

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED

JULY 31, 2022

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

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Introductory Section

1.

Monmouth County

Board of County Commissioners

Monmouth County Improvement Authority

Monmouth County Board of County Commissioners

Thomas A. Arnone, Director
Nick DiRocco, Deputy Director
Lillian G. Burry
Susan M. Kiley
Ross F. Licitra



Hall of Records
One East Main Street
Freehold, NJ 07728
Phone: 732-308-2975

William C. Barham, Chairman
Andrew J. Melnick, Vice Chairman
Joseph R. Iantosca, Treasurer
Robert Nicastro, Secretary
Eric Hinds, Commissioner

January 30, 2023

The comprehensive annual financial report (CAFR) of the Monmouth County Improvement Authority ("MCIA" or the "Authority") for the year ended July 31, 2022 is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with Authority management. We believe that the data presented is accurate in all material respects; that the report is presented in a manner designed to fairly set forth the results of operations of the Authority as measured by the financial activity of its funds; that the report fairly presents the financial position of the Authority for the year then ended; and that all disclosures necessary to enable the reader to gain a maximum understanding of the Authority's financial activities have been included.

The CAFR is presented in two main sections:

1. **Introductory Section:** Provides information on the contents of the report, this transmittal letter and the Authority's organizational structure.
2. **Financial Section:** Includes the auditor's opinion, management discussion and analysis, basic financial statements and other supplemental information.

Profile of the Government

- Created in 1986 by the County Freeholder Board:

To create a Pooled Government Loan Program before tax law changes took place.

To provide an alternative means of financing capital projects by municipalities, school districts, local authorities and the County.

- Objective: Use MCIA when it can save money in comparison with traditional financings.
- Since 1986, MCIA has issued \$2.554 billion in bonds and each of the 104 transactions has saved money. Total debt service savings from MCIA financings over 35 years is almost \$129 million.
- The Authority has continuing financing programs and separate financings executed on behalf of governmental units in the County. The County Freeholders and MCIA review the results of each financing and require that savings be quantified.
- All the County's fifty-three municipalities have participated in an MCIA financing.

Overview of Services

Under state law, an Improvement Authority has unique financing powers not available to local governments and school districts. Examples:

- Ability to sell bonds on a negotiated basis with more flexibility as to how the bonds are sold and structured.
- Lease financings, full general obligation credit ratings, no 5% down payment in the budget.
- Ability to issue variable rate debt.
- Ability to complete joint financings with more than one municipality or school district.
- Improvement Authority bonds can be guaranteed by one government unit for another unit.

POOLED GOVERNMENTAL LOAN PROGRAM – VARIABLE RATE

The initial financing completed by MCIA in August of 1986 was a variable rate pooled loan. The program made 104 loans totaling \$187.37 million to municipalities, school districts and local authorities from 1986 to 2006. In 2006 MCIA fixed the interest rate on the pooled financings locking in savings achieved over 19 ½ years. Participants saved \$21.5 million in debt service costs over this time period. Savings were generated by lower variable rate borrowing costs and the use of interest earnings to subsidize the loan rate. There were thirty-seven participants in the loan program; 27 municipalities, 5 Boards of Education and 4 local sewer authorities. An additional \$137,781.28 in savings were achieved because Monmouth County guaranteed the debt service on the fixed rate conversion of this variable rate program.

CONTINUING PROGRAMS

CAPITAL EQUIPMENT LEASE PROGRAM

- Offered every other year to municipalities and school districts.
- Lower interest rates for financing equipment is possible due to a County Guaranty on the MCIA bonds.
- Lease obligations require no 5% down payment.
- A total of \$223.89 million in bonds issued since 1991, generating a total of \$4.225 million in savings for 40 municipalities, 10 school districts, 1 local authority and 2 fire districts. Additionally, the municipal participants benefited from more than \$9.45 million in budget relief because it was not necessary to appropriate the 5% down payment associated with a bond ordinance.

GOVERNMENTAL POOLED LOAN PROGRAM – FIXED RATE

- Permanently finance outstanding Bond Anticipation Notes and unfunded ordinances from several communities with a pooled issuance of bonds.
- Savings created by the economies of scale, lower cost bond insurance or the use of a County Guaranty, lower issuance costs associated with combining the financing of unfunded ordinances with the permanent financing of BANs and the flexibility of the negotiated sale process.

This program has been offered in each year since 1993. A total of \$1.193 billion in bonds have been issued benefiting 45 municipalities, eight local Authorities, six school districts and two Fire Districts, generating savings of more than \$53.05 million. Additionally, MCIA has executed refunding of 18 previously issued Governmental Pooled Loan financings through eight transactions generating interest cost savings of \$19.4 million.

OTHER FINANCINGS

School Financings

The Authority has financed elementary and middle schools for the Millstone and Howell Boards of Education saving taxpayers a total of \$1,317,488 in interest costs.

- In the summer of 2000, the Middletown Board of Education issued \$6.5 million in lease obligations through MCIA, achieving a total financial benefit of \$128,249.20.
- In the summer of 2002, the Howell School District financed the local match for State capital funding through MCIA and included a refunding of a bond issue that financed a middle school. The bond issue total \$44,965 million. Subsequently, the MCIA completed two refunding of those bonds which resulted in savings of \$2.11 million for the Board of Education.

County Projects

The County finances its capital projects in the traditional manner at very low AAA interest rates. The County has used the Authority to fund the completion of the County Correctional Facility and to finance the Open Space Program. Using the Authority for these two projects saved more than \$3 million. The County Correctional Facility bonds were subsequently refunded in 2008 resulting in additional savings of \$236,000.

The County has also used MCIA to finance capital improvements for Brookdale Community College. In December 2008, the Authority financed \$27.85 for capital improvements to Brookdale Community College. The bonds were secured with a guaranty from Monmouth County which increased the bond rating from A1/A+ to Aaa/AAA/AAA. The debt service savings attributed to the guaranty was over \$8 million. Subsequently, the MCIA completed four refundings for the college that generated more than \$10 million in interest cost savings.

The County utilized the MCIA in November of 2015 to issue two series of federally taxable short term notes totaling \$33.525 million to provide funds for the Fort Monmouth Economic Revitalization Authority to purchase land and buildings from the United States Army. As called for in the financing plan a portion of the notes have been paid down over time with proceeds from the real estate sales. The remaining notes were reissued, for the third time in November and are expected to be paid down over time with additional proceeds from real estate sales. The notes were secured by a Guaranty of the County which has resulted in the highest short term ratings from all three rating agencies.

The MCIA and the County reacted quickly to help Monmouth County municipalities when the market experienced a severe liquidity crunch across credit markets in the spring of 2020 stemming from global economic uncertainty caused by the COVID-19 pandemic. The MCIA Pooled Note Program was designed to help local municipalities access the short term municipal market. By pooling the Notes together, the municipalities had greater market access, especially with the use of the County Guaranty ensuring that the Notes receive the highest possible short-term ratings. Based on feedback from participants, the MICA structured the Note with two series allowing participants to choose the structure that worked best for their needs. Several participants permanently financed these notes through the MCIA's Governmental Pooled Loan Revenue Bonds, Series 2021A transaction.

Joint Projects

The Manasquan River Water Treatment Plant and Distribution System - The Authority worked with communities of Brielle, Sea Girt, Spring Lake, Spring Lake Heights and Wall to finance a water treatment plant and distribution system. A unique financing plan saved these towns \$5,071,309 in interest costs. These bonds were refunded in 2003 generating an additional \$908,933.75 in debt service savings.

The Manasquan River Regional Sewage Distribution System - The Authority saved \$3,348,636 for the communities of Farmingdale, Freehold Borough, Freehold Township, Howell and Wall In financing their sewerage distribution system.

Middletown Schools and First Aid Squad – Middletown Township provided a guaranty on Authority bonds that allowed Middletown Schools and the Fairview First Aid Squad to purchase equipment and build a new squad building at low interest rates.

Shrewsbury Hose Company – In two separate stand alone financings, the Authority financed a fire house for the Borough of Shrewsbury in 2005 and 2006.

USDA Loan Refunding – Wall and Keyport used the Authority to refinance USDA Loans at interest rates that saved the two towns \$1,960,950 in interest rates. Roosevelt refunded an outstanding USDA loan in 2011 that generated \$742,803.18 in gross debt service savings.

Asbury Park

The Authority financed the Asbury Park sewerage treatment plant. The Authority worked with Asbury Park to obtain a credit rating for them. The original issue was refunded in 1995 creating total debt service savings of \$1,438,600. In September of 2005 the Improvement Authority worked with the City to refund the 1995 bonds and raise funds for the City's budget needs for the period from 2005-2008. In September 2014, the Authority refunded the callable 2005 bonds for over \$448,000 in interest savings.

FUTURE PLANS

The MCIA intends to continue offering its ongoing programs to help Monmouth County communities take advantage of the Improvement Authority's unique debt-issuance powers and the MCIA's ability to pool the bond issues of different municipalities and school districts through programs including:

- **Refundings:** Our finance team continually monitors the tax-exempt markets and aggressively seek opportunities to help participants in MCIA programs save money by refunding their debt when interest rates are favorable. The MCIA conducts a refunding when market conditions are right for a transaction to realize a minimum present value savings of 3% on an aggregate basis and 2.5% present value savings by borrower.
- **Pooled Governmental Loan Program:** The MCIA offered the program again in October and December of 2022. Municipalities can convert outstanding bond anticipation notes for capital projects or finance approved capital ordinances not yet funded.
- **The Capital Equipment Pooled Lease Program:** Municipalities, School Districts, Fire Districts and Local Authorities can participate in the pool as a low cost alternative to lease/purchase capital equipment. MCIA will offer this program again in the summer of 2023.
- **Open Space Preservation:** The MCIA will continue to lend its expertise to municipalities with voter-approved initiatives to dedicate certain property tax revenues to preserve open space and those considering the purchase of open space as a capital finance priority.
- **Renewable Energy:** The MCIA is available to assist government entities with structuring debt financings in connection with renewable energy initiatives including the incorporation of energy savings and revenues associated with energy projects into detailed tax impact analyses.
- **Pooled Note Financing:** The MCIA is exploring a pooled note financing to be offered to municipalities in 2023. The program would be offered annually, as needed, for new money and note roll overs.

FINANCIAL INFORMATION**Internal Controls:**

In developing and evaluating the Authority's accounting system, an important consideration is the overall adequacy of internal controls. Internal controls are designed to provide the Authority management with reasonable (but not absolute) assurance regarding (a) the safeguarding of assets against loss from unauthorized use or disposition, and (b) the overall reliability of the financial records for preparing financial statements and for maintaining accountability and control over the Authority's assets.

The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of cost and benefits requires estimates and judgment by management.

Financial Operating Results

The management discussion and analysis that follows, summarizes and reviews the changes of the Authority's financial operations.

Independent Audit

The Authority is required to have an annual audit of the books of accounts, financial records and transactions conducted by independent certified public accountants selected by the Board of Commissioners. This requirement has been complied with. The independent auditors' report on the 2022 fiscal year financial statements of the Authority has been included in the financial section of this report.

Acknowledgement

In closing, preparation of the report would not have been possible without the leadership and support of the Board of Commissioners.

Sincerely,

A handwritten signature in black ink, appearing to read "William Barnham", written over a horizontal line.

William Barnham
Chairman

AR:mm

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

ROSTER OF OFFICIALS

JULY 31, 2022

The Authority is composed of five members and the secretary appointed by the Monmouth County Board of Chosen Freeholders.

Members of the Authority

William C. Barham
Andrew J. Melnick
Eric Hinds
Robert Nicasro
Joseph R. Iantosca

Chairman
Vice Chairman
Commissioner
Treasurer
Secretary

Professional Services

Gibbons, PC
NW Financial Group
Raymond James Associates
Dennis A. Collins, Esq.
Robert A. Hulsart and Company

Bond Counsel
Financial Advisor
Sr. Underwriter
General Counsel
Auditor

Dennis A. Collins, Esq.

Acting Secretary to the Board

Financial Section

Robert A. Hulsart and Company
 CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
 ROBERT A. HULSART, JR., C.P.A., P.S.A.

E-mail:
 rah@monmouth.com

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 P.O. Box 1409
 Wall, New Jersey 07719-1409
 (732) 681-4990

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
 Monmouth County Improvement Authority
 Hall of Records
 Main Street
 Freehold, New Jersey 07728

Report on Financial Statements

We have audited the accompanying financial statements of the Monmouth County Improvement Authority (the "Authority"), in the County of Monmouth, State of New Jersey, as of and for the year ended July 31, 2022 and 2021, and the related notes to financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of July 31, 2022 and 2021, and the respective changes in financial position and cash flows, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Auditing 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section and supplemental information, listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The introductory section listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2023, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Robert A. Hulsart and Company

Independent Auditors

A handwritten signature in black ink, appearing to read "R. A. Hulsart, Jr.", is written over the printed name.

Robert A. Hulsart, Jr.

Certified Public Accountant

Wall Township, New Jersey
January 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis is designed to provide an analysis of the Improvement Authority's financial condition and operating results and to also inform the reader on Improvement Authority financial issues and activities.

The Management's Discussion and Analysis (MD&A) should be read in conjunction with the Transmittal Letter (beginning on page 1) and the Authority's basic financial statements (beginning on page 14).

USING THIS ANNUAL REPORT

The financial statements included in this annual report are those of a special-purpose government engaged only in a business-type activity. As enterprise funds, the Authority's basic financial statements include:

Statement of net position - reports the Authority's current financial resources (short-term spendable resources) with capital assets and long-term obligations. (Exhibit A)

Statement of revenues, expenses and changes in fund net position - reports the Authority's operating and non-operating revenues, by major source along with operating and non-operating expenses and capital contributions. (Exhibit B).

Statement of cash flows - reports the Authority's cash flows from operating activities, investing, capital and non-capital activities. (Exhibit C)

STATEMENT OF NET POSITION

	Years Ended July 31,	
	2022	2021
Assets:		
Current Assets	\$ 103,684,904	103,452,541
Long-Term Assets	663,677,956	693,209,189
Total Assets	<u>\$ 767,362,860</u>	<u>796,661,730</u>
Liabilities:		
Current Liabilities	\$ 79,918,914	95,738,810
Non-Current Liabilities	686,574,073	700,050,121
Total Liabilities	<u>\$ 766,492,987</u>	<u>795,788,931</u>

STATEMENT OF NET POSITION (CONTINUED)

	Years Ended July 31,	
	2022	2021
Net Position:		
Unrestricted	\$ 869,873	872,799
Total Net Position	\$ 869,873	872,799

The net position of the Authority decreased to \$869,873 during 2022, a \$2,926 decrease from 2021.

REVIEW OF REVENUES

	Years Ended July 31,	
	2022	2021
Total Operating Revenues	\$ 72,082	139,477
Non-Operating Revenues:		
Lease Income	5,082,278	7,769,733
Interest Revenue	18,777,784	19,037,068
Deferred Revenue Applied to Lease Income	336,880	1,164,234
Other	11,252,204	10,882,036
Total Non-Operating Revenues	35,449,146	38,853,071
Total Revenues	\$ 35,521,228	38,992,548

In 2022, operating revenues decreased by \$67,395 when compared to 2021. Non-operating revenues decreased to \$35,449,147 during 2022, a \$3,403,924 decrease from 2021. The decrease was due primarily to changes in lease and interest income.

