00

The changes of assumptions at December 31, 2025 were the result of the change in the discount rate and the updating of the healthcare cost trend based on the 2024 Getzen model released by the SOA and adjusted to reflect the expected impact of the Inflation Reduction Act.

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	December 31, 2025		
	1.00% Decrease (3.16%)	Current Discount Rate (4.16%)	1.00% Increase (5.16%)
Total OPEB Liability	$ 28,083,756.00	$ 23,864,055.00	$ 20,483,146.00

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	December 31, 2025		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
Total OPEB Liability	$ 20,311,867.00	$ 23,864,055.00	$ 28,414,189.00

Note 4: DETAIL NOTES – LIABILITIES (CONT'D)

Postemployment Benefits Other Than Pensions (OPEB) – Authority Plan (Cont'd)

OPEB (Benefit) Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the Authority recognized OPEB (benefit) expense of ($3,009,981.00). At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	$ 5,561,936.00	$ 10,795,826.00
Differences Between Expected and Actual Demographic Experience	10,399,221.00	14,394,743.00
	$ 15,961,157.00	$ 25,190,569.00

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (benefit) expense as follows:

Year Ending December 31,	
2026	$ (3,577,112.00)
2027	(3,577,111.00)
2028	769,799.00
2029	(175,567.00)
2030	(175,560.00)
Thereafter	(2,493,861.00)
	$ (9,229,412.00)

Note 5: INTERGOVERNMENTAL AGREEMENTS

The County of Gloucester and other local governmental units within Gloucester County have entered into Lease Agreements with the Authority in order to provide for, among other things, the lease projects and for the payment of rentals to the Authority. Pursuant to the terms of the lease agreements, the governmental units are required to make rental payments to the Authority in order to pay or provide for the payment of certain expenses of the Authority and the payment of debt service on certain obligations of the Authority, including the Bonds. The Bonds constitute "Bonds", as such term is defined in the Lease Agreements, and as such, the debt service requirements for the Bonds are included in the rental payments, which are required to be made to the Authority pursuant to the terms of the Lease Agreements.

Note 6: CONDUIT DEBT OBLIGATIONS

The Authority is authorized to provide within the County of Gloucester, public facilities, convention halls, equipment and facilities for public transportation, garbage and solid waste systems, the improvement, furtherance and promotion of tourist industries and recreational attractiveness and the planning and carrying out of redevelopment projects. Utilizing this authorization, the Authority has issued certain debt bearing its name to lower the cost of borrowing for specific governmental entities within the County. This debt is commonly referred to as conduit (or noncommitment) debt. Typically, the debt proceeds are used to finance facilities within the Authority's jurisdiction that are transferred to the third party either by lease or by sale.

The underlying lease or mortgage loan agreement (notes receivable), which serves as collateral for the promise of payments by the third party, calls for payments that are essentially the same as those required by the debt. These payments are made by the third party directly to an independent trustee, who is appointed to service and administer the arrangement. The Authority assumes no responsibility for repayment of this debt beyond the resources provided by the underlying leases or mortgage loans.

As of December 31, 2025, there were twelve (12) series of conduit debt obligations outstanding with an aggregate principal amount due of $364,830,127.43. This conduit debt is treated strictly as conduit debt obligations under GASB Statement No. 91 and accordingly is not included in the Authority's financial statements. More detail regarding these balances can be found in supplementary information schedule 5.

Note 7: RELATED PARTIES

The Commissioners of the Authority are appointed by the Board of County Commissioners of the County of Gloucester (the "Board"). Accordingly, the Board has the ability to influence the nature and amounts of business done by the Authority. The Authority and County of Gloucester have engaged in significant transactions with each other. These transactions include the issuance of conduit debt obligations and certain subsidy payments for activities of the Authority.

Note 8: COMMITMENTS

The Authority had several outstanding or planned construction projects as of December 31, 2025. These projects are evidenced by contractual commitments with contractors and include:

Project	Awarded	Commitment Remaining
Construction Oversight - Mantua Forcemain	$ 684,300.00	$ 81,396.25
Leachate Storage Tank #4	536,857.00	46.30
Engineering for Swedesboro Pump Station	582,448.00	142,587.40
Construction Oversight Cells 17+18	1,850,255.00	847,172.19
Construction of Cells 17+18	16,734,200.01	6,156,478.66
Leachate Pump Station & Forcemain Construction	936,642.00	656,598.75
Engineering Phase X Lateral & Vertical Expansion	743,505.00	743,505.00
Gas Control System Expansion	986,140.00	986,140.00
Shady Lane Roof Replacement	1,463,013.48	469,342.88
		$ 10,083,267.43

Note 9: DEFERRED COMPENSATION

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

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

Note 10: INSURANCE COMMISSION

The Authority is a member of the Gloucester County Insurance Commission. The Commission provides its members with the following coverage:

Workers' Compensation and Employer's Liability
General Liability
Auto Liability, Auto Physical Damage
Property
Employee Dishonesty

Contributions to the Commission, including a reserve for contingencies, are based on actuarial assumptions determined by the Commission's actuary. The Commission may order additional assessments to supplement the Commission's claim, loss retention or administrative accounts to assure the payment of the Commission's obligations.

The Commission purchases excess insurance for coverage in excess of the Commission's self-insured retention limits.

The Commission publishes its own financial report which can be obtained from:

Gloucester County Insurance Commission
9 Campus Drive, Suite 216
Parsippany, NJ 07054

Note 11: CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations require the Authority to place a final cover on Solid Waste Landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The original funding plan for closure and post-closure costs of the landfill was developed and implemented at the Authority's inception and has since been revised. Government Accounting Standards Board Statement No. 18 requires the Authority to disclose specific information relevant to closure and post-closure costs. Pursuant to Statement No. 18, the Authority directed its engineer to update the closure/post-closure plan along with the required financial schedules. This plan was completed and filed with the Authority on March 2, 1995, revised in December 1998, May 2006, May 2007, March 2009, August 2019, and June 2022.

Note 11: CLOSURE AND POST-CLOSURE COSTS (CONT'D)

Landfill Closure and Post-Closure Liability

Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Authority reports a portion of these closure and post-closure care costs as an operating expense each year based on landfill capacity used as of each statement of net position date.

As of December 31, 2025, the Authority had an accrued liability for landfill closure and post-closure care of $68,474,497.31. This liability represents the cumulative amount reported to date based on the estimate that the landfill is 72.29% filled. These amounts, from the June 2022 closure plan, are based on what it would cost to perform all closure and post-closure on the landfill.

