

**Township of West Orange
Essex County, New Jersey**

CURRENT DEBT PROFILE & ASSUMPTIONS

Debt Plan - \$5.5M Annual Capital Program

Outstanding Debt (12/31/2024): <i>(per Annual Debt Statement)</i>	Bonds	Loans	Notes	SENs	Total
	\$60,349,000	\$832,023	\$66,078,464	\$5,027,000	\$132,286,487

**Authorized But Not Issued as of 12/31/24 is \$39,961,258*

2025 Total Debt Service: <i>(estimated)</i>	Bonds	Loans	Notes	SENs	Total
	\$8,116,594	\$213,268	\$3,194,332	\$1,926,616	\$13,450,810

**Excludes approximately \$350,000 of Special Assessment Bonds debt service.*

Expected New Debt:	1) \$6.7 million of new debt authorized/issued in 2025
	2) Authorized But Not Issued debt of \$22.8 million issued in 2025 and 2026
	3) Annual capital program of \$5 million per year (mix of debt and pay-go)
	4) \$800,000 of new special emergency notes in 2025 and \$500,000 annually thereafter
	5) Includes \$6.3 million of grants funds to pay down ordinance #2564-19 from 2026-28
	6) Includes \$10.8 million of sale proceeds to pay down ordinance #2651-21 in 2028

Borrowing Analysis Scenario:	1) Roll existing notes to 2028
	2) Issue new notes in 2025-2036 to finance "Expected New Debt"
	3) Issue \$81.4 million bonds between 2026-2028 to finance all outstanding notes
	4) Roll new notes to 2037
	5) Issue \$14.6 million bonds in 2037 to finance all outstanding notes
	6) Roll SENs with mandatory pay downs and annual new money as shown above
	7) Full migration to pay-go capital funding beginning 2038

Interest Rate Assumptions:	Based on "AA" S&P credit rating (last affirmed in October 2025)
	Initial bond rate of 3.50% and initial note rate of 2.50%
	Note rates assumed to increase 0.25% per year
	Bond rates assumed to increase 0.25% per year

Assumes 15-year useful life on new ordinances

Tax Base Assumptions:	Total Assessed Valuation:	\$10,001,287,802
	Average Home Value:	\$615,472