REVIEW OF EXPENSES

	Years Ended July 31,	
	2022	2021
Total Operating Expenses	\$ 92,669	83,742
Non-Operating Expenses:		
Equipment Costs	3,386,673	7,344,146
Interest Expense	30,334,075	31,177,289
Deferred Revenue Applied to Interest Income	1,644,487	250,939
Other	66,250	66,166
Total Non-Operating Expenses	35,431,485	38,838,540
Total Expenses	\$ 35,524,154	38,922,282

The Authority's operating expenses increased by \$8,927 in 2022 when compared to 2021. Non-operating expenses decreased to \$35,431,485 during 2022, a \$3,407,055 decrease from 2021. The decrease was attributed to changes in deferred revenue applied to lease income and lease income.

FINANCIAL CONTACT

The Authority's statements are designed to present a general overview of the Authority's finances and to demonstrate the Authority's accountability. If you have any questions about the report or need additional financial information, please contact the Finance Department, The Monmouth County Improvement Authority, Hall of Records, Freehold, NJ 07728.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**Exhibit A****STATEMENT OF NET POSITION****JULY 31, 2022 AND 2021**

	<u>July 31, 2022</u>	<u>July 31, 2021</u>
<u>Assets</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 35,833,800	18,499,161
Investments	50,981,646	71,000,804
Investments in Direct Financing Leases	10,896,047	7,884,141
Accrued Interest Receivable	5,973,411	6,067,394
Other		1,041
Total Current Assets	<u>103,684,904</u>	<u>103,452,541</u>
Long Term Assets:		
Investments	616,387,990	638,822,839
Investments in Direct Financing Leases	37,546,638	44,113,043
Deferred Bond Issuance Costs	9,743,328	10,273,307
Total Long-Term Assets	<u>663,677,956</u>	<u>693,209,189</u>
Total Assets	<u>\$ 767,362,860</u>	<u>796,661,730</u>
<u>Liabilities</u>		
Current Liabilities:		
Accounts Payable	\$ 59,548	-
Accrued Interest Payable	7,515,872	7,094,897
Bonds Payable	60,260,000	77,810,000
Deferred Revenue	12,083,494	10,775,513
Due to Monmouth County		58,400
Total Current Liabilities	<u>79,918,914</u>	<u>95,738,810</u>
Long Term Liabilities:		
Bonds Payable	598,900,000	610,035,000
Unamortized Discount/Premium	87,674,073	90,015,121
Total Long-Term Liabilities	<u>686,574,073</u>	<u>700,050,121</u>
Total Liabilities	<u>766,492,987</u>	<u>795,788,931</u>
Net Position:		
Unrestricted	<u>869,873</u>	<u>872,799</u>
Total Net Position	<u>869,873</u>	<u>872,799</u>
Total Liabilities and Net Position	<u>\$ 767,362,860</u>	<u>796,661,730</u>

See Notes to Financial Statements

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**Exhibit B****STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION****YEARS ENDED JULY 31, 2022 AND 2021**

	<u>July 31, 2022</u>	<u>July 31, 2021</u>
Operating Revenues	\$ 72,082	139,477
Operating Expenses	<u>92,669</u>	<u>83,742</u>
Operating Income (Loss)	<u>(20,587)</u>	<u>55,735</u>
Non-Operating Revenues / (Expenses)		
Interest and Fees on Loans	18,759,110	19,021,968
Deferred Revenue Applied to Interest Income	(1,644,487)	(250,939)
Lease Income	5,082,278	7,769,733
Interest Earned on Investments	18,674	15,100
Equipment Costs	(3,386,673)	(7,344,146)
Deferred Revenue Applied to Lease Income	336,880	1,164,234
Interest Expense	(30,334,075)	(31,177,289)
Amortization of Bond Issue Costs/Premium/Discount/Loss on Defeasance	11,252,204	10,882,036
Administration Expenses	<u>(66,250)</u>	<u>(66,166)</u>
Net Non-Operating (Expenses) / Revenues	<u>17,661</u>	<u>14,531</u>
Net Income / (Loss)	(2,926)	70,266
Net Position, August 1	<u>872,799</u>	<u>802,533</u>
Net Position, July 31	<u><u>\$ 869,873</u></u>	<u><u>872,799</u></u>
Balance Comprised of:		
Unrestricted - Administrative	<u>\$ 869,873</u>	<u>872,799</u>
Net Position	<u><u>\$ 869,873</u></u>	<u><u>872,799</u></u>

See Notes to Financial Statements

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**Exhibit C****STATEMENT OF CASH FLOWS****Sheet 1 of 2****YEARS ENDED JULY 31, 2022 AND 2021**

	Year Ended July 31	
	2022	2021
Cash Flows From Operating Activities:		
Cash Flows From Administrative Operations:		
Operating Income (Loss)	\$ (20,587)	55,735
Accounts Receivable-Other	2,189	51,857
Net Cash Provided (Used) by Operating Activities	(18,398)	107,592
Cash Flows From Program Loans:		
Administrative Costs	(66,250)	(66,166)
Lease Payments Received	8,923,387	12,311,305
Deferred Revenue	374	809
Net Cash Provided / (Used) by Program Loans	8,857,511	12,245,948
Cash Flows From Investing Activities:		
Investments Matured	70,935,000	149,080,000
Purchase of Investments	(41,715,799)	(120,264,574)
Interest Received on Investments	29,078,066	29,627,104
Returned Excess Proceeds to Towns	(288,103)	(34,645)
Equipment Costs	(3,386,673)	(7,344,146)
Net Cash Provided (Used) by Investing Activities	54,622,491	51,063,739
Cash Flows From Non-Capital and Related Financing Activities:		
Proceeds From Long -Term Project Bonds	62,561,007	122,107,484
Retirement of Bonds	(77,810,000)	(159,880,000)
Interest Paid on Bonds	(29,593,070)	(32,239,899)
Deferred Issue Costs	(1,284,902)	(1,849,980)
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	(46,126,965)	(71,862,395)

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**Exhibit C****STATEMENT OF CASH FLOWS****Sheet 2 of 2****YEARS ENDED JULY 31, 2022 AND 2021**

	Year Ended July 31	
	<u>2022</u>	<u>2021</u>
Increase (Decrease) in Cash and Cash Equivalents	17,334,639	(8,445,116)
Cash and Cash Equivalents, Beginning of Year	18,499,161	26,944,277
Cash and Cash Equivalents, End of Year	<u>\$ 35,833,800</u>	<u>18,499,161</u>
Balance Comprised of:		
Unrestricted Cash	\$ 929,421	930,157
Restricted Cash	<u>34,904,379</u>	<u>17,569,004</u>
	<u>\$ 35,833,800</u>	<u>18,499,161</u>

See Notes to Financial Statements

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. General**

On June 5, 1986, the Board of Chosen Freeholders ("Freeholders") of the County of Monmouth ("County") created the Monmouth County Improvement Authority ("Authority"). The Authority is designated as the agency for such purposes as set forth in N.J.S.A. 40:37A-54 and finances capital structures and facilities for local government units in Monmouth County, one such provision being the establishment of a pooled loan program.

County Improvement Authorities are public bodies corporate and political, authorized under Chapter 183 of the Pamphlet Laws of 1960 of the State of New Jersey, effective January 16, 1961, as amended and supplemented.

The Authority is governed by a board consisting of five members, each of whom is appointed by the Freeholders for initial staggered terms of one to five years each. Upon the expiration of a member's term, such member continues to serve until a successor has been appointed and qualified.

As a public body, under existing statute, the Authority is exempt from both federal and state taxes.

Reporting Entity

Government Accounting Standards Board ("GASB") No. 14, The Financial Reporting Entity, establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

The Authority is considered to be a "component unit" of the County of Monmouth. However, the County does not follow GAAP for accounting and financial reporting purposes. Rather, it follows a regulatory basis, utilizing accounting principles which differ, in some cases significantly, from GAAP. The financial statements of the County do not include the financial statements of the Authority based on the separate legal status of the Authority.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Financial Statements

Basis of Presentation

The financial statements of the Authority have been prepared in accordance with GAAP applicable to enterprise funds of state and local governments. Enterprise funds are used to account for operations

- (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges; or
- (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, accountability or other purposes.

Basis of Accounting

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to government entities. As permitted by accounting principles generally accepted in the United States of America, the Authority has elected to apply only Financial Accounting Standards Board ("FASB") Statements and Interpretations issued on or before November 30, 1989.

Effective August 1, 2003, the Authority adopted GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments, Statement No. 37, Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments: Omnibus, and Statement No. 38, Certain Financial Statement Note Disclosures. The primary impact of adopting the Statements included changing the presentation of Fund Equity to Net Assets, changing the presentation of the Cash Flow Statement from the indirect method to the direct method, and the presentation of Management’s Discussion and Analysis.

The Authority prepares its financial statements on an Enterprise Fund basis. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private businesses where the intent is that all costs of providing certain goods and services to the general public be financed or recovered primarily through user charges, or where it has been deemed that periodic determination of net income is appropriate for capital maintenance, public policy, management control, accountability, or other purpose. Accordingly, the Authority’s financial statements are presented on the accrual basis of accounting. Revenues from operations, investments, and other sources are recorded when earned and expenses are recorded when liabilities are incurred.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****C. Accounts Required by Various Bond Resolutions****Borough Guaranteed Revenue Bonds, Series 2005 (Shrewsbury Hose Company #1 Project)**
Borough Guaranteed Revenue Bonds, Series 2006 (Shrewsbury Hose Company #1 Project)

Acquisition Fund	Bond proceeds at the option of the Authority, any monies received for or in connection with the properties.	For the payment of acquisition costs of properties.
Revenue Fund	All revenues.	For transfer to the Operating Fund and Debt Service Fund as required by the bond resolution.
Operating Fund	Transfer from Revenue Fund.	For the payment of operations and administrative expenses as required by the bond resolution.
Debt Service Fund	Transfer from Revenue Fund.	Payment of principal and interest on the bonds.
General Reserve Fund	Transfer from Revenue Fund.	Transfer to Debt Service Fund, and for other expenses as required by bond resolution.
Rebate Fund	All monies which are subject to rebate to the United States government.	Payments to United States government.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****C. Accounts Required by Various Bond Resolutions (Continued)**

Governmental Loan Revenue Bonds, Series 2001
 Governmental Loan Revenue Bonds, Series 2011A
 Governmental Loan Revenue Bonds, Series 2011B
 Governmental Loan Revenue Bonds, Series 2012
 Governmental Loan Revenue Bonds, Series 2013A
 Governmental Loan Revenue Bonds, Series 2013
 Governmental Pooled Loan Revenue Bonds, Series 2014
 Governmental Pooled Loan Revenue Bonds, Series 2015
 Governmental Pooled Loan Revenue Bonds, Series 2017
 Governmental Pooled Loan Revenue Bonds, Series 2017B
 Governmental Pooled Loan Revenue Bonds, Series 2018A
 Governmental Pooled Loan Revenue Bonds, Series 2018B
 Governmental Pooled Loan Revenue Bonds, Series 2018C
 Governmental Loan Refunding Revenue Bonds, Series 2007
 Governmental Loan Refunding Revenue Bonds, Series 2011
 Governmental Loan Refunding Revenue Bonds, Series 2012
 Governmental Pooled Loan Refunding Revenue Bonds, Series 2014
 Governmental Pooled Loan Refunding Revenue Bonds, Series 2015
 Governmental Pooled Loan Refunding Revenue Bonds, Series 2016
 Governmental Pooled Loan Refunding Revenue Bonds, Series 2016B
 Governmental Pooled Loan Revenue Bonds, Series 2019 A
 Governmental Pooled Loan Revenue Bonds, Series 2019 B
 Governmental Pooled Loan Revenue Bonds, Series 2020
 Governmental Pooled Loan Revenue Bonds, Series 2021 A
Governmental Pooled Loan Revenue Bonds, Series 2021 B

<u>Account</u>	<u>Source</u>	<u>Use for Which Restricted</u>
Loan Fund	Bond proceeds.	For the execution of loans to Participating governmental entities According to the terms of the Bond Resolution.
Revenue Fund	All revenues.	For transfer to the Debt Service Fund.
Debt Service Fund	Transfer from Revenue Fund.	Payment of principal and interest on the bonds.
Rebate Fund	All monies which are subject to rebate to the United States Government.	Payments to United States Government.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****C. Accounts Required by Various Bond Resolutions (Continued)**

Capital Equipment Pooled Lease Revenue Bonds, Series 2011
Capital Equipment Pooled Lease Revenue Bonds, Series 2013
Capital Equipment Pooled Lease Revenue Bonds, Series 2015
Capital Equipment Pooled Lease Revenue Bonds, Series 2017
Capital Equipment Pooled Lease Revenue Bonds, Series 2019
Capital Equipment Pooled Lease Revenue Bonds, Series 2021

Acquisition Fund	Lease revenue or any other source.	For the payment of acquisition cost of properties.
Revenue Fund	All revenues.	Transfer to the Operating Fund and Debt Service Fund as required by the Bond Resolution.
Operating Fund	Transfer from Revenue Fund.	For the payment of operations and administrative expenses as required by the Bond Resolution.
Debt Service Fund	Transfer from Revenue Fund, insurance proceeds and condemnation.	Payment of principal and interest on the bonds.
Rebate Fund	All monies which are subject to rebate to the United States government.	Payments to United States government.
Bond Proceeds Fund	Bond proceeds.	Purchase of local unit bonds.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****C. Accounts Required by Various Bond Resolutions (Continued)****Lease Refunding Revenue Bonds, Series 2012 (Brookdale Community College Project)****Lease Refunding Revenue Bonds, Series 2015 (Brookdale Community College Project)****Lease Refunding Revenue Bonds, Series 2019 (Brookdale Community College Project)**

<u>Account</u>	<u>Source</u>	<u>Use for Which Restricted</u>
Construction Fund	Bond proceeds. At the option of the Authority, any monies received for, or in connection with, the properties.	For the payment of acquisition cost of properties.
Revenue Fund	All revenues.	For transfer to the Operating Fund and Debt Service Fund as required by the Bond resolution.
Operating Fund	Transfer from Revenue Fund.	For the payment of operations and administrative expenses as required by the Bond Resolution.
Debt Service Fund	Transfer from Revenue Fund.	Payment of principal and interest on the bonds.
Debt Service Reserve Fund	Bond proceeds.	Transfer to Debt Service Fund for any deficiencies.
General Reserve Fund	Transfer from Revenue Fund.	Transfer to Debt Service Fund, other expenses as required by the Bond Resolution.
Rebate Fund	All monies which are subject to rebate to the United States Government.	Payments to United States Government.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****C. Accounts Required by Various Bond Resolutions (Continued)****Governmental Loan Project Note, Series 2020 C (Fort Monmouth Economic Revitalization Project)**

<u>Account</u>	<u>Source</u>	<u>Use for Which Restricted</u>
Loan Fund	Note proceeds.	For the execution of loans to participating governmental entities according to the terms of the Note Resolution.
Revenue Fund	All revenues.	For transfer to the Debt Service Fund.
Debt Service Fund	Transfer from Revenue Fund	Payment of principal and interest on the Notes.
Rebate Fund	All monies which are subject to rebate to the United States Government.	Payments to United States Government.