The projected year for the landfill closure is 2035. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

Restricted Assets

The Authority is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and post-closure care. The Authority is in compliance with these requirements. At December 31, 2025, the NJDEP and Alternative closure/post-closure fund cash and investment balance is $46,657,117.00. These balances are reported as unrestricted in the amount of $5,700,554.98 and restricted in the amount of $40,956,561.92 on the statement of net position. The Authority expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

The Authority's funding progress, which includes accumulated contributions and investment income at December 31, 2025, and additional contributions and investment income subsequent to December 31, 2025, (estimated) regarding the plan overall are as follows:

	December 31, 2025
New Jersey Department of Environmental Protection and Energy Escrow-Alternate Tax Account	$ 19,578,838.00
New Jersey Department of Environmental Protection and Energy Escrow Tax Account	27,078,279.00
Subtotal	46,657,117.00
Remaining Estimated Contributions to be made by the Authority to the NJDEP	
Escrow-Alternate Tax Account	43,869,830.92
Escrow Tax Account	6,550,995.15
Projected Investment Earnings Assuming an Interest Rate ranging from 1.2% to 3.5%	48,342,293.16
Total	$ 145,420,236.23

Note 12: CONTINGENCIES

Litigation - The Authority is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Authority, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 13: INTERGOVERNMENTAL AGREEMENTS

On March 17, 2022, the Authority adopted Resolution No. 79-22 authorizing the execution and delivery of a shared services agreement with the Gloucester County Utilities Authority ("GCUA") in connection with the undertaking of the County Regional Wastewater Project.

The shared services agreement, dated April 19, 2022, entitled Regional Wastewater Project – Mantua Main states the GCUA shall provide and make available up to $10,000,000.00 of preliminary funding for all costs and expenses necessary or required to complete the Mantua Main Project not otherwise paid for by the Woolwich Share (referred to herein as the "Remaining Share"), with such funding to be provided by the GCUA from (a) the utilization of available funds of the GCUA from its general or reserve funds not otherwise restricted to be utilized by any resolutions, indentures or other trust documents applicable to the GCUA or its funds, or (b) borrowed funds of the GCUA, it being understood and agreed by the Parties that the GCIA shall reimburse the GCUA for such verified costs and expenses in accordance with terms and conditions as further described in the agreement.

Note 14: SUBSEQUENT EVENTS

On April 16, 2026, the Authority adopted Resolution 81-2026 authorizing the submission of an application to the New Jersey Local Finance Board for the Issuance of Loan Revenue Refunding Bonds (Rowan University Projects), Series 2026 in an amount up to $95,000,000.00; the proceeds of which will be used together with other available funds to refund certain outstanding Rowan University project bonds and to cover associated costs of issuance.

REQUIRED SUPPLEMENTARY INFORMATION

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Plan Years

	Measurement Date Ending June 30,				
	2025	**2024**	**2023**	**2022**	**2021**
Proportion of the Net Pension Liability	0.0929715217%	0.0916793733%	0.0995885412%	0.0944901367%	0.0892923330%
Proportionate Share of the Net Pension Liability	$ 11,434,243.00	$ 12,457,435.00	$ 14,424,777.00	$ 14,259,862.00	$ 10,578,015.00
Covered Payroll (Plan Measurement Period)	$ 7,663,948.00	$ 7,170,796.00	$ 7,253,724.00	$ 6,763,760.00	$ 6,444,808.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	149.20%	173.72%	198.86%	210.83%	164.13%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.84%	68.22%	65.23%	62.91%	70.33%

	Measurement Date Ending June 30,				
	2020	**2019**	**2018**	**2017**	**2016**
Proportion of the Net Pension Liability	0.1002714419%	0.1088976129%	0.1053035393%	0.1178623719%	0.1176098377%
Proportionate Share of the Net Pension Liability	$ 16,351,650.00	$ 19,621,698.00	$ 20,733,742.00	$ 27,436,476.00	$ 34,832,661.00
Covered Payroll (Plan Measurement Period)	$ 7,157,648.00	$ 7,564,708.00	$ 7,649,952.00	$ 8,083,292.00	$ 7,961,532.00
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	228.45%	259.38%	271.03%	339.42%	437.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.32%	56.27%	53.60%	48.10%	40.14%

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Required Supplementary Information
Schedule of the Authority's Contributions
Public Employees' Retirement System (PERS)
Last Ten Years

	Year Ended December 31,				
	2025	**2024**	**2023**	**2022**	**2021**
Contractually Required Contribution	$ 1,270,617.00	$ 1,247,500.00	$ 1,331,028.00	$ 1,191,566.00	$ 1,045,717.00
Contribution in Relation to the Contractually Required Contribution	(1,270,617.00)	(1,247,500.00)	(1,331,028.00)	(1,191,566.00)	(1,045,717.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll (Calendar Year)	$ 7,840,347.00	$ 7,655,787.00	$ 7,315,543.00	$ 7,088,788.00	$ 6,841,681.00
Contributions as a Percentage of Covered Payroll	16.21%	16.29%	18.19%	16.81%	15.28%

	Year Ended December 31,				
	2020	**2019**	**2018**	**2017**	**2016**
Contractually Required Contribution	$ 1,096,919.00	$ 1,059,253.00	$ 1,047,430.00	$ 1,091,869.00	$ 1,044,829.00
Contribution in Relation to the Contractually Required Contribution	(1,096,919.00)	(1,059,253.00)	(1,047,430.00)	(1,091,869.00)	(1,044,829.00)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
Covered Payroll (Calendar Year)	$ 6,697,552.00	$ 7,152,567.00	$ 7,498,634.00	$ 7,578,597.00	$ 7,924,906.00
Contributions as a Percentage of Covered Payroll	16.38%	14.81%	13.97%	14.41%	13.18%

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Required Supplementary Information
Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios - Authority Plan
Last Eight Years

	Year Ended December 31,							
	2025	**2024**	**2023**	**2022**	**2021**	**2020**	**2019**	**2018**
Total OPEB Liability								
Service Cost	$ 827,503.00	$ 760,737.00	$ 921,642.00	$ 844,431.00	$ 1,771,768.00	$ 1,271,290.00	$ 2,133,622.00	$ 1,750,584.00
Interest Cost	1,169,220.00	1,119,203.00	476,104.00	483,484.00	1,126,546.00	1,167,193.00	1,567,142.00	1,508,720.00
Change in Benefit Terms	-	-	(3,609,612.00)					
Benefit Payments	(714,796.00)	(572,182.00)	(312,876.00)	(436,887.00)	(457,056.00)	(376,981.00)	(546,434.00)	(567,068.00)
Differences Between Expected and Actual Experience	(5,680,373.00)	(70,716.00)	16,543,411.00	34,936.00	2,572,028.00	24,318.00	(13,802,994.00)	182,542.00
Actuarial Assumption Changes	(2,281,182.00)	1,350,555.00	(12,150,828.00)	787,100.00	(21,788,045.00)	7,427,072.00	(5,282,304.00)	5,005,688.00
Net Change in Total OPEB Liability	(6,679,628.00)	2,587,597.00	1,867,841.00	1,713,064.00	(16,774,759.00)	9,512,892.00	(15,930,968.00)	7,880,466.00
Total OPEB Liability - Beginning of Year	30,543,683.00	27,956,086.00	26,088,245.00	24,375,181.00	41,149,940.00	31,637,048.00	47,568,016.00	39,687,550.00
Total OPEB Liability - End of Year	$ 23,864,055.00	$ 30,543,683.00	$ 27,956,086.00	$ 26,088,245.00	$ 24,375,181.00	$ 41,149,940.00	$ 31,637,048.00	$ 47,568,016.00
Covered-Employee Payroll This OPEB Plan does not depend on salary, therefore, no salary information is provided.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position								
Contributions - Employer	$ 714,796.00	$ 572,182.00	$ 312,876.00	$ 436,887.00	$ 457,056.00	$ 376,981.00	$ 546,434.00	$ 567,068.00
Contributions - Non-employer Contributing Entities								
Contributions - Member								
Net Investment Income								
Benefit Payments	(714,796.00)	(572,182.00)	(312,876.00)	(436,887.00)	(457,056.00)	(376,981.00)	(546,434.00)	(567,068.00)
Administrative Expense								
Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning of Year	-	-	-	-	-	-	-	-
Plan Fiduciary Net Position - End of Year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