In accordance with the terms of the various bond and note resolutions, cash and cash equivalents of the various funds are classified as restricted assets. The amounts by which the restricted assets exceed the corresponding liabilities they will liquidate are restrictions of retained earnings as these excesses are not available for the payment of current operating expenses.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****D. Investment Income**

In accordance with the resolutions authorizing the Pooled Governmental Loan Program Bonds, investment income earned on all funds and accounts, except the Debt Reserve Fund, shall be transferred to the subaccount in the Earnings Fund. Investment income earned on the Debt Reserve Fund shall be transferred similarly unless it is necessary to meet the bond reserve requirements.

Investment income on construction accounts for construction projects operated by entities other than the Authority is classified as escrow funds payable or arbitrage payable and the related assets are classified as restricted assets as the use of this income has been designated by resolution of the Authority to pay future construction or arbitrage costs. Any excess amounts are to be dedicated to the payment of debt service in subsequent years. (Note 1.J.)

Investment income on debt service accounts for projects which entail lease agreements are classified as deferred revenue (Note 1.K.) and the related assets are classified as restricted assets, as this income has been designated by resolution to pay debt service costs.

E. Deferred Issuance Costs

The Authority capitalized \$22,815,250 as deferred issuance costs as detailed below. Accumulated amortization as of July 31, 2022 and 2021 are \$13,071,922 and \$12,303,487, respectively. The cost of issue for these projects will be paid by the participants. Interest earnings may reduce payments from participants. With regard to the other programs listed below, premiums were received on the issues, which affect the issue costs. The issue costs will not be recovered from the participants but are offset by the premiums received. For all other projects, the costs of issue were expensed when incurred and will be paid to the Authority from the individual participants through lease payments or, in cases where the Authority has an investment in the bonds of the participants, the costs of issue will be recovered through the payment from the participants.

The balance of deferred issuance costs are as follows:

	<u>Issue Costs</u>	<u>Accumulated Amortization</u>	<u>Balance</u>
2001 Pooled Governmental Loan	\$ 650,925	650,925	
2005 Shrewsbury FD#1 Lease	119,957	112,334	7,623
2006 Shrewsbury FD#1 Lease	55,077	51,441	3,636

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****E. Deferred Issuance Costs (Continued)**

The balance of deferred issuance costs are as follows:

	<u>Issue Costs</u>	<u>Accumulated Amortization</u>	<u>Balance</u>
2007 Government Loan Refunding Revenue Bonds	915,561	913,034	2,527
2011A Pooled Government Loan	841,774	834,086	7,688
2011 Governmental Loan Refunding Revenue Bonds	450,301	450,301	
2011 Pooled Capital Equipment Lease	374,528	374,528	
2012 Brookdale Community College Lease Revenue Bonds	260,983	224,758	36,225
2011B Pooled Revenue Government Loan	395,873	383,354	12,519
2012 Government Loan Refunding Revenue Bonds	1,150,638	1,091,811	58,827
2012 Pooled Revenue Governmental Loan	364,419	280,173	84,246
2013A Pooled Revenue Governmental Loan	579,809	433,405	146,404
2013B Pooled Revenue Governmental Loan	765,754	558,803	206,951
2013 Pooled Capital Equipment Lease	455,808	444,356	11,452
2014B Pooled Revenue Governmental Loan	790,733	505,704	285,029
2014A Governmental Loan Refunding Revenue Bonds	335,278	283,448	51,830
2015 Brookdale Community College Refunding	468,688	180,713	287,975
2015 Governmental Loan Refunding Revenue Bonds	375,709	252,712	122,997
2015 Pooled Capital Equipment Lease	441,256	415,433	25,823
2015 Pooled Revenue Governmental Loan	523,832	281,226	242,606
2016A Government Loan Refunding Revenue Bonds	908,187	739,353	168,834
2017A Pooled Revenue Governmental Loan	755,393	335,743	419,650
2016B Governmental Loan Refunding Revenue Bonds	912,641	483,351	429,290
2017B Pooled Revenue Governmental Loan	496,795	214,258	282,537
2017 Pooled Capital Equipment Lease	340,625	260,525	80,100
2018A Pooled Revenue Governmental Loan	510,084	195,450	314,634
2018B Pooled Revenue Governmental Loan	1,021,516	315,294	706,222
2018C Pooled Revenue Governmental Loan	860,225	303,874	556,351
2019 Brookdale Community College Refunding	232,841	82,231	150,610
2019A Pooled Revenue Governmental Loan	727,965	127,038	600,927
2019 Pooled Capital Equipment Lease	404,565	184,892	219,673
2019B Pooled Revenue Governmental Loan	1,952,630	396,352	1,556,278
2020A COVID Project Notes	247,069	247,069	
2020B Pooled Revenue Governmental Loan	907,375	100,055	807,320
2020C FMERA Project Notes	290,053	290,053	
2021A Pooled Revenue Governmental Loan	645,481	73,839	571,642
2021 Pooled Capital Equipment Lease	451,667		451,667
2021B Pooled Revenue Governmental Loan	833,235		833,235
	<u>\$ 22,815,250</u>	<u>13,071,922</u>	<u>9,743,328</u>

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fee Income and Expense

The Authority receives administrative fees from the Water Treatment Facility Project. These fees and the related expenses are recognized as earned or incurred.

G. Cash Flows

For purpose of the statements of cash flows, the Authority considers all highly liquid investments purchased with a maturity of three months or less or payable upon demand to be cash equivalents. In accordance with Statement #9 of the Government Accounting Standards Board, the Statements of Cash Flows present interest paid on bonds under "Cash Flows from Financing Activities", and interest received on investments as "Cash Flows from Investing Activities".

H. Investments

Investments are stated at market and are held by either the Trustee or by the Authority. Investments made with the proceeds of bonds are limited by the Bond Resolution to any bond, debenture, note or participation certificate issued by certain agencies identified within the Bond Resolution, any fully-secured negotiable or non-negotiable certificates of deposit and repurchase agreements, obligations of the New Jersey Cash Management Fund, and other obligations of the United States of America or the State of New Jersey.

I. Net Investment in a Direct Financing Lease

The Authority has direct financing leases with The County of Monmouth, Brookdale C.C., Shrewsbury Fire Department and various towns regarding the Water Treatment Facility and Capital Equipment Pooled Lease Programs.

Future interest payments and administrative costs are not included in the net investment. These items are accounted for as lease income and expenses as they accrue.

The components of the minimum lease payments to be received by the Authority include the principal and interest on the foregoing bonds and an allocable share of the administrative expenses incurred in the Operating Fund. Such annual payments will be made until the revenue bonds are paid in full. While the net investment in the lease will be recovered in an amount equal to the bond principal, interest expense, and administrative expenses, the minimum lease payments to be received by the Authority cannot be determined in advance because administrative expenses may fluctuate and future interest earnings will reduce the amount receivable. The net investments in direct financing leases for reporting purposes are established by eliminating retained earnings and setting the net investment equal to the difference between assets and liabilities of the project as the payments received will be reduced by investment earnings or will be returned to the participants at the end of the program. The minimum rental payments reflected in Note 2 assume rental payments will be equal to debt service.

J. Escrow Funds Payable

According to the various bond indentures, any excess bond proceeds over project costs are to be dedicated to the payment of debt service in subsequent years (Note 1.D.).

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****K. Deferred Revenue**

Revenues related to the various direct financing leases for which the related expenses have not yet been incurred are classified as deferred revenue.

Deferred revenue at July 31, 2022 and 2021 consists of the following:

	<u>2022</u>	<u>2021</u>
2001 Pooled Loan	\$	1,960
2007 Government Loan Refunding Revenue Bonds	16,131	17,014
2011 Governmental Loan Refunding Revenue Bonds		250
2011 Pooled Capital Equipment Lease		208,060
2011A Pooled Governmental Loan	52	52
2011B Pooled Revenue Governmental Loan	859	741
2012 Brookdale Community College Lease Renewal	610,641	601,341
2012 Governmental Loan Refunding Revenue Bonds	3,422	3,261
2012 Pooled Revenue Governmental Loan	352	350
2013A Pooled Revenue Governmental Loan	1,462,710	1,470,707
2013B Pooled Revenue Governmental Loan	1,235	1,229
2013 Pooled Capital Equipment Lease	90,890	123,029
2014 Governmental Loan Refunding Revenue Bonds	9	9
2014 Pooled Revenue Governmental Loan	1,434	1,427
2015 Pooled Capital Equipment Lease	75,473	126,699
2015 Governmental Loan Refunding Revenue Bonds	80,345	117,591
2015 Pooled Revenue Governmental Loan	546	543
2015 Brookdale Community College Refunding	1,301,128	1,286,628
2016A Government Loan Refunding Revenue Bonds	1,475	1,086
2016 B Government Loan Refunding Revenue Bonds	4,589,838	3,362,230
2017 Pooled Capital Equipment Lease	10,990	100,981
2017A Pooled Revenue Governmental Loan	599,265	240,509
2017B Pooled Revenue Governmental Loan	2,283	2,281
2018 Pooled Revenue Governmental Loan	283	283
2018 B Pooled Revenue Governmental Loan	4,104	4,100
2018 C Pooled Revenue Governmental Loan	474	465
2019 Brookdale Community College Refunding	517,100	496,108
2019 Capital Equipment	209	1,095
2019A Pooled Revenue Governmental Loan	2,708,625	2,605,325
2019 B Pooled Revenue Governmental Loan	59	37
2020A & B COVID Project Notes		8
2020B Pooled Revenue Governmental Loan	11	2
2020C FMERA Project Notes		112
2021 Pooled Capital Equipment	717	
2021A Pooled Revenue Governmental Loan	4	
2021B Pooled Revenue Governmental Loan	2,830	
	<u>\$ 12,083,494</u>	<u>10,775,513</u>

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****L. Lease Income**

Payments received for project costs and debt service requirements on projects which are treated as net investment in direct financing leases are classified as lease income.

M. Discount/Premium on Bonds Payable

Original bond discounts and premiums are being amortized using the bonds outstanding method over the life of the bonds until maturity. The unamortized amounts at July 31, 2022 and 2021 were \$87,674,073 (net premium) and \$90,015,021 (net premium), respectively. During 2022, the Authority amortized \$(12,746,955) to interest expense. The balance is calculated as follows:

Net Premium, July 31, 2021	\$ 90,015,021
Activity during 2021-2022 was as follows:	
Premium/Discount on Pooled Capital Lease 2021	2,871,973
Premium/Discount Pooled Revenue Governmental Loan 2021B	7,534,034
Net Amortization of Premiums/Discounts	<u>(12,746,955)</u>
Premium July 31, 2022	<u>\$ 87,674,073</u>

N. Losses on Debt Defeasance

Accounting losses on advanced refundings of debt are being amortized as a component of interest expense using the bonds outstanding method over the life of the old debt or the new debt, whichever is shorter. The unamortized losses at July 31, 2022 and 2021 were \$-0- and \$-0-, respectively. During 2022, the Authority amortized \$-0- of the loss on defeasance to interest expense.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS****A. Governmental Loan Revenue Bonds, Series 2001**

On December 1, 2001, the Authority issued \$42,215,000 of Governmental Loan Revenue Bonds, Series 2001 to acquire nine (9) separate series of General Obligation Bonds, Series 2001.

Each Local Unit involved in the Government Loan Revenue Bonds, Series 2001 program issued Local Unit Bonds to permanently finance certain general improvements and certain bond anticipation notes.

B. Shrewsbury Hose Company No. 1 Project Series 2005

On September 21, 2005, the Authority issued \$2,275,000 of Guaranteed Revenue Bonds to finance the cost of construction of a new firehouse.

The Bonds are being issued to finance the cost of construction of a new firehouse for the Shrewsbury Hose Company No. 1, Inc., a New Jersey nonprofit corporation constituting an organization described in Section 501(c)(4) of the Internal Revenue Code of 1986, as amended and pay certain costs incurred in connection with the issuance of the Bonds. The proceeds of the Bonds shall be used to fund a grant to be made by the Authority to the Fire Company which will undertake to construct, own and operate the Facility. The bonds shall be payable and secured by subsidy payments to be made by the Borough of Shrewsbury, in the County of Monmouth, New Jersey subject to annual appropriation, pursuant to a Grant and Subsidy Agreement by and among the Authority, the Borough and the Fire Company, dated as of September 1, 2005.

C. Shrewsbury Hose Company No. 1 Project Series 2006

On May 24, 2006, the Authority issued \$975,000 of Guaranteed Revenue Bonds to finance the additional cost of the construction of a new firehouse.

The Bonds are being issued to finance the additional cost of construction of a new firehouse for the Shrewsbury Hose Company No. 1, Inc., a New Jersey nonprofit corporation constituting an organization described in Section 501(c)(4) of the Internal Revenue Code of 1986, as amended and pay certain costs incurred in connection with the issuance of the Bonds. The proceeds of the Bonds shall be used to fund a grant to be made by the Authority to the Fire Company which will undertake to construct, own and operate the Facility. The Bonds shall be payable and secured by subsidy payments to be made by the Borough of Shrewsbury, in the County of Monmouth, New Jersey subject to annual appropriation, pursuant to an Amended and Restated Grant and Subsidy Agreement by and among the Authority, the Borough and the Fire Company, dated as of May 1, 2006.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****D. Governmental Loan Revenue Refunding Bonds, Series 2007**

On April 12, 2007 the Authority issued \$56,575,000 of Governmental Loan Revenue Refunding Bonds, Series 2007 in order to advance refund a portion of the \$26,075,000 Governmental Loan Revenue Bonds, Series 1996, \$15,805,000 Governmental Loan Revenue Bonds, Series 1997, \$21,115,000 Governmental Loan Revenue Bonds, Series 1999, \$30,245,000 Governmental Loan Revenue Bonds, Series 2000, \$42,215,000 Governmental Loan Revenue Bonds, Series 2001, and \$32,180,000 Governmental Loan Revenue Bonds, Series 2002.

E. Governmental Loan Revenue Refunding Bonds, Series 2011

On March 31, 2011 the Authority issued \$14,470,000 of Governmental Loan Revenue Refunding Bonds, Series 2011, to acquire seven separate series of Authority Local Unit Bonds, Series 2011, the proceeds of which will provide funds to make a loan to each of the borrowers.

F. Governmental Loan Revenue Bonds, Series 2011

On January 13, 2011 the Authority issued \$40,325,000 of Governmental Loan Revenue Bonds, Series 2011, to acquire separate series of general obligation bonds, Series 2011.

Each Local Unit involved in the Governmental Loan Revenue Bonds, Series 2011 program issued Local Unit Bonds to permanently finance certain Bond Anticipation Notes and to finance other general improvements.

G. Capital Equipment Pooled Lease Revenue Bonds, Series 2011

On October 20, 2011 the Authority issued \$11,510,000 of Pooled Lease Revenue Bonds, Series 2009, to acquire separate series of general obligation bonds, Series 2011.

Each Local Unit involved in the Governmental Loan Revenue Bonds, Series 2011 program issued Local Unit Bonds to permanently finance certain Bond Anticipation Notes and to finance other general improvements of the Local Units.

The Agreements are treated as capital leases by the Authority. The following is a schedule of the future minimum payments for debt service payments, not including administrative expenses, over the term of the lease. These payments will be increased by administrative expenses and decreased by interest earnings net of arbitrage earnings, if any. See Note 1.I for financial statement presentation of the net investment in the lease.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****H. Governmental Loan Revenue Bonds, Series 2011B**

On December 29, 2011 the Authority issued \$14,850,000 of Governmental Loan Revenue Bonds, Series 2011, to acquire separate series of general obligation bonds, Series 2011B.