Note 1: POSTEMPLOYMENT BENEFITS - PENSION

Public Employees' Retirement System (PERS)

Changes in Benefit Terms:

There were no changes in benefit terms during the current year applicable to the Authority. Although certain provisions of Chapter 97, P.L. 2024 and Chapter 56, P.L. 2024 affected specific County-related employee groups, including county fire instructors and county prosecutors, these provisions are not applicable to the Authority.

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2025	7.00%	2020	7.00%
2024	7.00%	2019	6.28%
2023	7.00%	2018	5.66%
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%

The long-term expected rate of return used as of June 30 measurement date is as follows:

Year	Rate	Year	Rate
2025	7.00%	2020	7.00%
2024	7.00%	2019	7.00%
2023	7.00%	2018	7.00%
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%

Note 2: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

Authority Plan

Changes in Benefit Terms:

None

Changes in Assumptions:

The discount rate used as of the December 31 measurement date is as follows:

Year	Rate	Year	Rate
2024	4.16%	2020	2.00%
2023	3.77%	2019	2.75%
2022	4.05%	2018	3.71%
2021	1.84%	2017	3.31%

SUPPLEMENTARY SCHEDULES

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Net Position
As of December 31, 2025

	Operating / Landfill	Nursing Home	Child Care	Dream Park	Paulsboro Projects	Government Leasing	Other	Eliminations	Total
ASSETS									
Current Assets:									
Unrestricted Assets:									
Cash and Cash Equivalents	$ 16,310,285.58	$ 954,587.58	$ 603,225.14	$ 614,189.33	$ -	$ -	$ -	$ -	$ 18,482,287.63
Investments	6,138,604.20								6,138,604.20
Accounts Receivable	1,720,817.68	360,726.38	53,713.12	137,308.32					2,272,565.50
Other Receivables	3,427,725.61	-					-	-	3,427,725.61
Total Unrestricted Assets	27,597,433.07	1,315,313.96	656,938.26	751,497.65	-	-	-	-	30,321,182.94
Restricted Assets:									
Cash and Cash Equivalents	18,160,239.51				947,150.79	19,070.20	106,179.94		19,232,640.44
Investments	41,478,811.97								41,478,811.97
Financing Receivable - County of Gloucester						2,325,000.00			2,325,000.00
Accrued Interest Receivable						117,578.94			117,578.94
Interfund Receivables	2,472,707.09	-	-	-			64,624.10	(2,537,331.19)	-
Total Restricted Assets	62,111,758.57	-	-	-	947,150.79	2,461,649.14	170,804.04	(2,537,331.19)	63,154,031.35
Total Current Assets	89,709,191.64	1,315,313.96	656,938.26	751,497.65	947,150.79	2,461,649.14	170,804.04	(2,537,331.19)	93,475,214.29
Noncurrent Assets:									
Restricted Assets:									
Financing Receivable - County of Gloucester						8,040,000.00			8,040,000.00
Total Restricted Assets	-	-	-	-	-	8,040,000.00	-	-	8,040,000.00
Capital Assets:									
Capital Assets, Cost	177,077,021.55	16,345,681.09	394,593.07	12,202,353.55					206,019,649.26
Accumulated Depreciation/Depletion	(126,651,317.17)	(12,746,748.65)	(204,723.43)	(6,586,510.88)					(146,189,300.13)
Total Capital Assets	50,425,704.38	3,598,932.44	189,869.64	5,615,842.67	-	-	-	-	59,830,349.13
Total Noncurrent Assets	50,425,704.38	3,598,932.44	189,869.64	5,615,842.67	-	8,040,000.00	-	-	67,870,349.13
Total Assets	140,134,896.02	4,914,246.40	846,807.90	6,367,340.32	947,150.79	10,501,649.14	170,804.04	(2,537,331.19)	161,345,563.42
DEFERRED OUTFLOWS OF RESOURCES									
Related to OPEB	15,961,157.00								15,961,157.00
Related to Pensions	743,120.00	531,370.00	231,030.00	156,569.00					1,662,089.00
	16,704,277.00	531,370.00	231,030.00	156,569.00	-	-	-	-	17,623,246.00

(Continued)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Net Position
As of December 31, 2025