Each Local Unit involved in the Governmental Loan Revenue Bonds, Series 2011B program issued Local Unit Bonds to permanently finance certain Bond Anticipation Notes and to finance other general improvements.

I. Lease Revenue Refunding Bonds, Series 2012, Brookdale Community College Refunding Project

On May 16, 2012 the Authority issued \$7,660,000 of Lease Revenue Refunding Bonds, Series 2012, Bonds were issued to provide funds for an escrow, the proceeds of which are to be used for the purpose of advance refunding all of the Authority's presently outstanding Lease Revenue Bonds, Series 2003.

J. Pooled Governmental Loan Refunding Revenue Bonds, Series 2012

On May 22, 2012 the Authority issued \$62,315,000 of Governmental Loan Refunding Revenue Bonds, Series 2006 to advance refund a portion of the Authority's presently outstanding 1995, 1998, 2001, 2002, 2002A, 2002B, 2003, 2004 and 2005 Bonds, Series 1995, 1998, 2001, 2002, 2002A, 2002B, 2003, 2004 and 2005.

The Series 2012 Bonds are being issued to acquire seven separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the borrowers. Local Units include fifteen Local Governments and one Board of Education.

K. Governmental Loan Revenue Bonds, Series 2012

On December 19, 2012 the Authority issued \$9,720,000 of Governmental Loan Revenue Bonds, Series 2012, to acquire six separate series of Government Loan Revenue Bonds, Series 2012.

Each Local Unit involved in the Governmental Loan Revenue Bonds, Series 2012 program issued Local Unit Bonds to permanently finance certain Bond Anticipation Notes and to finance other general improvements.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****L. Governmental Loan Revenue Bonds, Series 2013A**

On June 13, 2013, the Authority issued \$29,765,000 of Governmental Loan Revenue Bonds, Series 2013A, to acquire two separate series of Governmental Loan Revenue Bonds, Series 2013A (Manasquan River Regional Sewerage Authority and the Township of Wall) and Revenue Bonds Series 2013A (Howell Township Board of Education Refunding Project) to advance refund a portion of the Pension Bonds, Series 2005 in the amount of \$7,950,000 as follows:

\$20,655,000
Governmental Loan Revenue Bonds
Tax Exempt
Series 2013A

Each Local Unit involved in the Tax Exempt Governmental Loan Revenue Bonds, Series 2013A program issued Local Unit Bonds to permanently finance certain Bond Anticipation Notes and to finance other general improvements.

The Authority issued \$9,110,000 of Federally Taxable Governmental Loan Revenue Bonds, Series 2013A (Howell Township Board of Education Refunding Project) to advance refund a portion of the Pension Bonds, Series 2005. The loan repayments have been pledged by the Authority to secure the Howell Township Board of Education Pension Bonds, Series 2005.

M. Governmental Loan Revenue Bonds, Series 2013 B

On November 14, 2013, the Authority issued \$34,715,000 of Governmental Loan Revenue Bonds, Series 2013B, to acquire eleven separate series of Governmental Loan Revenue Bonds, Series 2013B.

Each Local Unit involved in the Governmental Loan Revenue Bonds, Series 2013B program issued Local Unit Bonds to permanently finance certain Bond Anticipation Notes and to finance other general improvements.

N. Capital Equipment Pooled Lease Revenue Bonds, Series 2013

On August 14, 2013, the Authority issued \$18,820,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2013, to acquire twenty-four separate series of Capital Equipment Lease Revenue Bonds, Series 2013.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****O. Governmental Loan Refunding Revenue Bonds, Series 2014**

On December 4, 2014 the Authority issued \$9,460,000 of Governmental Loan Revenue Refunding Bonds, Series 2014A to acquire four separate series of governmental Loan Refunding Revenue Bonds, Series 2014.

The Series 2014 Bonds are being issued to provide funds to the Authority to make a loan to the Borrowers for the funding of an escrow, the proceeds of which are to be used for the purpose of refunding a portion of the Authority's outstanding Series 2006 Bonds, specifically all of the Series 2006 Bonds maturing on December 1 of each of the years 2017 through 2026, inclusive (the "Refunded Bonds"), and paying certain costs incurred in connection with the issuance of the Series 2014 Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

P. Governmental Pooled Loan Revenue Bonds, Series 2014

On December 24, 2014 the Authority issued \$39,495,000 of Governmental Pooled Loan Revenue Bonds, Series 2014 to acquire eight separate series of Governmental Loan Revenue Bonds, Series 2014.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to refinance certain of the outstanding bond anticipation notes of the Municipal Borrowers and advance refund certain of the outstanding bonds of the School District Borrower; finance other general improvements of the Municipal Borrowers; and pay certain of the costs of issuance of the Series 2014 Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)

Q. Governmental Loan Refunding Revenue Bonds, Series 2015

On June 25, 2015 the Authority issued \$15,530,000 of Governmental Pooled Loan Refunding Revenue Bonds, Series 2015 to acquire three separate series of Governmental Loan Refunding Revenue Bonds, Series 2015.

The Series 2015 Bonds are being issued to provide funds to the Authority to make a loan to the Borrowers for the funding of three escrows, the proceeds of which are to be used for the purpose of refunding a portion of the Board of Education of the Borough of Avon-by-the-Sea in the County of Monmouth, New Jersey, outstanding School District Bonds, Series 2006 (the "2006 Avon-by-the-Sea Board of Education Bonds"), specifically all of the 2006 Avon-by-the-Sea Board of Education Bonds maturing on March 1 of each of the years 2018, 2020, 2022, 2024, 2025, 2026, 2027, 2028, 2029, 2031 and 2036, inclusive (the "2006 Avon-by-the-Sea Board of Education Refunded Bonds"), a portion of the Board of Education of the Borough of Little Silver in the County of Monmouth, New Jersey, outstanding Refunding Bonds, Series 2005 (the "2005 Little Silver Board of Education Bonds") specifically all of the 2005 Little Silver Board of Education Bonds maturing on March 1 of each of the years 2016 through 2022, inclusive (the "2005 Little Silver Board of Education Refunded Bonds") and a portion of the Borough of Red Bank, in the County of Monmouth, New Jersey, outstanding General Improvement Bonds and Water/Sewer Utility Bonds, Series 2007 (the "2007 Red Bank Borough Bonds"), specifically all of the 2007 Red Bank Borough Bonds maturing on February 1 of each of the years 2017 to 2022, inclusive (the "2007 Red Bank Borough Refunded Bonds", and together with the 2006 Avon-by-the-Sea Board of Education Refunded Bonds and the 2005 Little Silver Board of Education Refunded Bonds, the "Refunded Bonds"), respectively, and paying certain costs incurred in connection with the issuance of the Series 2015 Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

R. Lease Revenue Refunding Bonds, Series 2015, Brookdale Community College Project

On September 2, 2015 the Authority issued \$24,530,000 of Lease Revenue Refunding Bonds, Series 2015. The bonds were issued to provide funds for an escrow, the proceeds of which are to be used for the purpose of an advance refunding all of the Authority's callable Lease Revenue Bonds, Series 2008, being those bonds maturing on and after August 1, 2019.

S. Capital Equipment Pooled Lease Revenue Bonds, Series 2015

On October 27, 2015 the Authority issued \$13,375,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2015 to acquire eighteen separate series of Capital Equipment Lease Revenue Bonds, Series 2015 (Thirteen Municipalities and Five School Districts).

T. Governmental Pooled Loan Revenue Bonds, Series 2015

On December 23, 2015 the Authority issued \$20,705,000 of Governmental Pooled Loan Revenue Bonds, Series 2015 to acquire six separate series of Governmental Loan Revenue Bonds, Series 2015.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to refinance certain of the outstanding bond anticipation notes of the Borrowers; finance other general improvements of the Borrowers; and pay certain of the costs of issuance of the Series 2015 Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)

U. Governmental Loan Refunding Revenue Bonds, Series 2016

On March 24, 2016 the Authority issued \$38,505,000 of Governmental Pooled Loan Revenue Bonds, Series 2016, to acquire fifteen separate series of Governmental Loan Refunding Revenue Bonds, Series 2016 proceeds refund.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to refinance certain of the outstanding bonds of the Borrower; and pay certain of the costs of issuance of the Series 2016 Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

V. Governmental Pooled Loan Refunding Revenue Bonds, Series 2016B

On October 5, 2016 the Authority issued \$40,020,000 of Governmental Pooled Loan Refunding Revenue Bonds, Series 2016B, to acquire ten separate series of Governmental Loan Refunding Revenue Refunding Bonds, Series 2016B.

The Series 2016B Bonds are being issued to provide funds to the Authority to make a loan to the Borrowers for (i) the funding of six escrows, the proceeds of which are to be used for the purpose of refunding a portion of the Authority's outstanding Series 2009 Bonds, specifically all or a portion of the Series 2009 Bonds maturing on December 1 of each of the years 2020 through 2029, inclusive (the "2009 Refunded Bonds"), a portion of the Authority's outstanding Series 2010 Bonds, specifically all or a portion of the Series 2010 Bonds maturing on February 1 of each of the years 2021 through 2030, inclusive (the "2010 Refunded Bonds"), a portion of the Authority's outstanding Series 2011 Bonds, specifically all or a portion of the Series 2011 Bonds maturing on January 15 of each of the years 2022 through 2031, inclusive (the "2011 Refunded Bonds"), a portion of the City of Asbury Park's outstanding General Improvement Bonds of 2009 (the "2009 Asbury Park Bonds"), specifically all or a portion of the 2009 Asbury Park Bonds maturing on April 1 of each of the 2020 through 2028, inclusive (the "Asbury Park Refunded Bonds"), a portion of the Board of Education of the Borough of Oceanport's outstanding Schools Bonds of 2006 (the "2006 Oceanport School District Bonds"), specifically all or a portion of the 2006 Oceanport school District Bonds maturing on August 1 of each of the years 2018 through 2025, inclusive (the "Oceanport School District Refunded Bonds"), and a portion of the Board of Education of the Shore Regional High School District's outstanding School Bonds of 2009 (the "2009 Shore Regional School District Bonds"), specifically all or a portion of the 2009 Shore Regional School District Bonds maturing on September 15 of each of the years 2020 through 2029, inclusive (the "Shore Regional School District Refunded Bonds", and collectively, the "Refunded Bonds"), respectively, and (ii) paying certain costs incurred in connection with the issuance of the Series 2016B Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****W. Governmental Pooled Loan Revenue Bonds, Series 2017**

On February 23, 2017, the Authority issued \$40,555,000 of Governmental Pooled Loan Bonds, Series 2017 to acquire five separate series of Pooled Governmental Loan Revenue Bonds, Series 2017.

The Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2017 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement").

X. Governmental Pooled Loan Revenue Bonds, Series 2017B

On September 13, 2017, the Authority issued \$25,775,000 of Government Pooled Loan Revenue Bonds, Series 2017B to acquire two separate series of Governmental Pooled Loan Revenue Bonds.

The Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2017B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement").

Y. Capital Equipment Pooled Lease Revenue Bonds, Series 2017

On October 26, 2017, the Authority issued \$9,570,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2017 to acquire twelve separate series of Capital Equipment Pooled Lease Revenue Bonds, Series 2017 (eight Municipalities and One School District).

The Bonds are issued pursuant to the Authority's Capital Equipment Leasing Program ("the Program"). Items of capital equipment (the "Equipment") being financed through the Program are of various types, including but not limited to, police cars, fire equipment, trucks, computers and ambulances.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****Z. Governmental Pooled Loan Revenue Bonds, Series 2018A**

On February 1, 2018, the Authority issued \$21,010,000 of Government Pooled Loan Revenue Bonds, Series 2018A to acquire five separate series of Governmental Loan Revenue Bonds, Series 2018A (five Municipalities).

The Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2018A Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement").

AA. Governmental Pooled Loan Revenue Bonds, Series 2018B

On July 24, 2018, the Authority issued \$69,645,000 of Government Pooled Loan Revenue Bonds, Series 2018B to acquire three separate series of Governmental Loan Revenue Bonds, Series 2018B (three School Districts).

The Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) finance general improvement of the Borrowers; and (ii) pay certain of the costs of issuance of the Series 2018B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement").

AB. Governmental Pooled Loan Revenue Bonds, Series 2018C

On December 18, 2018, the Authority issued \$47,265,000 of Government Pooled Loan Revenue Bonds, Series 2018C to acquire seven separate series of Governmental Loan Revenue Bonds, Series 2018C (seven Municipalities).

The Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; and (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2018C Bonds, the Authority Local Unit Bonds and the Borrowers Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement").

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)****AC. Lease Revenue Refunding Bonds, Series 2019, Brookdale Community College Project**

On June 6, 2019, the Authority issued \$6,575,000 of Lease Revenue Refunding Bonds, Series 2019.

The Bonds are being issued to effect the refunding of the Refunded Bonds pursuant to the Authority's refunding plan (the "Refunding Plan"). The Refunding Plan calls for the refunding of the Refunded Bonds, together with the interest payable thereon to; (a) the maturity date thereof with respect to the Refunding Bonds maturing on August 1, 2019; and (b) August 1, 2019, the earliest date set for optional redemption of the Refunded bonds maturing on and after August 1, 2020.

AD. Governmental Pooled Loan Revenue Bonds, Series 2019A

On August 5, 2019, the Authority issued \$48,370,000 of Governmental Pooled Loan Revenue Bonds, Series 2019A.

The Series 2019A Bonds are being issued to acquire three separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes and temporary notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2019A Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement").

AE. Capital Equipment Lease Revenue Bonds, Series 2019

On October 31, 2019, the Authority issued \$14,305,000 of Capital Equipment Lease Revenue Bonds, Series 2019.

The proceeds to be received by the Authority from the sale of the Bonds will be used to acquire thirteen separate series of Capital Equipment Lease Revenue Bonds, Series 2019 (the "Local Unit Bonds") in the aggregate principal amount of \$14,305,000 issued by the Authority under its thirteen separate Capital Equipment Lease Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Local Unit Bonds, which will be held by the Trustee for the Bonds, will be sufficient to pay the principal of and interest on the Bonds when due.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)

AF. Governmental Pool Loan Revenue Bonds, Series 2019B

On December 23, 2019, the Authority issued \$128,975,000 of Governmental Pooled Loan Revenue Bonds, Series 2019B to acquire thirteen separate series of Governmental Pooled Loan Revenue Bonds.

The Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Municipal Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2019B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements").

AG. Governmental Pooled Loan Project Notes, Series 2020 (Fort Monmouth Economic Revitalization Project)

On November 10, 2020, the Authority issued \$22,185,000 of Governmental Loan Project Notes, Series 2020 for the Fort Monmouth Economic Revitalization Project.

The proceeds to be received by the Authority from the sale of the Series 2020 Note will be used to provide funds to the Authority to make a loan to the Borrower to (i) currently refund, together with other available monies received from the Borrower, the Authority's Governmental Loan Project Notes, Series 2019 (Monmouth County Guaranteed) (Fort Monmouth Economic Revitalization Project) (Federally Taxable), currently outstanding in the amount of \$23,560,000, dated and issued on November 13, 2019, maturing November 12, 2020 (the "Series 2019 Notes"), and (ii) pay certain of the costs of issuance of the Series 2020 Note.