	Operating / Landfill	Nursing Home	Child Care	Dream Park	Paulsboro Projects	Government Leasing	Other	Eliminations	Total
LIABILITIES									
Current Liabilities Payable from Unrestricted Assets:									
Accounts Payable	$ 3,753,014.86	$ 126,379.30	$ 21,945.02	$ 43,374.57	$ -	$ -	$ -	$ -	$ 3,944,713.75
Accounts Payable - Related to Pensions	568,093.00	406,216.00	176,616.00	119,692.00					1,270,617.00
Security Deposits	5,125.88		22,963.63	25,202.55					53,292.06
Compensated Absences Payable	996,742.04	516,656.80	97,085.30	101,007.11					1,711,491.25
Interfund Payable	-	2,131,013.80	165,176.09	241,141.30				(2,537,331.19)	-
Accrued Interest Payable	527,439.58	7,003.12							534,442.70
Reserve for Grants	307,047.15								307,047.15
Reserve for Donations - Nursing Home		3,026.17							3,026.17
Reserve for Patient Needs		14,916.74							14,916.74
Long Term Debt - Current Portion	5,429,672.63	655,000.00							6,084,672.63
Total Current Liabilities Payable from Unrestricted Assets	11,587,135.14	3,860,211.93	483,786.04	530,417.53	-	-	-	(2,537,331.19)	13,924,219.45
Current Liabilities Payable from Restricted Assets:									
Accounts Payable						19,070.20	1,680.77		20,750.97
Reserve for Recycling Programs							169,123.27		169,123.27
Reserve for Paulsboro Terminal Program					947,150.79				947,150.79
Accrued Interest Payable						117,578.94			117,578.94
Long Term Debt - Current Portion						2,325,000.00			2,325,000.00
Total Current Liabilities Payable from Restricted Assets	-	-	-	-	947,150.79	2,461,649.14	170,804.04	-	3,579,603.97
Total Current Liabilities	11,587,135.14	3,860,211.93	483,786.04	530,417.53	947,150.79	2,461,649.14	170,804.04	(2,537,331.19)	17,503,823.42
Noncurrent Liabilities:									
Long Term Debt - Long-Term Portion	34,912,027.54	2,085,000.00				8,040,000.00			45,037,027.54
Other Post Employment Benefits	23,864,055.00								23,864,055.00
Net Pension Liability	5,112,250.00	3,655,527.00	1,589,360.00	1,077,106.00					11,434,243.00
Accrued Liabilities - Related to Pensions	284,047.00	203,108.00	88,308.00	59,846.00					635,309.00
Estimated Liability for Landfill Closure and Post-Closure Costs	68,474,497.31								68,474,497.31
Total Noncurrent Liabilities	132,646,876.85	5,943,635.00	1,677,668.00	1,136,952.00	-	8,040,000.00	-	-	149,445,131.85
Total Liabilities	144,234,011.99	9,803,846.93	2,161,454.04	1,667,369.53	947,150.79	10,501,649.14	170,804.04	(2,537,331.19)	166,948,955.27
DEFERRED INFLOWS OF RESOURCES									
Related to OPEB	25,190,569.00								25,190,569.00
Related to Pensions	843,337.00	603,030.00	262,187.00	177,684.00					1,886,238.00
	26,033,906.00	603,030.00	262,187.00	177,684.00	-	-	-	-	27,076,807.00
NET POSITION (DEFICIT)									
Net Investment in Capital Assets	10,084,004.21	858,932.44	189,869.64	5,615,842.67					16,748,648.96
Restricted	250,000.00								250,000.00
Unrestricted (Deficit)	(23,762,749.18)	(5,820,192.97)	(1,535,672.78)	(936,986.88)					(32,055,601.81)
Total Net Position (Deficit)	$ (13,428,744.97)	$ (4,961,260.53)	$ (1,345,803.14)	$ 4,678,855.79	$ -	$ -	$ -	$ -	$ (15,056,952.85)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2025

	Operating / Landfill	Nursing Home	Child Care	Dream Park	Paulsboro Projects	Government Leasing	Other	Total 2025
Operating Revenues:								
Landfill Operating Revenue	$ 29,369,629.10	$ -	$ -	$ -	$ -	$ -	$ -	$ 29,369,629.10
Operating Income Wheelabrator Ash	4,937,575.92							4,937,575.92
Communication Tower Rental	19,576.81							19,576.81
Other Income	834,750.84							834,750.84
Private Billings		1,544,248.08						1,544,248.08
Medicaid/Medicare Billings		3,150,652.47						3,150,652.47
Other Billings		482,814.05						482,814.05
Other Miscellaneous Income		535,740.56						535,740.56
Child Care Revenue			819,455.78					819,455.78
Dream Park Income				878,492.91				878,492.91
Gloucester County Support		680,779.00	945,610.00	1,164,809.00				2,791,198.00
Total Operating Revenues	35,161,532.67	6,394,234.16	1,765,065.78	2,043,301.91	-	-	-	45,364,134.52
Operating Expenses:								
Administration:								
Salaries and Wages	1,217,543.14	308,795.73	77,511.54	248,579.92				1,852,430.33
Fringe Benefits	1,338,940.58	26,961.03	10,737.85	23,477.33				1,400,116.79
Other Expenses	2,083,046.14	142,304.31	39,037.42	318,900.29				2,583,288.16
Cost of Providing Service:								
Salaries and Wages	2,734,271.63	3,448,875.03	1,099,625.42	808,808.46				8,091,580.54
Fringe Benefits	4,256,113.42	266,674.34	87,896.65	63,277.28				4,673,961.69
Other Expenses	11,830,736.28	2,240,165.61	392,407.56	321,960.04				14,785,269.49
Depreciation, Depletion, and Amortization Expense	2,467,861.36	667,762.82	19,262.20	274,393.99				3,429,280.37
Total Operating Expenses	25,928,512.55	7,101,538.87	1,726,478.64	2,059,397.31	-	-	-	36,815,927.37
Operating Income (Loss)	9,233,020.12	(707,304.71)	38,587.14	(16,095.40)	-	-	-	8,548,207.15
Non-Operating Revenues (Expenses):								
Investment Income	2,813,055.46	-	-	-				2,813,055.46
Interest on Revenue Bonds and Loans	(761,268.63)	(100,170.85)						(861,439.48)
Cost of Issuance and Financing Fees	(149,218.75)							(149,218.75)
Subsidies to Other Funds	415,032.06	(273,077.98)	(35,968.75)	(105,985.33)				-
Renewal and Replacement Reserve	(1,506,413.58)	(55,427.02)	(8,000.00)	(18,213.70)				(1,588,054.30)
Pension Benefit (Expense)	565,562.00	404,408.00	175,827.00	119,158.00				1,264,955.00
Annual OPEB Benefit (Expense)	3,009,981.00							3,009,981.00
Annual OPEB Contributions	(714,796.00)							(714,796.00)
Total Non-Operating Revenues (Expenses)	3,671,933.56	(24,267.85)	131,858.25	(5,041.03)	-	-	-	3,774,482.93
Change in Net Position	12,904,953.68	(731,572.56)	170,445.39	(21,136.43)	-	-	-	12,322,690.08
Net Position (Deficit), Beginning of Year	(26,333,698.65)	(4,229,687.97)	(1,516,248.53)	4,699,992.22	-	-	-	(27,379,642.93)
Net Position (Deficit), End of Year	$ (13,428,744.97)	$ (4,961,260.53)	$ (1,345,803.14)	$ 4,678,855.79	$ -	$ -	$ -	$ (15,056,952.85)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Anticipated Revenues, Operating Appropriations, Principal Payments and
Non-Operating Appropriations Compared to Budget--Budgetary Basis
For the Year Ended December 31, 2025

	2025 Budget - Operating / Landfill				Variance of 2025 Budget to Actual	
	Adopted Budget	Modifications/ Transfers	Amended Budget	2025 Actual	Amount	Percent
Operating Revenues:						
Landfill Operating Revenue	$ 29,966,400.00	$ -	$ 29,966,400.00	$ 29,369,629.10	$ (596,770.90)	-1.99%
Operating Income Wheelabrator Ash	4,800,000.00	-	4,800,000.00	4,937,575.92	137,575.92	2.87%
Communications Tower Rental		-		19,576.81	19,576.81	
Other Miscellaneous Income	450,000.00	-	450,000.00	834,750.84	384,750.84	85.50%
Total Operating Revenues	35,216,400.00	-	35,216,400.00	35,161,532.67	(54,867.33)	-0.16%
Non-Operating Revenues:						
Interest on Investments & Deposits	225,000.00		225,000.00	2,813,055.46	2,588,055.46	1150.25%
Total Non Operating Revenues	225,000.00	-	225,000.00	2,813,055.46	2,588,055.46	1150.25%
Total Revenues	35,441,400.00	-	35,441,400.00	37,974,588.13	2,533,188.13	7.15%
Operating Appropriations:						
Administration:						
Salaries and Wages	1,302,653.00	(99,469.25)	1,203,183.75	1,217,543.14	(14,359.39)	-1.19%
Fringe Benefits	1,601,955.00	(235,020.36)	1,366,934.64	1,338,940.58	27,994.06	2.05%
Other Expenses:						
Operating Expense	1,179,428.00	487,553.31	1,666,981.31	1,557,319.72	109,661.59	6.58%
Maintenance Expense	11,000.00	31,385.00	42,385.00	41,584.82	800.18	1.89%
Professional Services	400,000.00	151,500.00	551,500.00	321,141.21	230,358.79	41.77%
Utilities / Fuels	169,900.00	13,883.48	183,783.48	163,000.39	20,783.09	11.31%
Total Other Expenses	1,760,328.00	684,321.79	2,444,649.79	2,083,046.14	361,603.65	14.79%
Total Administration	4,664,936.00	349,832.18	5,014,768.18	4,639,529.86	375,238.32	7.48%
Cost of Providing Service:						
Salaries and Wages	2,762,227.00	24,869.25	2,787,096.25	2,734,271.63	52,824.62	1.90%
Fringe Benefits	4,223,345.00	330,393.30	4,553,738.30	4,256,113.42	297,624.88	6.54%
Other Expenses:						
Operating Expense	11,226,229.00	(941,550.49)	10,284,678.51	7,084,709.94	3,199,968.57	31.11%
Maintenance Expense	990,000.00		990,000.00	626,458.71	363,541.29	36.72%
Professional Services	3,640,000.00	136,214.76	3,776,214.76	3,670,020.88	106,193.88	2.81%
Utilities / Fuels	505,000.00	100,241.00	605,241.00	449,546.75	155,694.25	25.72%
Total Other Expenses	16,361,229.00	(705,094.73)	15,656,134.27	11,830,736.28	3,825,397.99	24.43%
Total Cost of Providing Service	23,346,801.00	(349,832.18)	22,996,968.82	18,821,121.33	4,175,847.49	18.16%
Total Principal Payments on Debt in lieu of Depreciation	4,514,673.00	1,950,000.00	6,464,673.00	6,464,672.63	0.37	0.00%
Total Operating Appropriations	32,526,410.00	1,950,000.00	34,476,410.00	29,925,323.82	4,551,086.18	13.20%
Non-Operating Appropriations:						
Interest on Bonds	926,763.00	101,399.00	1,028,162.00	761,268.63	266,893.37	25.96%
Renewal and Replacement Reserve	1,988,227.00	1,710,000.00	3,698,227.00	3,698,227.00	-	
Total Non-Operating Appropriations	2,914,990.00	1,811,399.00	4,726,389.00	4,459,495.63	266,893.37	5.65%
Total Operating & Non-Operating Appropriations	35,441,400.00	3,761,399.00	39,202,799.00	34,384,819.45	4,817,979.55	12.29%
Total Budget Appropriations	35,441,400.00	3,761,399.00	39,202,799.00	34,384,819.45	4,817,979.55	12.29%
Excess of Revenues Over Appropriations	$ -	$ (3,761,399.00)	$ (3,761,399.00)	$ 3,589,768.68	$ 7,351,167.68	

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Anticipated Revenues, Operating Appropriations, Principal Payments and
Non-Operating Appropriations Compared to Budget--Budgetary Basis
For the Year Ended December 31, 2025

	2025 Budget - Nursing Home				Variance of 2025 Budget to Actual	
	Adopted Budget	Modifications/ Transfers	Amended Budget	2025 Actual	Amount	Percent
Operating Revenues:						
Private Billings	$ 925,000.00	$ -	$ 925,000.00	$ 1,544,248.08	$ 619,248.08	66.95%
Medicaid/Medicare Billings	6,375,000.00		6,375,000.00	3,150,652.47	(3,224,347.53)	-50.58%
Other Billings	437,000.00		437,000.00	482,814.05	45,814.05	10.48%
Miscellaneous Revenue	-		-	535,740.56	535,740.56	
Total Operating Revenues	7,737,000.00	-	7,737,000.00	5,713,455.16	(2,023,544.84)	-26.15%
Non-Operating Revenues:						
County Support	680,779.00		680,779.00	680,779.00	-	
Total Non Operating Revenues	680,779.00	-	680,779.00	680,779.00	-	
Total Revenues	8,417,779.00	-	8,417,779.00	6,394,234.16	(2,023,544.84)	-24.04%
Operating Appropriations:						
Administration:						
Salaries and Wages	374,410.00	-	374,410.00	308,795.73	65,614.27	17.52%
Fringe Benefits	37,600.00		37,600.00	26,961.03	10,638.97	28.30%
Other Expenses:						
Operating Expense	39,236.00	10,792.92	50,028.92	45,640.47	4,388.45	8.77%
Professional Services	116,076.00		116,076.00	67,339.77	48,736.23	41.99%
Utilities / Fuels	17,218.00	12,110.00	29,328.00	29,324.07	3.93	0.01%
Total Other Expenses	172,530.00	22,902.92	195,432.92	142,304.31	53,128.61	27.19%
Total Administration	584,540.00	22,902.92	607,442.92	478,061.07	129,381.85	21.30%
Cost of Providing Service:						
Salaries and Wages	4,118,542.00	(171,268.00)	3,947,274.00	3,448,875.03	498,398.97	12.63%
Fringe Benefits	338,400.00		338,400.00	266,674.34	71,725.66	21.20%
Other Expenses:						
Operating Expense	521,284.00	(3,793.31)	517,490.69	402,727.72	114,762.97	22.18%
Maintenance Expense	125,968.00	15,000.00	140,968.00	119,356.42	21,611.58	15.33%
Professional Services	1,542,150.00	130,613.39	1,672,763.39	1,491,425.20	181,338.19	10.84%
Utilities / Fuels	228,757.00	6,545.00	235,302.00	226,656.27	8,645.73	3.67%
Total Other Expenses	2,418,159.00	148,365.08	2,566,524.08	2,240,165.61	326,358.47	12.72%
Total Cost of Providing Service	6,875,101.00	(22,902.92)	6,852,198.08	5,955,714.98	896,483.10	13.08%
Total Principal Payments on Debt in lieu of Depreciation	640,000.00	-	640,000.00	640,000.00	-	
Total Operating Appropriations	8,099,641.00	-	8,099,641.00	7,073,776.05	1,025,864.95	12.67%
Non-Operating Appropriations:						
Interest on Bonds	101,638.00		101,638.00	100,170.85	1,467.15	1.44%
Renewal and Replacement Reserve	216,500.00		216,500.00	216,500.00	-	
Total Non-Operating Appropriations	318,138.00	-	318,138.00	316,670.85	1,467.15	0.46%
Total Operating & Non-Operating Appropriations	8,417,779.00	-	8,417,779.00	7,390,446.90	1,027,332.10	12.20%
Total Budget Appropriations	8,417,779.00	-	8,417,779.00	7,390,446.90	1,027,332.10	12.20%
Deficit of Revenues Under Appropriations	$ -	$ -	$ -	$ (996,212.74)	$ (996,212.74)	