AH. Governmental Pooled Loan Revenue Bonds, Series 2020

On December 22, 2020, the Authority issued \$48,655,000 of Governmental Pooled Loan Revenue Bonds, Series 2020 to acquire eight separate series of Governmental Loan Revenue Bonds, Series 2020 issued by the Authority (the "Authority Local Unit Bonds") in the aggregate principal amount of \$48,655,000 issued by the Authority under its eight separate 2020 Governmental Loan Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Authority Local Unit Bonds, which will be held by the Trustee for the Series 2020 Bonds, will be sufficient to pay the principal of and interest on the Series 2020 Bonds when due.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance other general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2020 Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

2. TRANSACTIONS WITH OTHER GOVERNMENTAL UNITS (Continued)

AI: Governmental Pooled Loan Revenue Bonds, Series 2021A

On July 8, 2021, the Authority issued \$32,985,000 of Governmental Pooled Loan Revenue Bonds, Series 2021A to acquire five separate series of Governmental Loan Revenue Bonds, Series 2021A issued by the Authority (the "Authority Local Unit Bonds") in the aggregate principal amount of \$32,985,000 issued by the Authority under its five separate 2021A Governmental Loan Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Authority Local Unit Bonds, which will be held by the Trustee for the Series 2021A Bonds, will be sufficient to pay the principal of and interest on the Series 2021A Bonds when due.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance other general improvements of the Borrowers; (iii) refund certain of the outstanding bonds of the Borrowers, the proceeds from which will be utilized to refund the Refunded Bonds; and (iv) pay certain of the costs of issuance of the Series 2021A Bonds, the Authority Local Unit Bonds and the Borrower Bonds, as hereinafter defined.

AJ: Capital Equipment Lease Revenue Bonds, Series 2021

On September 30, 2021, the Authority issued \$17,140,000 of Capital Equipment Lease Revenue Bonds, Series 2021.

The proceeds to be received by the Authority from the sale of the Bonds will be used to acquire twelve separate series of Capital Equipment Lease Revenue Bonds, Series 2021 (the "Local Unit Bonds") in aggregate principal amount of \$17,140,000 issued by the Authority under its twelve separate Capital Equipment Lease Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Local Unit Bonds, which will be held by the Trustee for the Bonds, will be sufficient to pay the principal of and interest on the Bonds when due.

AK. Governmental Pooled Loan Revenue Bonds, Series 2021B

On December 31, 2021, the Authority issued \$35,015,000 of Government Pooled Loan Revenue Bonds, Series 2021 to acquire eleven separate 2021B Governmental Loan Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Authority Local Unit Bonds, which will be held by the Trustee for the Series 2021B Bonds, will be sufficient to pay the principal of and interest on the Series 2021B Bonds when due.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to (i) refinance certain of the outstanding bond anticipation notes of the Municipal Borrowers; (ii) finance other general improvements of the Borrowers; (iii) refund certain of the outstanding bonds of the Borrowers, the proceeds from which will be utilized to refund the Refunded Bonds; and (iv) pay certain of the costs of issuance of the Series 2021B Bonds, the Authority Local Unit Bonds and the Borrower Bonds, as hereinafter defined.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE****A. Governmental Loan Revenue Bonds, Series 2001**

On December 1, 2001, the Authority issued \$42,215,000 of Governmental Loan Revenue Bonds, Series 2001 dated December 1, 2001. The Bonds were issued in order to make a loan to each of the borrowers. The Bonds of the Authority will mature on December 1, as set forth in the table below. The table reflects 2012 refunding. The Bonds were paid in full during the 2021-2022 fiscal year.

B. Shrewsbury Hose Company No. 1 Project Series 2005

On September 21, 2005, the Authority issued \$2,275,000 of Guaranteed Revenue Bonds to finance the cost of construction of a new firehouse. The Bonds will mature on September 1 as set forth.

\$465,000 4.0% Term Bonds due September 1, 2019

\$1,165,000 4.25% Term Bonds due September 1, 2025

Redemption Provisions

Optional Redemption – The Bonds maturing on or before September 1, 2015 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after September 1, 2016 shall be subject to redemption prior to their respective maturity dates, on or after September 1, 2015 at the option of the authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

Mandatory Sinking Fund Redemption – The Bonds maturing on September 1, 2019 shall be subject to mandatory redemption prior to maturity, in part, by operation of the sinking Fund which has been established under the Resolution, on September 1, in the years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the redemption date. This was paid in full during the 2019-2020 fiscal year.

The Bonds maturing on September 1, 2025 shall be subject to mandatory redemption prior to maturity, in part, by operation of the Sinking Fund which has been established under the Resolution, on September 1, in the years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the redemption date:

<u>September 1</u>	<u>Principal Amount</u>
2022	\$ 185,000
2023	195,000
2024	200,000
2025*	210,000

*Final maturity

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****C. Shrewsbury Hose Company No. 1 Project Series 2006**

On May 24, 2006, the Authority issued \$975,000 of Guaranteed Revenue Bonds to finance the cost of construction of a new firehouse. The bonds will mature on September 1 as set forth in the table below:

\$375,000 4.300% Term Bonds due September 1, 2021
 \$360,000 4.375% Term Bonds due September 1, 2025

Redemption Provisions

Optional Redemption – The Bonds maturing on or before September 1, 2016 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after September 1, 2017 shall be subject to redemption prior to their respective maturity dates, on or after September 1, 2016 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

The Bonds maturing on September 1, 2025 shall be subject to mandatory redemption prior to maturity, in part, by operation of the Sinking Fund which has been established under the Resolution, on September 1, in the years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount thereof, plus interest accrued to the redemption date:

<u>September 1</u>	<u>Principal Amount</u>
2022	\$ 85,000
2023	90,000
2024	90,000
2025*	95,000

*Final maturity

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****D. Governmental Loan Refunding Revenue Bonds, Series 2007**

On April 12, 2007 the Authority issued \$56,575,000 of Governmental Loan Refunding Revenue Bonds Series 2007 in order to advance refund a portion of heretofore issued \$26,075,000 Governmental Loan Revenue Bonds, Series 1996 (the "Series 1996 Bonds"), \$15,805,000 Governmental Loan Revenue Bonds, Series 1997 (the "Series 1997 Bonds"), \$21,115,000 Governmental Loan Revenue Bonds, Series 1999 (the "Series 1999 Bonds"), \$30,345,000 Governmental Loan Revenue Bonds, Series 2000 (the "Series 2000 Bonds"), \$42,215,000 Governmental Loan Revenue Bonds, Series 2001 (the "Series 2001 Bonds") and \$32,180,000 Governmental Loan Revenue Bonds, Series 2002 (the "Series 2002 Bonds").

Net proceeds as well as other funding sources were deposited into an escrow account to pay principal and interest on the defeased debt. The refunding bonds are due on December 1 as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 1,455,000	4%

The series 2007 Refunding Bonds are not subject to redemption prior to maturity.

The Authority obtained an economic gain (difference between the net present value of the old and new debt service payments) of \$1,751,553.

E. Governmental Loan Revenue Bonds, Series 2011

On January 15, 2011 the Authority issued \$40,325,000 of Loan Revenue Bonds, Series 2011 dated January 13, 2011. The Bonds are being issued to acquire nine separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers.

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 145,000	5.00%	2025	160,000	5.00%
2024	150,000	5.00%	2026	165,000	5.00%

Redemption of Bonds

Optional Redemption - The Series 2011 Bonds maturing on or before January 15, 2021 shall not be subject to redemption prior to their respective maturity dates. The Series 2011 Bonds maturing on or after January 15, 2022 shall be subject to redemption prior to their respective maturity dates, on or after January 15, 2021 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

On July 8, 2021, the Authority issued Refunding Bonds to refund a portion of the Series 2011 Governmental Loan Revenue Bonds related to the Atlantic Highlands Project. The remaining bonds relate to the Monmouth County Bayshore Outfall Authority which matures on January 15, 2026, as outlined in the debt schedule above.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****F. Governmental Loan Revenue Refunding Bonds, Series 2011**

On December 1, 2010 the Authority issued \$14,470,000 of Loan Refunding Revenue Bonds, Series 2011 dated December 1, 2010. The Bonds are being issued to acquire seven separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers. The Bonds were paid in full during the 2021-2022 fiscal year.

G. Capital Equipment Pooled Lease Revenue Bonds, Series 2011

On October 20, 2011 the Authority issued \$11,510,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2011, dated October 1, 2011. The bonds were issued to provide funds to the Authority to acquire bonds issued by the Authority to finance the acquisition of equipment leases to certain governmental units located within the County of Monmouth; which local units include twelve municipalities and three school districts. The Bonds were paid in full during the 2021-2022 fiscal year.

H. Governmental Loan Revenue Bonds, Series 2011B

On December 29, 2011, the Authority issued \$14,850,000 of Governmental Loan Revenue Bonds, Series 2011B, dated December 1, 2011. The Bonds were issued in order to make a loan to each of the borrowers. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 240,000	4.00%	2025	145,000	3.00%
2023	135,000	4.00%	2026	150,000	3.00%
2024	145,000	3.00%			

Redemption of Bonds

Optional Redemption – The Series 2011 Bonds maturing on or before December 1, 2021 shall not be subject to redemption prior to their respective maturity dates. The Series 2011 Bonds maturing on or after December 1, 2022 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2021 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

On December 31, 2021, Series 2021B Bonds were issued, in part, to effect the current refunding of a portion of the MCIA Series 2011B Bonds, the Keyport 2011 Bonds, to TOSA 2011 Bonds, and the Union Beach 2011 Bonds pursuant to the Authority’s refunding plan. The Refunding Plan calls for the refunding of the Refunded Bonds, together with the interest payable thereon to redemption date for the Refunded Bonds, on January 31, 2022.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****I. Lease Revenue Refunding Bonds, Series 2012 (Brookdale Community College Refunding Project)**

On May 16, 2012, the Authority issued \$7,660,000 of Lease Revenue Refunding Bonds Series 2012, dated May 1, 2012. The Bonds were issued to provide funds to fund an escrow, the proceeds of which are to be used for the purpose of an advance refunding of all of the Authority's presently outstanding Lease Revenue Bonds, Series 2003. The Bonds of the Authority will mature on August 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 555,000	4.00%	2025	610,000	5.00%
2023	575,000	2.25%	2026	635,000	5.00%
2024	585,000	2.25%			

Redemption of Bonds

Optional Redemption – The Bonds maturing on or before August 1, 2022 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after August 1, 2023 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2022 at the option of the Authority, upon notice either in whole or in part at any time in any order of maturity, at a redemption price equal to par amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

J. Governmental Pooled Loan Refunding Revenue Bonds, Series 2012

On May 22, 2012, the Authority issued \$62,315,000 of Governmental Loan Refunding Bonds Series 2012, dated May 1, 2012. The Bonds were issued to provide funds to fund an escrow, the proceeds of which are to be used for the purpose of advance refunding a portion of the Authority's presently outstanding 1995, 1998, 2001, 2002, 2002A, 2002B, 2003, 2004 and 2005 Governmental Loan Revenue Bonds, in addition to Local Unit Bonds of the Borough of Allentown, Township of Colts Neck and the Borough of Keyport. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 5,750,000	5.00%	2024	2,020,000	5.00%
2023	3,100,000	5.00%	2025	1,325,000	5.00%

The Series 2012 Bonds are not subject to redemption prior to maturity.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****K. Governmental Loan Revenue Bonds, Series 2012**

On December 19, 2012, the Authority issued \$9,720,000 of Governmental Loan Revenue Bonds, Series 2012, dated December 1, 2012. The Bonds were issued in order to make a loan to each of the six borrowers. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 635,000	4.00%	2028	240,000	2.25%
2023	660,000	4.00%	2029	120,000	3.50%
2024	695,000	2.00%	2030	120,000	3.50%
2025	710,000	3.00%	2031	125,000	2.50%
2026	730,000	2.00%	2032	130,000	2.50%
2027	620,000	2.00%			

Redemption of Bonds

Optional Redemption – The Series 2012 Bonds maturing on or before December 1, 2022 shall not be subject to redemption prior to their respective maturity dates. The Series 2012 Bonds maturing on or after December 1, 2023 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2022 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

L. Governmental Loan Revenue Bonds, Series 2013A

On June 5, 2013, the Authority issued \$20,655,000 of Governmental Pooled Loan Revenue Bonds, Series 2013A dated August 1, 2013.

The Series 2013A Pooled Loan Bonds are being issued to acquire two separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Pooled Loan Borrowers (each, a “Pooled Loan Borrower Loan”). The Pooled Loan Borrowers will apply the proceeds of the Pooled Loan Borrower Loans to: (i) finance general improvements of the Local Authority Borrower; (ii) refinance certain of the outstanding bond anticipation notes of the Municipal Borrower; and (iii) pay certain of the costs of issuance of the Series 2013A Pooled Loan Bonds, the Authority Local Unit Bonds and the Pooled Loan Borrower Bonds. The Pooled Loan Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Pooled Loan Borrowers (the “Pooled Loan Borrower Purchase Agreements”).

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****I. Governmental Loan Revenue Bonds, Series 2013A (Continued)**

The Bonds of the Authority will mature on August 1, as set forth in the table below:

The 2013A Governmental Pooled Revenue Bonds

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 1,165,000	5.00%	2027	1,265,000	5.00%
2023	1,185,000	5.00%	2028	1,285,000	5.00%
2024	1,200,000	5.00%	2029	815,000	3.00%
2025	1,220,000	5.00%	2030	815,000	4.00%
2026	1,240,000	5.00%	2031	820,000	3.125%

Redemption of Bonds

Optional Redemption – The Series 2013A Pooled Loan Bonds maturing on or before August 1, 2023 shall not be subject to redemption prior to their respective maturity dates. The Series 2013A Pooled Loan Bonds maturing on or after August 1, 2024 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2023 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

The Series 2013A School District Loan Bonds shall not be subject to redemption prior to their respective maturity dates.

Mandatory Sinking Fund Redemption – The Series 2013A Pooled Loan Bonds maturing on August 1, 2033 shall be subject to mandatory sinking fund redemption prior to maturity beginning on August 1, 2032 and annually on each August 1 thereafter, at the principal amount thereof, plus accrued interest to the date of redemption, in the years and principal amounts set forth below:

Series 2013A Pooled Loan Bonds Due August 1, 2033

<u>Year</u>	<u>Principal Amount</u>
2032	\$ 820,000
2033*	820,000

*Final maturity

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****M. Capital Equipment Pooled Lease Revenue Bonds, Series 2013**

On August 15, 2013, the Authority issued \$18,820,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2013, dated October 1, 2013. The Bonds were issued to provide funds to the Authority to acquire bonds issued by the Authority to finance the acquisition of equipment leases to certain governmental units located within the County of Monmouth; which local units include eleven municipalities, four school districts and one fire district.

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 580,000	4.00%	2023	605,000	4.00%

Redemption Provisions

The Bonds shall not be subject to redemption prior to their perspective maturity dates.

N. Governmental Loan Revenue Bonds, Series 2013B

On November 14, 2013, the Authority issued \$34,715,000 of Governmental Pooled Loan Revenue Bonds, Series 2013A dated December 1, 2013.

The Series 2013B Bonds are being issued to acquire eleven separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to: (i) finance general improvements of the Borrowers; (ii) refinance certain of the outstanding bond anticipation notes and advance refund certain of the outstanding bonds of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2013B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements").