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Anticipated Revenues, Operating Appropriations, Principal Payments and
Non-Operating Appropriations Compared to Budget--Budgetary Basis
For the Year Ended December 31, 2025

	2025 Budget - Child Care				Variance of 2025 Budget to Actual	
	Adopted Budget	Modifications/ Transfers	Amended Budget	2025 Actual	Amount	Percent
Operating Revenues:						
Tuition Revenue	$ 1,065,729.00	$ -	$ 1,065,729.00	$ 813,921.61	$ (251,807.39)	-23.63%
Other Income	-		-	5,534.17	5,534.17	
Total Operating Revenues	1,065,729.00	-	1,065,729.00	819,455.78	(246,273.22)	-23.11%
Non-Operating Revenues:						
County Support	945,610.00		945,610.00	945,610.00	-	
Total Non Operating Revenues	945,610.00	-	945,610.00	945,610.00	-	
Total Revenues	2,011,339.00	-	2,011,339.00	1,765,065.78	(246,273.22)	-12.24%
Operating Appropriations:						
Administration:						
Salaries and Wages	86,153.00	900.00	87,053.00	77,511.54	9,541.46	10.96%
Fringe Benefits	7,601.00	3,700.00	11,301.00	10,737.85	563.15	4.98%
Other Expenses:						
Operating Expense	52,761.00	(1,012.00)	51,749.00	29,391.04	22,357.96	43.20%
Professional Services	540.00		540.00	540.00	-	
Utilities / Fuels	11,360.00	164.00	11,524.00	9,106.38	2,417.62	20.98%
Total Other Expenses	64,661.00	(848.00)	63,813.00	39,037.42	24,775.58	38.83%
Total Administration	158,415.00	3,752.00	162,167.00	127,286.81	34,880.19	21.51%
Cost of Providing Service:						
Salaries and Wages	1,160,572.00	(900.00)	1,159,672.00	1,099,625.42	60,046.58	5.18%
Fringe Benefits	102,399.00	(3,000.00)	99,399.00	87,896.65	11,502.35	11.57%
Other Expenses:						
Operating Expense	449,853.00	(152.00)	449,701.00	280,830.69	168,870.31	37.55%
Maintenance Expense	25,000.00		25,000.00	10,656.77	14,343.23	57.37%
Professional Services	4,860.00		4,860.00	4,860.00	-	
Utilities / Fuels	102,240.00	300.00	102,540.00	96,060.10	6,479.90	6.32%
Total Other Expenses	581,953.00	148.00	582,101.00	392,407.56	189,693.44	32.59%
Total Cost of Providing Service	1,844,924.00	(3,752.00)	1,841,172.00	1,579,929.63	261,242.37	14.19%
Total Operating Appropriations	2,003,339.00	-	2,003,339.00	1,707,216.44	296,122.56	14.78%
Non-Operating Appropriations:						
Renewal and Replacement Reserve	8,000.00		8,000.00	8,000.00	-	
Total Non-Operating Appropriations	8,000.00	-	8,000.00	8,000.00	-	
Total Operating & Non-Operating Appropriations	2,011,339.00	-	2,011,339.00	1,715,216.44	296,122.56	14.72%
Total Budget Appropriations	2,011,339.00	-	2,011,339.00	1,715,216.44	296,122.56	14.72%
Excess of Revenues Over Appropriations	$ -	$ -	$ -	$ 49,849.34	$ 49,849.34	

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Anticipated Revenues, Operating Appropriations, Principal Payments and
Non-Operating Appropriations Compared to Budget--Budgetary Basis
For the Year Ended December 31, 2025

	2025 Budget - Dream Park				Variance of 2025 Budget to Actual	
	Adopted Budget	Modifications/ Transfers	Amended Budget	2025 Actual	Amount	Percent
Operating Revenues:						
Dream Park Revenues	$ 861,000.00	$ -	$ 861,000.00	$ 878,492.91	$ 17,492.91	2.03%
Total Operating Revenues	861,000.00	-	861,000.00	878,492.91	17,492.91	2.03%
Non-Operating Revenues:						
County Support	1,164,809.00		1,164,809.00	1,164,809.00	-	
Total Non Operating Revenues	1,164,809.00	-	1,164,809.00	1,164,809.00	-	
Total Revenues	2,025,809.00	-	2,025,809.00	2,043,301.91	17,492.91	0.86%
Operating Appropriations:						
Administration:						
Salaries and Wages	250,362.00	410.92	250,772.92	248,579.92	2,193.00	0.87%
Fringe Benefits	20,756.00	5,400.00	26,156.00	23,477.33	2,678.67	10.24%
Other Expenses:						
Operating Expense	30,000.00	4,211.56	34,211.56	32,278.44	1,933.12	5.65%
Utilities / Fuels	240,000.00	47,023.14	287,023.14	286,621.85	401.29	0.14%
Total Other Expenses	270,000.00	51,234.70	321,234.70	318,900.29	2,334.41	0.73%
Total Administration	541,118.00	57,045.62	598,163.62	590,957.54	7,206.08	1.20%
Cost of Providing Service:						
Salaries and Wages	898,265.00	(87,904.76)	810,360.24	808,808.46	1,551.78	0.19%
Fringe Benefits	71,946.00	(5,900.32)	66,045.68	63,277.28	2,768.40	4.19%
Other Expenses:						
Operating Expense	252,480.00	28,045.37	280,525.37	268,501.07	12,024.30	4.29%
Maintenance Expense	5,000.00		5,000.00	4,545.97	454.03	9.08%
Professional Services		4,200.00	4,200.00	1,700.90	2,499.10	59.50%
Utilities / Fuels	60,000.00	4,514.09	64,514.09	47,212.10	17,301.99	26.82%
Total Other Expenses	317,480.00	36,759.46	354,239.46	321,960.04	32,279.42	9.11%
Total Cost of Providing Service	1,287,691.00	(57,045.62)	1,230,645.38	1,194,045.78	36,599.60	2.97%
Total Operating Appropriations	1,828,809.00	-	1,828,809.00	1,785,003.32	43,805.68	2.40%
Non-Operating Appropriations:						
Renewal and Replacement Reserve	197,000.00		197,000.00	197,000.00	-	
Total Non-Operating Appropriations	197,000.00	-	197,000.00	197,000.00	-	
Total Operating & Non-Operating Appropriations	2,025,809.00	-	2,025,809.00	1,982,003.32	43,805.68	2.16%
Total Budget Appropriations	2,025,809.00	-	2,025,809.00	1,982,003.32	43,805.68	2.16%
Excess of Revenues Over Appropriations	$ -	$ -	$ -	$ 61,298.59	$ 61,298.59	