The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,560,000	5%	2028	1,385,000	5%
2023	2,400,000	5%	2029	830,000	5%
2024	2,515,000	5%	2030	455,000	5%
2025	2,570,000	5%	2031	475,000	4%
2026	1,910,000	5%	2032	485,000	4%
2027	1,985,000	5%	2033	485,000	4.08%

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****N. Governmental Loan Revenue Bonds, Series 2013B (Continued)****Redemption of Series 2013B Bonds**

Optional Redemption – The Series 2013B Bonds maturing on or before December 1, 2023 shall not be subject to redemption prior to their respective maturity dates. The Series 2013B Bonds maturing on or after December 1, 2024 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2023 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

The Series 2013B Governmental Loan Revenue Bonds shall not be subject to redemption prior to their respective maturity dates.

O. Governmental Pooled Loan Refunding Revenue Bonds, Series 2014

On December 4, 2014, the Authority issued \$9,640,000 of Governmental Loan Refunding Revenue Bonds, Series 2014, dated December 1, 2014. The Series 2014 Bonds are being issued to provide funds to the Authority to make a loan to the Borrowers for the funding of an escrow, the proceeds of which are to be used for the purpose of refunding a portion of the Authority’s outstanding Series 2006 Bonds, specifically all of the Series 2006 Bonds maturing on December 1 of each of the years 2017 through 2026, inclusive (the “Refunded Bonds”), and paying certain costs incurred in connection with the issuance of the Series 2014 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 815,000	5%	2025	235,000	4%
2023	615,000	5%	2026	235,000	4%
2024	640,000	4%			

The Series 2014 Bonds are not subject to redemption prior to maturity.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****P. Governmental Pooled Loan Revenue Bonds, Series 2014**

On December 24, 2014, the Authority issued \$39,495,000 of Governmental Loan Revenue Bonds, Series 2014, dated December 1, 2014. The Series 2014 Bonds are being issued to acquire nine separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers. The Borrowers will apply the proceeds of the Borrower Loans to refinance certain of the outstanding bond anticipation notes of the Municipal Borrowers and advance refund certain of the outstanding bonds of the School District Borrower; finance general improvements of the Municipal Borrowers; and pay certain of the costs of issuance of the Series 2014 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,855,000	5%	2028	1,860,000	5%
2023	2,945,000	5%	2029	1,895,000	5%
2024	2,370,000	5%	2030	1,760,000	5%
2025	2,175,000	5%	2031	1,625,000	4%
2026	2,210,000	5%	2032	1,625,000	4%
2027	2,000,000	5%			

\$630,000 3 ¼% term bond due December 1, 2034 priced at 98.123% to yield 3.38%.

Redemption of Series 2014 Bonds

Optional Redemption – The Series 2014 Bonds maturing on or before December 1, 2024 shall not be subject to redemption prior to their respective maturity dates. The Series 2014 Bonds maturing on or after December 1, 2025 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2024 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

Mandatory Sinking Fund Redemption – The Series 2014 Bonds maturing on December 1, 2034 shall be subject to mandatory sinking fund redemption prior to maturity beginning on December 1, 2033 and annually on each December 1 thereafter, at the principal amount thereof, plus accrued interest to the date of redemption, in the years and principal amounts set forth below:

<u>Year</u>	<u>Principal Amount</u>
2033	\$ 315,000
2034	315,000*

*Final maturity

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****Q. Governmental Pooled Loan Revenue Refunding Bonds, Series 2015**

On June 25, 2015, the Authority issued \$15,530,000 of Governmental Loan Revenue Refunding Bonds, Series 2015, dated February 1, 2015.

The Series 2015 Bonds are being issued to provide funds to the Authority to make a loan to the Borrowers for the funding of three escrows, the proceeds of which are to be used for the purpose of refunding a portion of the Board of Education of the Borough of Avon-by-the-Sea in the County of Monmouth, New Jersey, outstanding School District Bonds, Series 2006 (the "2006 Avon-by-the-Sea Board of Education Bonds"), specifically all of the 2006 Avon-by-the-Sea Board of Education Bonds maturing on March 1 of each of the years 2018, 2020, 2022, 2024, 2025, 2026, 2027, 2028, 2029, 2031 and 2036, inclusive (the "2006 Avon-by-the-Sea Board of Education Refunded Bonds"), a portion of the Board of Education of the Borough of Little Silver in the County of Monmouth, New Jersey, outstanding Refunding Bonds, Series 2005 (the "2005 Little Silver Board of Education Bonds") specifically all of the 2005 Little Silver Board of Education Bonds maturing on March 1 of each of the years 2016 through 2022, inclusive (the "2005 Little Silver Board of Education Refunded Bonds") and a portion of the Borough of Red Bank, in the County of Monmouth, New Jersey, outstanding General Improvement Bonds and Water/Sewer Utility Bonds, Series 2007 (the "2007 Red Bank Borough Bonds"), specifically all of the 2007 Red Bank Borough Bonds maturing on February 1 of each of the years 2017 to 2022, inclusive (the "2007 Red Bank Borough Refunded Bonds", and together with the 2006 Avon-by-the-Sea Board of Education Refunded Bonds and the 2005 Little Silver Board of Education Refunded Bonds, the "Refunded Bonds"), respectively, and paying certain costs incurred in connection with the issuance of the Series 2015 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Bonds of the Authority will mature on February 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 255,000	4%	2029	315,000	3 1/8%
2024	265,000	4%	2030	330,000	3 1/4%
2025	275,000	4%	2031	335,000	3 1/4%
2026	285,000	4%	2032	345,000	3 3/8%
2027	300,000	3%	2033	360,000	3 3/8%
2028	305,000	3%	2034	375,000	3 1/2%

\$790,000 3 1/2% Term Bond due February 1, 2036 priced at 96.991% to yield 3.710%.

Redemption of Series 2015 Bonds

Optional Redemption – The Series 2015 Bonds maturing on or before February 1, 2025 shall not be subject to redemption prior to their respective maturity dates. The Series 2015 Bonds maturing on or after February 1, 2026 shall be subject to redemption prior to their respective maturity dates, on or after February 1, 2025 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****Q. Governmental Pooled Loan Revenue Refunding Bonds, Series 2015 (Continued)**

Mandatory Sinking Fund Redemption – The Series 2015 Bonds maturing on February 1, 2036 shall be subject to mandatory sinking fund redemption prior to maturity beginning on February 1, 2035 and annually on each February 1 thereafter, at the principal amount thereof, plus accrued interest to the date of redemption, in the years and principal amounts set forth below:

Series 2015 Bond Due February 1, 2036

<u>Year</u>	<u>Principal Amount</u>
2035	\$ 385,000
2036	405,000*

*Final maturity

R. Lease Revenue Refunding Bonds, Series 2015 (Brookdale Community College Refunding Project)

On September 5, 2015, the Authority issued \$24,530,000 of Lease Revenue Refunding Bonds Series 2015, dated August 1, 2015.

The Bonds are being issued to provide funds to the Authority, together with other available funds, to fund an escrow, the proceeds of which are to be used for the purpose of refunding all of the Authority's callable Lease Revenue Bonds, Series 2008 (Monmouth County Guaranteed) (Brookdale Community College Project), being those bonds maturing on and after August 1, 2019, and pay certain costs incurred in connection with the issuance of the Bonds.

The Bonds of the Authority will mature on August 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 855,000	5%	2029	1,220,000	5%
2023	900,000	5%	2030	1,285,000	5%
2024	945,000	5%	2031	1,350,000	3 ¼%
2025	1,000,000	5%	2032	1,400,000	3 ¼%
2026	1,050,000	5%	2033	1,445,000	3 3/8%
2027	1,105,000	5%	2034	1,495,000	3 3/8%
2028	1,160,000	5%	2035	1,555,000	3 3/8%

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****R. Lease Revenue Refunding Bonds, Series 2015 (Brookdale Community College Refunding Project) (Continued)****Redemption Provisions**

Optional Redemption – The Bonds maturing on or before August 1, 2025 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after August 1, 2026 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2025 at the option of the Authority, upon notice as herein described, either in whole or in part at any time in any order of maturity, at a redemption price equal the par amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

Mandatory Sinking Fund Redemption – The Bonds maturing on August 1, 2038 shall be subject to mandatory sinking fund redemption prior to maturity beginning on August 1, 2036 and annually on each August 1 thereafter, at the principal amount thereof, plus accrued interest to the date of redemption, in the years and principal amounts set forth below:

Bonds Due August 1, 2038

<u>Year</u>	<u>Principal Amount</u>
2036	\$ 1,605,000
2037	1,670,000
2038	1,730,000*

*Final maturity

S. Capital Equipment Pooled Lease Revenue Bonds, Series 2015

On October 27, 2015, the Authority issued \$13,375,000 of Capital Equipment Pooled Lease Revenue Bonds Series 2015, dated October 1, 2015. The Bonds were issued to provide fund to the Authority to acquire Bonds issued by the Authority to finance the acquisition of equipment leases to certain governmental units located within the County of Monmouth, which is local units included 13 municipalities and 5 school districts.

The Bonds of the Authority will mature on October 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 260,000	5%	2024	280,000	5%
2023	265,000	5%	2025	290,000	5%

Redemption Provisions

The Bonds shall not be subject to redemption prior to their perspective maturity dates.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****T. Governmental Pooled Loan Revenue Bonds, Series 2015**

On December 23, 2015, the Authority issued \$20,705,000 of Governmental Loan Revenue Bonds, Series 2015, dated December 1, 2015. The Series 2015 Bonds are being issued to acquire six separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers. The Borrowers will apply the proceeds of the Borrower Loans to refinance certain of the outstanding bond anticipation notes of the Borrowers; finance general improvements of the Borrowers; and pay certain of the costs of issuance of the Series 2015 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 1,220,000	5%	2029	1,195,000	5%
2023	1,285,000	5%	2030	675,000	3 ½%
2024	1,350,000	5%	2031	695,000	3 ½%
2025	1,415,000	5%	2032	700,000	3 ½%
2026	1,495,000	5%	2033	740,000	3 ½%
2027	1,095,000	5%	2034	730,000	3 ½%
2028	1,145,000	5%	2035	740,000	3 ½%

Redemption of Series 2015 Bonds

Optional Redemption – The Series 2015 Bonds maturing on or before December 1, 2025 shall not be subject to redemption prior to their respective maturity dates. The Series 2015 Bonds maturing on or after December 1, 2026 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2025 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the “Redemption Price”) and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****U. Governmental Pooled Loan Revenue Bonds, Series 2016**

On March 24, 2016, the Authority issued \$38,505,000 of Governmental Loan Revenue Refunding Bonds, Series 2016, dated December 1, 2016. The Series 2016 Bonds are being issued to provide funds to the Authority to acquire Bonds issued by the Authority ("Authority Local Unit Bonds") to make loans to certain municipalities (the "Borrowers") in the County of Monmouth, New Jersey (the "County") to fund two escrows, the proceeds of which are to be used, respectively, for the purpose of refunding a portion of the Authority's presently outstanding Governmental Loan Revenue Bonds, Series 2007, and Governmental Loan Revenue Bonds, Series 2008 and pay certain of the costs of issuance of the Series 2016 Bonds, the Authority Local Unit Bonds and the Borrower Bonds, as hereinafter defined. The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 5,525,000	5%	2026	1,120,000	5%
2023	4,160,000	5%	2027	790,000	4%
2024	2,300,000	5%	2028	785,000	4%
2025	2,390,000	5%			

Redemption of Series 2016 Bonds

Optional Redemption – The Series 2016 Bonds maturing on or before December 1, 2025 shall not be subject to optional redemption prior to their respective maturity dates. The Series 2016 Bonds maturing on or after December 1, 2026 shall be subject to optional redemption prior to their respective maturity dates, on or after December 1, 2025 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****V. Governmental Pooled Loan Refunding Revenue Bonds, Series 2016B**

On October 5, 2016 the Authority issued \$40,020,000 of Governmental Pooled Loan Refunding Revenue Bonds, Series 2016B, dated August 1, 2016. The Series 2016B Bonds are being issued to provide funds to the Authority to make a loan to the Borrowers for (i) the funding of six escrows, the proceeds of which are to be used for the purpose of refunding a portion of the Authority's outstanding Series 2009 Bonds, specifically all or a portion of the Series 2009 Bonds maturing on December 1 of each of the years 2020 through 2029, inclusive (the "2009 Refunded Bonds"), a portion of the Authority's outstanding Series 2010 Bonds, specifically all or a portion of the Series 2010 Bonds maturing on February 1 of each of the years 2021 through 2030, inclusive (the "2010 Refunded Bonds"), a portion of the Authority's outstanding Series 2011 Bonds, specifically all or a portion of the Series 2011 Bonds maturing on January 15 of each of the years 2022 through 2031, inclusive (the "2011 Refunded Bonds"), a portion of the City of Asbury Park's outstanding General Improvement Bonds of 2009 (the "2009 Asbury Park Bonds"), specifically all or a portion of the 2009 Asbury Park Bonds maturing on April 1 of each of the 2020 through 2028, inclusive (the "Asbury Park Refunded Bonds"), a portion of the Board of Education of the Borough of Oceanport's outstanding Schools Bonds of 2006 (the "2006 Oceanport School District Bonds"), specifically all or a portion of the 2006 Oceanport school District Bonds maturing on August 1 of each of the years 2018 through 2025, inclusive (the "Oceanport School District Refunded Bonds"), and a portion of the Board of Education of the Shore Regional High School District's outstanding School Bonds of 2009 (the "2009 Shore Regional School District Bonds"), specifically all or a portion of the 2009 Shore Regional School District Bonds maturing on September 15 of each of the years 2020 through 2029, inclusive (the "Shore Regional School District Refunded Bonds", and collectively, the "Refunded Bonds"), respectively, and (ii) paying certain costs incurred in connection with the issuance of the Series 2016B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Bonds of the Authority will mature on August 1, as set forth on the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 3,900,000	4%	2027	3,810,000	4%
2023	3,900,000	4%	2028	3,980,000	4%
2024	4,055,000	4%	2029	3,690,000	4%
2025	3,665,000	4%	2030	2,480,000	4%
2026	3,660,000	4%	2031	1,460,000	3%

Redemption of Series 2016B Bonds

Optional Redemption – The Series 2016B Bonds maturing on or before August 1, 2026 shall not be subject to optional redemption prior to their respective maturity dates. The Series 2016B Bonds maturing on or after August 1, 2027 shall be subject to optional redemption prior to their respective maturity dates, on or after August 1, 2026 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****W. Governmental Pooled Loan Revenue Bonds, Series 2017**

On February 23, 2017, the Authority issued \$40,555,000 of Governmental Pooled Loan Revenue Bonds, Series 2017 dated February 15, 2017. The Series 2017 Bonds are being issued to acquire five separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loan to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2017 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers. The Bonds of the Authority will mature on February 15, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 1,875,000	5%	2031	2,995,000	5%
2024	1,910,000	5%	2032	3,070,000	5%
2025	2,305,000	5%	2033	1,300,000	5%
2026	2,420,000	5%	2034	1,365,000	5%
2027	2,545,000	5%	2035	1,430,000	5%
2028	2,580,000	5%	2036	1,055,000	5%
2029	2,710,000	5%	2037	1,110,000	5%
2030	2,850,000	5%			

Optional Redemption – The Series 2017 Bonds maturing on or before February 15, 2027 shall not be subject to optional redemption prior to their respective maturity dates. The Series 2017 Bonds maturing on or after February 15, 2028 shall be subject to redemption prior to their respective maturity dates, on or after February 15, 2027 at the option of the Authority, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****X. Governmental Pooled Loan Revenue Bonds, Series 2017B**