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Anticipated Revenues, Operating Appropriations, Principal Payments and
Non-Operating Appropriations Compared to Budget--Budgetary Basis
For the Year Ended December 31, 2025

	Operating / Landfill	Shady Lane	Child Care	Dream Park	Other Programs	Total
Reconciliation of Excess (Deficit) Revenues Over (Under) Appropriations to Operating Income (Loss)						
Excess (Deficit) Revenues Over (Under) Appropriations	$ 3,589,768.68	$ (996,212.74)	$ 49,849.34	$ 61,298.59	$ -	$ 2,704,703.87
Add:						
Interest on Debt	761,268.63	100,170.85			-	861,439.48
Principal on Debt	6,464,672.63	640,000.00			-	7,104,672.63
Renewal and Replacement Reserve	3,698,227.00	216,500.00	8,000.00	197,000.00	-	4,119,727.00
Less:						
Depreciation	(2,467,861.36)	(667,762.82)	(19,262.20)	(274,393.99)	-	(3,429,280.37)
Non-Operating Revenues:						
Interest on Investments & Deposits	(2,813,055.46)	-	-	-	-	(2,813,055.46)
Operating Income (Loss) Schedule 2	$ 9,233,020.12	$ (707,304.71)	$ 38,587.14	$ (16,095.40)	$ -	$ 8,548,207.15

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Bonds and Loans Payable
For the Year Ended December 31, 2025

Description	Date Issued	Amount	Maturities Date	Amount	Interest Rate	Balance Jan. 1, 2025	Issued	Paid	Balance Dec. 31, 2025
County Guaranteed Revenue Refunding Bonds (Shady Lane Nursing Home Project), Series 2012	02/28/12	$ 9,130,000.00	12/01/26	$ 655,000.00	2.875%				
			12/01/27	675,000.00	3.000%				
			12/01/28	695,000.00	3.125%				
			12/01/29	715,000.00	3.250%				
				2,740,000.00		$ 3,380,000.00	$ -	$ 640,000.00	$ 2,740,000.00
County Guaranteed Solid Waste Revenue Bonds (Landfill Project, Series 2012)	07/10/12	5,300,000.00				550,000.00		550,000.00	-
County Guaranteed Lease Revenue Refunding Bonds, Series A of 2013	04/17/13	24,595,000.00	09/01/26	1,860,000.00	3.000%				
			09/01/27	1,915,000.00	3.125%				
			09/01/28	1,970,000.00	3.250%				
			09/01/29	2,035,000.00	4.000%				
			09/01/30	2,120,000.00	4.000%				
				9,900,000.00		11,690,000.00		1,790,000.00	9,900,000.00
County Guaranteed Solid Waste Revenue Bonds (Landfill Project, Series 2014)	07/31/14	5,460,000.00	03/01/26	380,000.00	3.000%				
			03/01/27	390,000.00	3.125%				
			03/01/28	405,000.00	3.250%				
			03/01/29	420,000.00	3.250%				
			03/01/30	430,000.00	3.375%				
			03/01/31	445,000.00	3.500%				
				2,470,000.00		2,835,000.00		365,000.00	2,470,000.00

(Continued)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Bonds and Loans Payable
For the Year Ended December 31, 2025

Description	Date Issued	Amount	Maturities Date	Amount	Interest Rate	Balance Jan. 1, 2025	Issued	Paid	Balance Dec. 31, 2025
County Guaranteed Lease Revenue Refunding Bonds, Series 2016	09/02/16	$ 5,465,000.00	09/01/26	$ 465,000.00	1.477%	$ 925,000.00	$ -	$ 460,000.00	$ 465,000.00
County Guaranteed Solid Waste Revenue Bonds (Landfill Project, 2016 Refunding Series A)	11/15/16	10,585,000.00	03/01/26	920,000.00	5.000%				
			03/01/27	965,000.00	5.000%				
			03/01/28	1,005,000.00	4.000%				
			03/01/29	1,040,000.00	4.000%				
			03/01/30	1,085,000.00	4.000%				
				5,015,000.00		5,900,000.00		885,000.00	5,015,000.00
New Jersey Environmental Infrastructure Trust - Series 2017A-2 Trust Loan (Interest Bearing)	11/21/17	1,370,000.00	08/01/26	110,000.00	5.000%				
			08/01/27	115,000.00	2.125%				
			08/01/28	120,000.00	2.375%				
			08/01/29	125,000.00	2.500%				
			08/01/30	125,000.00	2.625%				
			08/01/31	130,000.00	2.750%				
				725,000.00		830,000.00		105,000.00	725,000.00
New Jersey Environmental Infrastructure Trust - Series 2017A-2 Fund Loan (Non-Interest Bearing)	11/21/17	4,312,251.00	02/01/26	105,176.85					
			08/01/26	210,353.70					
			02/01/27	105,176.85					
			08/01/27	210,353.70					
			02/01/28	105,176.85					
			08/01/28	210,353.70					
			02/01/29	105,176.85					
			08/01/29	210,353.70					
			02/01/30	105,176.85					
			08/01/30	210,353.70					
			02/01/31	105,176.85					
			08/01/31	88,489.85					
				1,771,319.45		2,086,850.00		315,530.55	1,771,319.45

(Continued)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Bonds and Loans Payable
For the Year Ended December 31, 2025