On September 13, 2017, the Authority issued \$25,775,000 of Governmental Pooled Loan Revenue Bonds, Series 2017B dated July 15, 2017. The Series 2017B Bonds are being issued to acquire two separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loan to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2017B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature on July 15, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 1,225,000	5%	2031	1,610,000	5%
2024	1,425,000	5%	2032	1,650,000	5%
2025	1,470,000	4%	2033	1,650,000	4%
2026	1,535,000	5%	2034	1,650,000	4%
2027	1,620,000	5%	2035	880,000	4%
2028	1,340,000	5%	2036	880,000	4%
2029	1,410,000	5%	2037	880,000	4%
2030	1,465,000	5%			

Redemption of Series 2017B Bonds

Optional Redemption – The Series 2017B Bonds maturing on or before July 15, 2027 shall not be subject to redemption prior to their respective maturity dates. The Series 2017B Bonds maturing on or after July 15, 2028 shall be subject to redemption prior to their respective maturity dates, on or after July 15, 2027 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****Y. Capital Equipment Pooled Lease Revenue Bonds, Series 2017**

On October 26, 2017, the Authority issued \$9,570,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2017 dated October 1, 2017. The Series 2017 Bonds are being issued to acquire two separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loan to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2017 Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature on October 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 1,580,000	5%	2025	345,000	4%
2023	400,000	2 ½%	2026	360,000	5%
2024	400,000	5%	2027	375,000	5%

Redemption Provisions

The Bonds shall not be subject to redemption prior to their perspective maturity dates.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****Z. Governmental Pooled Loan Revenue Bonds, Series 2018A**

On February 1, 2018, the Authority issued \$21,010,000 of Governmental Pooled Loan Revenue Bonds, Series 2018A dated January 15, 2018. The Series 2018A Bonds are being issued to acquire five separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loan to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2018A Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature on January 15, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 1,270,000	5%	2031	790,000	4%
2024	1,360,000	5%	2032	820,000	4%
2025	1,270,000	5%	2033	850,000	4%
2026	1,330,000	5%	2034	885,000	4%
2027	1,400,000	5%	2035	920,000	4%
2028	1,185,000	5%	2036	925,000	3%
2029	1,220,000	5%	2037	730,000	3%
2030	755,000	4%	2038	730,000	3%

Redemption of Series 2018A Bonds

Optional Redemption – The Series 2018A Bonds maturing on or before January 15, 2026 shall not be subject to redemption prior to their respective maturity dates. The Series 2018A Bonds maturing on or after January 15, 2027 shall be subject to redemption prior to their respective maturity dates, on or after January 15, 2026 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AA. Governmental Pooled Loan Revenue Bonds, Series 2018B**

On July 24, 2018, the Authority issued \$69,645,000 of Governmental Pooled Loan Revenue Bonds, Series 2018B dated July 15, 2018. The Series 2018B Bonds are being issued to acquire three separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loan to (i) finance general improvements of the Borrowers; and (ii) pay certain of the costs of issuance of the Series 2018B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature on July 15, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 2,595,000	5%	2032	4,345,000	5%
2024	2,445,000	5%	2033	1,700,000	3%
2025	2,565,000	5%	2034	2,785,000	4%
2026	2,725,000	5%	2035	4,925,000	4%
2027	2,880,000	5%	2036	5,090,000	5%
2028	3,060,000	5%	2037	5,190,000	5%
2029	3,230,000	5%	2038	5,290,000	4%
2030	3,985,000	5%	2039	5,390,000	4%
2031	4,145,000	5%			

Redemption of Series 2018B Bonds

Optional Redemption – The Series 2018B Bonds maturing on or before July 15, 2026 shall not be subject to redemption prior to their respective maturity dates. The Series 2018B Bonds maturing on or after July 15, 2027 shall be subject to redemption prior to their respective maturity dates, on or after July 15, 2026 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AB. Governmental Pooled Loan Revenue Bonds, Series 2018C**

On December 21, 2018, the Authority issued \$47,265,000 of Governmental Pooled Loan Revenue Bonds, Series 2018C dated December 1, 2018. The Series 2018C Bonds are being issued to acquire seven separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2018C Bonds, the Authority Local Unit Bonds and the Borrowers Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement"). The Bonds of the Authority will mature on December 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,765,000	5%	2031	3,115,000	5%
2023	3,000,000	5%	2032	2,860,000	5%
2024	3,180,000	5%	2033	560,000	5%
2025	3,500,000	5%	2034	100,000	3.125%
2026	3,815,000	5%	2035	100,000	3.250%
2027	4,535,000	5%	2036	100,000	3.250%
2028	4,400,000	5%	2037	100,000	3.375%
2029	3,880,000	5%	2038	100,000	3.375%
2030	3,035,000	5%			

Redemption of Series 2018C Bonds

Optional Redemption – The Series 2018C Bonds maturing on or before December 1, 2026 shall not be subject to redemption prior to their respective maturity dates. The Series 2018C Bonds maturing on or after December 1, 2027 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2026 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AC. Lease Revenue Refunding Bonds, Series 2019 (Brookdale Community College Refunding Project)**

On June 6, 2019, the Authority issued \$6,575,000 of Lease Revenue Refunding Bonds, Series 2019, dated August 1, 2019.

The Bonds are being issued to provide funds to the Authority, together with other available funds, to (i) fund an escrow, the proceeds of which are to be used for the purpose of defeasing and refunding the Refunded Bonds and (ii) pay certain costs incurred in connection with the issuance of the Bonds. The proceeds of the Refunded Bonds, together with other available funds, were used to advance refund the Authority's Lease Revenue Bonds, Series 2001 (Brookdale Community College Project) (the "2001 Bonds"). The proceeds of the 2001 Bonds were used to provide funds to the Authority to finance the acquisition and construction of a multi-purpose student life center for the College (the "Student Center").

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 390,000	5%	2027	625,000	5%
2023	400,000	5%	2028	660,000	4%
2024	420,000	5%	2029	685,000	4%
2025	570,000	5%	2030	705,000	3%
2026	600,000	5%	2031	725,000	4%

Redemption Provisions

Optional Redemption – The Bonds maturing on or before August 1, 2027 shall not be subject to redemption prior to their respective maturity dates. The Bonds maturing on or after August 1, 2028 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2027 at the option of the Authority, upon notice as herein described, either in whole or in part by at any time in order of maturity, at a redemption price equal to the par amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AD. Governmental Pooled Loan Revenue Bonds, Series 2019A**

On August 5, 2019, the Authority issued \$48,370,000 of Governmental Pooled Loan Revenue Bonds, Series 2019A dated August 1, 2019. The Series 2019A Bonds are being issued to acquire three separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes and temporary notes of the Borrowers; (ii) financial general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2019A Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreement"). The Bonds of the Authority will mature on August 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 1,830,000	4%	2033	2,105,000	4%
2023	1,895,000	3%	2034	890,000	3%
2024	2,235,000	4%	2034	2,195,000	4%
2025	2,325,000	4%	2035	890,000	3%
2026	2,420,000	4%	2035	2,285,000	4%
2027	2,520,000	4%	2036	890,000	3%
2028	2,615,000	4%	2036	2,375,000	4%
2029	2,690,000	4%	2037	890,000	3%
2030	2,760,000	4%	2037	1,300,000	4%
2031	2,835,000	4%	2038	890,000	3%
2032	890,000	3%	2038	1,300,000	4%
2032	2,020,000	4%	2039	890,000	3%
2033	890,000	3%	2039	1,300,000	4%

Redemption of Series 2019A Bonds

Optional Redemption – The Series 2019A Bonds maturing on or before August 1, 2029 shall not be subject to redemption prior to their respective maturity dates. The Series 2019A Bonds maturing on or after August 1, 2030 shall be subject to redemption prior to their respective maturity dates, on or after August 1, 2029 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AE. Capital Equipment Pooled Lease Revenue Bonds, Series 2019**

On October 31, 2019, the Authority issued \$14,305,000 of Capital Equipment Pooled Lease Revenue Bonds, Series 2019 dated October 1, 2019. The proceeds separate series Capital Equipment Lease Revenue Bonds, Series 2019 (the "Local Unit Bonds") in the aggregate principal amount of \$14,305,000 issued by the Authority under its thirteen separate Capital Equipment Lease Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Local Unit Bonds, which will be held by the Trustee for the Bonds, will be sufficient to pay the principal of and interest on the Bonds when due.

A Local Unit Bond will be issued pursuant to the applicable Local bond Resolution for the benefit of each Local Unit to finance the acquisition of equipment for lease to such Local Unit under a Lease and Agreement between the Authority and such Local Unit (each, a "Lease Agreement" or collectively, the "Lease agreements"). The Bonds of the Authority will mature on October 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,335,000	5%	2026	565,000	5%
2023	2,450,000	5%	2027	530,000	5%
2024	2,570,000	5%	2028	555,000	5%
2025	540,000	5%	2029	585,000	5%

Redemption Provisions

The Bonds shall not be subject to redemption prior to their perspective maturity dates.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AF. Governmental Pooled Loan Revenue Bonds, Series 2019B**

On December 23, 2019, the Authority issued \$128,975,000 of Governmental Pooled Loan Revenue Bonds, Series 2019B, dated December 1, 2019. The Series 2019B Bonds are being issued to acquire thirteen separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Municipal Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2019B Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 6,770,000	5%	2031	6,340,000	5%
2023	7,235,000	5%	2032	6,535,000	5%
2024	7,695,000	5%	2033	5,500,000	4%
2025	7,940,000	5%	2034	5,590,000	4%
2026	8,175,000	5%	2035	5,530,000	4%
2027	8,660,000	5%	2036	4,360,000	4%
2028	8,375,000	5%	2037	4,450,000	4%
2029	8,615,000	5%	2038	4,460,000	4%
2030	7,555,000	5%	2039	3,480,000	4%

Redemption of Series 2019B Bonds

Optional Redemption – The Series 2019B Bonds maturing on or before December 1, 2029 shall not be subject to redemption prior to their respective maturity dates. The Series 2019B Bonds maturing on or after December 1, 2030 shall be subject to redemption prior to their respective maturity dates, or after December 1, 2029 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

3. BONDS PAYABLE (Continued)

AG. Governmental Loan Project Note, Series 2020 (Fort Monmouth Economic Revitalization Program)

On November 10, 2020, the Authority issued \$22,185,000 of Governmental Loan Project Notes, Series 2020, dated November 9, 2020. The Series 2020 Note will be used to provide funds to the Authority to make a loan to the Borrower to (i) currently refund, together with other available monies received from the Borrower, the Authority's Governmental Loan Project Notes, Series 2019 (Monmouth county Guaranteed) (Fort Monmouth Economic Revitalization Project) (Federally Taxable), currently outstanding in the amount of \$23,560,000, dated and issued on November 13, 2019, maturing November 12, 2020 (the "Series 2019 Notes"), and (ii) pay certain of the costs of issuance of the Series 2020 Note.

The Series 2020 Note constitutes a special and limited obligation of the Authority and is secured only by those revenues of the Authority which are derived by the Authority from the loan repayments made by the Borrower (the "Loan Repayments") pursuant to the Loan Agreement entered into between the Authority and the Borrower (the "Loan Agreement"). The Loan Repayments made pursuant to the Loan Agreement are pledged by the Authority for the payment of the principal of and interest on the Series 2020 Note. The obligation of the Borrower to make Loan Repayments under the Loan Agreement is absolute and unconditional and payable from legally available funds of the Borrower. The Note matured during the 2021-2022 fiscal year.

Plan of Finance

The Borrower has sold parcels of the Phase 2 Property from time to time and has agreed with the County to deposit a certain percentage of the net proceeds of sales thereof at certain times with an escrow agent that will deliver such funds to the Trustee to make Loan Repayments on behalf of the Borrower. From funds from such sales, \$7,600,000 of the Series 2016 Notes were redeemed on August 11, 2017. In September, 2017, the Borrower delivered additional funds from such sales in the amount of \$2,133,880.81 and a portion of said funds were used to pay a portion of the Series 2016 Notes at maturity. The Borrower delivered additional funds from such sales in the amount of \$291,339.03 and said funds were used to pay a portion of the Series 2017 Notes at maturity. Since the issuance of the Series 2019 Notes, the Borrower has delivered additional funds from such sales in the amount of \$1,312,533.60 and said funds will be used to pay a portion of the Series 2019 Notes of maturity. Additional parcels of Phase 2 Property are under agreement of sale; however, various conditions precedent to closing are required to be met and delays in meeting those conditions have occurred and exist. Further, the COVID-19 pandemic has resulted in unanticipated changes in the market. As a result, the timing for closings continues to change and uncertainty exists as to whether purchasers may attempt to terminate their respective agreements of sale. The Borrower does not expect that sufficient sales of Phase 2 Properties which are currently under agreement of sale will occur prior to the maturity date of the Series 2020 Note to provide the funds necessary to pay in full the principal and interest on the Series 2020 Note at maturity.

FMERA's present intention is to seek additional sources of funds in order to provide sufficient funds to pay in full the principal of and interest on the Series 2020 Note at maturity; however, no assurance can be given that such additional funds will be forthcoming. In the absence of such additional FMERA funding, or subsequent issue of Authority refunding project notes, the payment of the principal of and interest on the Series 2020 Note is secured by the County Guaranty.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AH. Governmental Pooled Loan Revenue Bonds, Series 2020**

On December 22, 2020, the Authority issued \$48,655,000 of Governmental Pooled Loan Revenue Bonds Series 2020, dated December 1, 2020.

The Series 2020 Bonds are being issued to acquire eight separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) pay certain of the costs of issuance of the Series 2020 made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,270,000	4%	2032	2,915,000	4%
2023	2,740,000	5%	2033	2,735,000	4%
2024	2,865,000	5%	2034	1,795,000	3%
2025	2,995,000	5%	2035	1,855,000	3%
2026	3,150,000	5%	2036	1,265,000	3%
2027	3,280,000	5%	2037	1,290,000	3%
2028	3,385,000	5%	2038	1,335,000	3%
2029	3,520,000	5%	2039	840,000	3%
2030	3,630,000	5%	2040	815,000	3%
2031	3,720,000	5%			

Redemption of Series 2020 Bonds

Optional Redemption: The Series 2020 Bonds maturing on or before December 1, 2030 shall not be subject to redemption prior to their respective maturity dates. The Series 2020 Bonds maturing on or after December 1, 2031 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2030 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AI. Governmental Pooled Loan Revenue Bonds, Series 2021 A**

On July 8, 2021, the Authority issued \$32,985,000 of Governmental Pooled Loan Revenue Bonds, Series 2021A, dated March 1, 2021.