Description	Date Issued	Amount	Maturities Date	Amount	Interest Rate	Balance Jan. 1, 2025	Issued	Paid	Balance Dec. 31, 2025
New Jersey Infrastructure Bank - Series 2020A-1									
Trust Loan (Interest Bearing)	05/13/20	$ 1,090,000.00	08/01/26	$ 125,000.00	5.000%				
			08/01/27	130,000.00	5.000%				
			08/01/28	140,000.00	5.000%				
			08/01/29	145,000.00	5.000%				
				540,000.00		$ 660,000.00	$ -	$ 120,000.00	$ 540,000.00
New Jersey Infrastructure Bank - Series 2020A-1									
Fund Loan (Non-Interest Bearing)	05/13/20	3,787,129.00	02/01/26	130,590.65					
			08/01/26	261,181.31					
			02/01/27	130,590.65					
			08/01/27	261,181.31					
			02/01/28	130,590.65					
			08/01/28	261,181.31					
			02/01/29	130,590.65					
			08/01/29	261,181.36					
				1,567,087.89		1,958,859.85		391,771.96	1,567,087.89
New Jersey Infrastructure Bank - Series 2021A-1									
Trust Loan (Interest Bearing)	06/10/21	3,670,000.00	08/01/26	550,000.00	5.000%				
			08/01/27	575,000.00	5.000%				
			08/01/28	605,000.00	5.000%				
				1,730,000.00		2,250,000.00		520,000.00	1,730,000.00
New Jersey Infrastructure Bank - Series 2021A-1									
Fund Loan (Non-Interest Bearing)	06/10/21	4,273,171.00	02/01/26	185,790.04					
			08/01/26	371,580.08					
			02/01/27	185,790.04					
			08/01/27	371,580.08					
			02/01/28	185,790.04					
			08/01/28	371,580.16					
				1,672,110.44		2,229,480.56		557,370.12	1,672,110.44

(Continued)

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Bonds and Loans Payable
For the Year Ended December 31, 2025

Description	Date Issued	Amount	Maturities Date	Amount	Interest Rate	Balance Jan. 1, 2025	Issued	Paid	Balance Dec. 31, 2025
County Guaranteed Solid Waste Revenue Bonds									
(Landfill Expansion Project - Cell 16), Series 2023	03/22/23	$ 9,385,000.00	03/01/26	$ 740,000.00	5.000%				
			03/01/27	780,000.00	5.000%				
			03/01/28	820,000.00	5.000%				
			03/01/29	860,000.00	5.000%				
			03/01/30	905,000.00	5.000%				
			03/01/31	950,000.00	5.000%				
			03/01/32	1,000,000.00	5.000%				
			03/01/33	1,050,000.00	5.000%				
			03/01/34	1,105,000.00	5.000%				
				8,210,000.00		$ 8,915,000.00	$ -	$ 705,000.00	$ 8,210,000.00
County Guaranteed Solid Waste Revenue Bonds									
(Landfill Expansion Project - Cells 17 & 18), Series 2025	07/16/25	16,695,000.00	09/01/26	1,340,000.00	5.000%				
			09/01/27	1,405,000.00	5.000%				
			09/01/28	1,475,000.00	5.000%				
			09/01/29	1,550,000.00	5.000%				
			09/01/30	1,630,000.00	5.000%				
			09/01/31	1,710,000.00	5.000%				
			09/01/32	1,795,000.00	5.000%				
			09/01/33	1,885,000.00	3.750%				
			09/01/34	1,955,000.00	5.000%				
				14,745,000.00		-	16,695,000.00	1,950,000.00	14,745,000.00
						44,210,190.41	16,695,000.00	9,354,672.63	51,550,517.78
Add: Debt Premium						1,053,129.20	1,296,020.50	452,967.31	1,896,182.39
						$ 45,263,319.61	$ 17,991,020.50	$ 9,807,639.94	$ 53,446,700.17

SCHEDULES ASSOCIATED WITH THE

ISSUANCE OF CONDUIT DEBT

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Conduit Debt Obligations Payable (Memorandum)
For the Year Ended December 31, 2025

Issue	Date Issued	Issue Amount	Balance Jan. 1, 2025	Issued	Paid	Refunded	Balance Dec. 31, 2025
Municipal Guaranteed:							
Riverwinds (West Deptford Township)	10/10/2001	$ 9,945,000.00	$ 2,015,000.00	$ -	$ 635,000.00	$ -	$ 1,380,000.00
Rowan University Guaranteed:							
Rowan University - SJ Technology Park	10/19/2010	6,120,000.00	3,310,981.79		255,854.36		3,055,127.43
Rowan University Projects $34,745,000 Revenue Bonds (General Capital Improvement Projects) Series 2015A	4/15/2015	34,745,000.00	34,745,000.00			24,605,000.00	10,140,000.00
Rowan University Projects $69,555,000 Revenue Refunding Bonds (Rowan University Project) Series 2015B	4/15/2015	69,555,000.00	29,465,000.00		4,665,000.00	24,800,000.00	-
Rowan University - Business & Engineering Schools 2015C	8/26/2015	51,550,000.00	51,550,000.00			14,495,000.00	37,055,000.00
Revenue Refunding Bonds (Rowan University Project) Series 2017A	7/13/2017	73,475,000.00	46,720,000.00		6,165,000.00		40,555,000.00
Rowan University - Building Project	5/8/2019	56,600,000.00	56,600,000.00				56,600,000.00
Rowan University Bonds - Fossil Park and Student Center	4/7/2021	64,780,000.00	64,780,000.00				64,780,000.00
County Loan Revenue Bonds (Rowan University Projects), Series 2025	9/4/2025	59,805,000.00		59,805,000.00			59,805,000.00
			287,170,981.79	59,805,000.00	11,085,854.36	63,900,000.00	271,990,127.43
County of Gloucester Guaranteed:							
County Guaranteed Loan Revenue Refunding Bonds (County Capital Program), Series 2015	9/24/2015	46,610,000.00	30,255,000.00		2,815,000.00	27,440,000.00	-
County Guaranteed Loan Revenue Refunding Bonds (County Capital Program), Series 2016	7/12/2016	22,770,000.00	22,770,000.00				22,770,000.00
County General Obligation Revenue Bonds (GCSSD/GCVTSD Project), Series 2020	6/17/2020	27,875,000.00	22,095,000.00		1,715,000.00		20,380,000.00
County Loan Revenue Bonds (Health Sciences Educational Facilities Project), Series 2024	10/9/2024	24,060,000.00	24,060,000.00		1,220,000.00		22,840,000.00
County Guaranteed Loan Revenue Refunding Bonds (County Capital Program), Series 2025	8/7/2025	25,805,000.00	-	25,805,000.00	335,000.00		25,470,000.00
			99,180,000.00	25,805,000.00	6,085,000.00	27,440,000.00	91,460,000.00
			$ 388,365,981.79	$ 85,610,000.00	$ 17,805,854.36	$ 91,340,000.00	$ 364,830,127.43

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY

PART II

FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED
DECEMBER 31, 2025

GLOUCESTER COUNTY IMPROVEMENT AUTHORITY
Schedule of Findings and Recommendations
For the Year Ended December 31, 2025

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey, requires reporting.

None.

Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management

This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

FINANCIAL STATEMENT FINDINGS

None

APPRECIATION

We express our appreciation for the assistance and courtesies rendered by the Authority officials during the course of the audit.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Voorhees, New Jersey
October 13, 2026