The Series 2021A Bonds are being issued to acquire five separate series of Authority Local Unit Bonds, the proceeds of which will provide funds to make a loan to each of the Borrowers (each, a "Borrower Loan"). The Borrowers will apply the proceeds of the Borrower Loans to (i) refinance certain of the outstanding bond anticipation notes of the Borrowers; (ii) finance general improvements of the Borrowers; and (iii) refund certain of the outstanding bonds of the Borrowers, the proceeds from which will be utilized to refund the Refunded Bonds; and (iv) pay certain of the costs of issuance of the Series 2021A Bonds, the Authority Local Unit Bonds and the Borrower Bonds. The Borrower Loans will be made pursuant to separate bond purchase agreements entered into by and between the Authority and each of the Borrowers (the "Borrower Purchase Agreements"). The Bonds of the Authority will mature as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023	\$ 1,725,000	4%	2031	2,495,000	5%
2024	1,895,000	4%	2032	2,565,000	3%
2025	1,990,000	4%	2033	2,125,000	3%
2026	2,055,000	4%	2034	2,145,000	3%
2027	2,110,000	5%	2035	2,165,000	3%
2028	2,270,000	5%	2036	2,185,000	3%
2029	2,355,000	5%	2037	915,000	3%
2030	2,435,000	5%	2038	365,000	2%

Redemption of Series 2021A Bonds

Optional Redemption: The Series 2021A Bonds maturing on or before March 1, 2031 shall not be subject to redemption prior to their respective maturity dates. The Series 2021A Bonds maturing on or after March 1, 2032 shall be subject to redemption prior to their respective maturity dates, on or after March 1, 2031 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AJ. Capital Equipment Pooled Lease Revenue Bonds, Series 2021**

On September 30, 2021, the Authority issued \$17,140,000 of Capital Equipment Lease Revenue Bonds, Series 2021, dated October 1, 2021. The proceeds to be received by the Authority from the sale of the Bonds will be used to acquire twelve separate series of Capital Equipment Lease Revenue Bonds, Series 2021 (the "Local Unit Bonds") in the aggregate principal amount of \$17,140,000 issued by the Authority under its twelve separate Capital Equipment Lease Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Local Unit Bonds, which will be held by the Trustee for the Bonds, will be sufficient to pay the principal of and interest on the Bonds when due.

A local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Local Unit to finance the acquisition of equipment for lease to such Local Unit under a Lease and Agreement between the Authority and such Local Unit (each, a "Lease Agreement" or collectively, the "Lease Agreements"). The Bonds of the Authority will mature on October 1, as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,460,000	5%	2027	665,000	4%
2023	2,585,000	5%	2028	690,000	4%
2024	2,715,000	5%	2029	690,000	5%
2025	2,850,000	5%	2030	730,000	5%
2026	2,990,000	4%	2031	765,000	5%

Redemption Provisions

The Bonds shall not be subject to redemption prior to their perspective maturity dates.

AK. Governmental Pooled Loan Revenue Bonds, Series 2021B

On December 30, 2021, the Authority issued \$35,015,000 of Governmental Pooled Loan Revenue Bonds, Series 2021B, dated December 1, 2021. The Series 2021B Bonds will be used to acquire eleven separate series of Governmental Loan Revenue Bonds, Series 2021B issued by the Authority (the "Authority Local Unit Bonds") in the aggregate principal amount of \$35,015,000 issued by the Authority under its eleven separate 2021B Governmental Loan Revenue Bond Resolutions (the "Local Bond Resolutions"). The aggregate debt service on the Authority Local Unit Bonds, which will be held by the Trustee for the Series 2021B Bonds, will be sufficient to pay the principal of and interest on the Series 2021B when due.

An Authority Local Unit Bond will be issued pursuant to the applicable Local Bond Resolution for the benefit of each Borrower to (i) refinance certain of the outstanding bond anticipation notes of the Municipal Borrowers; (ii) finance other general improvements of the Borrowers; (iii) refund certain of the outstanding bonds of the Borrowers, the proceeds from which will be utilized to refund the Refunded Bonds; and (iv) pay certain of the costs of issuance of the Series 2021B Bonds, the Authority Local Unit Bonds and the Borrower Bonds.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AK. Governmental Pooled Loan Revenue Bonds, Series 2021B (Continued)**

The Series 2021B Bonds are being issued, in part, to effect the current refunding of a portion of the MCIA Series 2011B Bonds, the Keyport 2011 Bonds, the TOSA 2011 Bonds, and the Union Beach 2011 Bonds (collectively, the "Refunded Bonds") pursuant to the Authority's refunding plan (the "Refunding Plan"). The Refunding Plan calls for the refunding of the Refunded Bonds, together with the interest payable thereon to redemption date for the Refunded Bonds, on January 31, 2022.

A portion of the proceeds of the Series 2021B Bonds, together with other available funds (collectively, the "Refunding Proceeds"), will be sufficient to make payments when due of principal of, interest on, and redemption premium, if any, payable with respect to the Refunded Bonds. The Refunding Proceeds are required to be held in separate escrow funds (each an "Escrow Deposit Trust Fund"), pursuant to the terms of the separate escrow deposit trust agreements for each series of the Refunded Bonds (each such escrow deposit trust agreement, an "Escrow Deposit Trust Agreement").

The Bonds of the Authority will mature as set forth in the table below:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$ 2,130,000	4%	2033	950,000	5%
2023	2,425,000	4%	2034	990,000	4%
2024	2,800,000	4%	2035	1,015,000	4%
2025	2,850,000	4%	2036	710,000	4%
2026	2,920,000	5%	2037	360,000	4%
2027	2,635,000	5%	2038	370,000	3%
2028	2,720,000	5%	2039	380,000	3%
2029	2,485,000	5%	2040	380,000	3%
2030	2,575,000	5%	2041	380,000	3%
2031	2,730,000	5%	2042	300,000	3%
2032	1,710,000	5%			

\$1,200,000 3% Term Bond due December 1, 2046.

Redemption of Series 2021B Bonds

Optional Redemption – The Series 2021B Bonds maturing on or before December 1, 2031 shall not be subject to redemption prior to their respective maturity dates. The Series 2021B Bonds maturing on or after December 1, 2032 shall be subject to redemption prior to their respective maturity dates, on or after December 1, 2031 at the option of the Authority as directed by the respective Borrower, upon notice as herein described, either in whole or in part by lot within a single maturity from maturities selected by the Authority as directed by the respective Borrower, on any date, at a redemption price equal to 100% of the principal amount thereof (the "Redemption Price") and accrued interest thereon to the date of redemption.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****3. BONDS PAYABLE (Continued)****AK. Governmental Pooled Loan Revenue Bonds, Series 2021B (Continued)**

Mandatory Sinking Fund Redemption – The Series 2021B Bonds maturing on December 1, 2046, shall be subject to mandatory sinking fund redemption prior to maturity beginning on December 1, 2043 and annually on each December 1 thereafter, at the principal amount thereof, plus accrued interest to the date of redemption, in the years and principal amounts set forth below:

Series 2021B Bonds Due December 1, 2046

<u>Year</u>	<u>Principal Amount</u>
2043	\$ 300,000
2044	300,000
2045	300,000
2046	300,000

4. ARBITRAGE REBATE

The Internal Revenue Code of 1986 requires that a rebate be made to the United States Government when earnings on unspent bond proceeds exceed bond yields, and when such excess earnings occur in a manner that is not in compliance with specific procedures of code. At July 31, 2022, the Authority has determined that none of the proceeds of its direct borrowings is liable for rebate. In the case of its pooled lease issues, the agreements with participants stipulate that participants are liable for any rebate attributable to excess yield on their interest.

5: CASH AND CASH EQUIVALENTS**A. Deposits**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****5: CASH AND CASH EQUIVALENTS (Continued)****A. Deposits (Continued)**

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

At year-end, the carrying amount of the Authority's deposits was \$35,833,800 and the bank balance was \$35,833,800. Of this amount \$1,000,061 was covered by federal depository insurance and a collateral pool under New Jersey's Governmental Unit Deposit Protection Act covered \$34,833,739.

B. Investments

a. When authorized by a cash management plan approved pursuant to N.J.S. 40A:5-14, the Authority may use available funds for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the Authority:

- (1) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (2) Government money market mutual funds.
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (4) Bonds or other obligations of the Borough/Township, or bonds or other obligations of the school districts of which the Borough/Township is a part or within which the school district is located.
- (5) Bonds or other obligations having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investments, New Jersey Department of the Treasury.
- (6) Municipal investment pools.
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c. 281; or

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

5: CASH AND CASH EQUIVALENTS (Continued)

B. Investments (Continued)

- (8) Agreements for the repurchase of fully collateralized securities, if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970,c. 236 (C.17:9-41);
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.
- (9) Agreements for the repurchase of fully collateralized securities, if:
 - (f) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this section;
 - (g) the custody of collateral is transferred to a third party;
 - (h) the maturity of the agreement is not more than 30 days;
 - (i) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970,c. 236 (C.17:9-41);
 - (j) a master repurchase agreement providing for the custody and security of collateral is executed.

b. Any investment instruments in which the security is not physically held by the Authority shall be covered by a third party custodial agreement, which shall provide for the designation of such investments in the name of the Authority and prevent unauthorized use of such investments.

c. Investments are further regulated and restricted in accordance with N.J.S. 40A:5-15.1.

At year-end, the carrying amount and bank balance of the Authority's investments was \$-0-.

C. Cash Management Plan

In accordance with N.J.S. 40A:5-14, every authority shall adopt a cash management plan and shall deposit and invest its funds pursuant to that plan. The plan shall be approved annually by majority vote of the members and may be modified from time to time in order to reflect changes in federal or state law or regulations. The chief financial officer shall be charged with administering the plan.

When an investment in bonds maturing in more than one year is authorized, the maturity of those bonds shall approximate the prospective use of the funds invested.

The plan also requires a monthly report to the commissioners summarizing all investments made or redeemed since the previous report and shall include, at a minimum, the specific detailed information as set forth in the statute.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

JULY 31, 2022 AND 2021

5: CASH AND CASH EQUIVALENTS (Continued)

D. Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following three categories described below:

Category 1 are deposits covered by federal depository insurance GUDPA (Governmental Unit Deposit Protection Act), or by collateral held by the Authority or its agent, in the Authority's name	\$ 35,833,800
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Category 2 are deposits covered by collateral held by the pledging financial institution's trust department, or by its agent, in the Authority's name.	-0-
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Category 3 are deposits covered by collateral, held by the pledging financial institution, or its trust department, or its agent but not in the Authority's name.	-0-
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6. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disaster. The Authority is a member of the New Jersey Utilities Joint Insurance Fund. The joint insurance pool is both an insured and self-administered group of authorities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The Joint Insurance Fund will be self-sustaining through member premiums.

7. CONTINGENT LIABILITIES

It is the opinion of the Authority officials that there is no litigation threatened or pending that would materially affect the financial position of the Authority or adversely affect the Authority's ability to levy, collect and enforce the collection of revenue for the payment of its obligations.

MONMOUTH COUNTY IMPROVEMENT AUTHORITY**NOTES TO FINANCIAL STATEMENTS****JULY 31, 2022 AND 2021****8. SUBSEQUENT EVENTS**

- A. The Authority issued \$31,005,000 of Governmental Pooled Loan Revenue Bonds; Series 2022A dated October 1, 2022 with a maturity date of October 1, 2042, at an interest rate of 4% to 5%. The bonds are being issued to provide loans to four municipalities.
- B. The Authority issued \$50,410,000 of Governmental Pooled Loan Revenue Bonds, Series 2022B dated December 1, 2022 with a maturity date of December 1, 2042, at an interest rate of 5%. The Bonds are being issued to provide loans to eleven municipalities.
- C. The Authority issued \$51,475,000 of Governmental Pooled Loan Revenue Bonds, Series 2022C dated August 15, 2022 with a maturity date of August 15, 2042, at an interest rate of 5%. The Bonds are being issued to provide loans to two school districts.

Subsequent events have been evaluated through January 30, 2023, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

ADDITIONAL INFORMATION

SCHEDULE OF ADMINISTRATIVE REVENUES AND EXPENSES**COMPARED TO BUDGET****FOR THE YEAR ENDED JULY 31, 2022****WITH COMPARATIVE ACTUAL AMOUNTS****FOR THE YEAR ENDED JULY 31, 2021**

	<u>July 31, 2022</u>		<u>2021</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues:			
Finance Administration Fee	\$ 85,000	73,009	139,477
Other Income		(927)	
Interest	14,000	17,661	14,530
Total Revenues	<u>\$ 99,000</u>	<u>89,743</u>	<u>154,007</u>
Expenses:			
Salaries and Wages/Fringe Benefits	\$ 46,000	47,048	45,900
Professional Consulting	20,000	22,168	16,595
Audit	15,000	15,000	15,000
Office Expense	5,200	796	242
Legal Advertising	3,250	225	1,706
Travel, Meetings and Seminars	4,000	3,092	
Miscellaneous	550		
Insurance	5,000	4,340	4,298
Total Expenses	<u>99,000</u>	<u>92,669</u>	<u>83,741</u>
Less: Unreserved Retained Earnings Utilized			
Net Expenses	<u>\$ 99,000</u>	<u>92,669</u>	<u>83,741</u>
Analysis of Unrestricted Net Position:		<u>Year Ending</u>	<u>Year Ending</u>
		<u>July 31, 2022</u>	<u>July 31, 2021</u>
Net Position August 1		\$ 872,799	802,533
Add: Total Revenues		89,743	154,007
Sub-total		962,542	956,540
Less:			
Net Position Utilized to Balance Budget		-	-
Net Expenses		92,669	83,741
Net Position July 31		<u>\$ 869,873</u>	<u>872,799</u>

Report on Internal Control

Robert A. Hulsart and Company
 CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
 ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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 AUDITOR'S REPORT

To the Board of Directors of the
 Monmouth County Improvement Authority
 Hall of Records
 Main Street
 Freehold, New Jersey 07728

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Monmouth County Improvement Authority (the "Authority"), as of and for the year ended July 31, 2022 and 2021, as listed in the table of contents, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 30, 2023.

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) to determine the audit procedures that are appropriate in the circumstance for the purpose of expressing our opinion on the effectiveness of the Authority's internal control over financial reporting. 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of 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 determination of financial statement amounts. 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*.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robert A. Hulsart and Company

Independent Auditors

Wall Township, New Jersey
January 30, 2023

COMMENTS AND RECOMMENDATIONS

General Comments and Recommendation

An audit of the financial statements of the Monmouth County Improvement Authority (the "Authority") for the fiscal year ended July 31, 2022, has recently been completed.

Scope of Audit

The audit covered the financial transactions of the Authority. Cash balances were reconciled with independent certification obtained directly from depositories, and receipts were established and verified as to source and amount. The internal control was evaluated to determine audit procedures for the purpose of expressing an opinion on the basic financial statements of the Authority, but not to provide assurance on the internal control.

Internal Control

The management of the Authority is responsible for establishing and maintaining an internal control. In fulfilling this responsibility, estimates and judgments by Authority management are required to assess the expected benefits and related costs of control procedures. The objectives of such an internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization.

Because of inherent limitations in any internal control, errors or irregularities may occur and may go undetected. Also, the projection of any evaluation of the internal control to a future period is subject to the risk that procedures may become inadequate because of changes in conditions or because the effectiveness of the design and operation of policies and procedures may deteriorate.

Our consideration of the internal control would not necessarily disclose matters in the structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more internal control elements does not reduce to a relatively low level the risk that errors or irregularities of a material nature might occur that could adversely impact upon the financial statements should they go undetected. In the course of our evaluation of the internal control, we noted no matters that we considered to be such a weakness.

Contracts and Agreements Required to be Advertised per N.J.S. 40A:11-4

N.J.S. 40A:11-4 states "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included with the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate amount set forth in, or the amount calculated by the governor pursuant to, Section 3 of P.L. 1971, c. 198 (c.40A:11-9), except by contract or agreement". Effective July 1, 2020, the public contracts law was amended to change the bid threshold to \$44,000.00 if there is a certified purchasing agent.

RECOMMENDATIONS

None

ACKNOWLEDGEMENT

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

Should any questions arise as to our comments please call us at your first opportunity.