PROJECTED AGGREGATE DEBT SERVICE & CAPITAL

INCLUDES EXISTING BONDS, LOANS & NOTES AND \$5.5M ANNUAL CAPITAL PROGRAM

FY Ending 12/31	Existing Debt Service	New Bonds, Notes & Deferred Charges		Total Debt Service	Aggregate Debt Service	Outstanding Principal Amount	Annual Pay-Go Capital	Pay-go Capital + Annual Debt Service	Percentage Increase
		Principal	Interest						
2025	13,450,810				13,450,810	139,022,466		13,450,810	
2026	8,169,835	3,517,226	2,018,554	5,535,780	13,705,615	149,540,083		13,705,615	1.9%
2027	7,736,739	3,589,000	2,649,660	6,238,660	13,975,399	145,300,174		13,975,399	2.0%
2028	7,668,173	3,455,500	3,122,973	6,578,473	14,246,646	123,910,799		14,246,646	1.9%
2029	5,457,648	2,960,000	3,694,200	6,654,200	12,111,848	119,815,525	2,375,000	14,486,848	1.7%
2030	5,413,373	3,060,000	3,698,125	6,758,125	12,171,498	115,339,251	2,550,000	14,721,498	1.6%
2031	4,605,778	3,718,000	3,703,563	7,421,563	12,027,341	110,460,977	2,950,000	14,977,341	1.7%
2032	4,569,078	3,939,000	3,678,168	7,617,168	12,186,246	105,160,702	3,050,000	15,236,246	1.7%
2033	3,906,417	4,159,000	3,648,515	7,807,515	11,713,932	99,436,351	3,775,000	15,488,932	1.7%
2034	3,896,292	4,370,000	3,585,105	7,955,105	11,851,397	93,261,000	3,900,000	15,751,397	1.7%
2035	3,803,254	4,583,000	3,469,080	8,052,080	11,855,334	86,598,000	4,150,000	16,005,334	1.6%
2036	3,738,032	4,781,000	3,332,583	8,113,583	11,851,614	79,437,000	4,400,000	16,251,614	1.5%
2037	2,879,335	5,450,000	3,176,313	8,626,313	11,505,648	71,760,000	5,000,000	16,505,648	1.6%
2038	310,520	5,230,000	3,109,125	8,339,125	8,649,645	66,315,000	5,500,000	14,149,645	-14.3%
2039	315,020	5,335,000	2,869,913	8,204,913	8,519,933	60,755,000	5,500,000	14,019,933	-0.9%
2040	319,270	5,455,000	2,627,550	8,082,550	8,401,820	55,065,000	5,500,000	13,901,820	-0.8%
2041	318,273	5,585,000	2,381,338	7,966,338	8,284,610	49,240,000	5,500,000	13,784,610	-0.8%
2042	321,775	5,720,000	2,130,850	7,850,850	8,172,625	43,270,000	5,500,000	13,672,625	-0.8%
2043	324,763	5,855,000	1,875,875	7,730,875	8,055,638	37,155,000	5,500,000	13,555,638	-0.9%
2044	327,475	5,905,000	1,616,350	7,521,350	7,848,825	30,980,000	5,500,000	13,348,825	-1.5%
2045	324,981	5,955,000	1,354,075	7,309,075	7,634,056	24,750,000	5,500,000	13,134,056	-1.6%
2046	326,925	6,005,000	1,089,050	7,094,050	7,420,975	18,460,000	5,500,000	12,920,975	-1.6%
2047	328,225	6,060,000	821,275	6,881,275	7,209,500	12,105,000	5,500,000	12,709,500	-1.6%
2048	334,150	6,120,000	550,475	6,670,475	7,004,625	5,675,000	5,500,000	12,504,625	-1.6%
2049	334,700	1,180,000	276,375	1,456,375	1,791,075	4,175,000	5,500,000	7,291,075	-41.7%
2050	334,950	1,245,000	211,475	1,456,475	1,791,425	2,600,000	5,500,000	7,291,425	0.0%
2051		1,300,000	143,000	1,443,000	1,443,000	1,300,000	5,500,000	6,943,000	-4.8%
2052		1,300,000	71,500	1,371,500	1,371,500		5,500,000	6,871,500	-1.0%
Total:	\$79,515,791	\$115,831,726	\$60,905,062	\$176,736,788	\$256,252,579		\$114,650,000	\$370,902,579	
Max Annual Debt Service:					\$14,246,646				
Avg Annual Debt Service:					\$8,992,658				

- (1) Includes all Current Fund debt including: General Improvement bonds, NJIB loans, debt service on BANs for 2025 and deferred charges (SENs) for 2025. Excludes special assessment bonds debt service.
- (2) Borrowing rate assumed to increase 0.25% for notes and 0.25% for bonds each year. Includes voluntary principal pay downs on notes that are subject to change.
- (3) Annual pay-go capital funded as a combination of debt and cash as described herein.

Township of West Orange Essex County, New Jersey																						
GENERAL IMPROVEMENT - PRELIMINARY BORROWING ANALYSIS INCLUDES EXISTING BONDS, LOANS & NOTES AND \$5.5M ANNUAL CAPITAL PROGRAM																						
Fiscal Year Ending 12/31	PRIOR TO NEW ISSUES						**PROPOSED NEW ISSUES**										AFTER NEW ISSUES					
	Existing Debt Service ¹			Projected BANs (2025-2037) ²			Projected SENs (2025-2042) ²			2028 Bonds			2037 Bonds			Pay Go Capital (2029-2052)		Aggregate Debt Service				
	Principal	Interest	Total P+I	Principal	Interest	Total P+I	Principal	Interest	Total P+I	Principal	Interest	Total P+I	Principal	Interest	Total P+I	Principal	Total P+I	Principal	Interest	Total P+I	Incremental Tax Impact ³	
2025	6,941,236	4,818,972	11,760,208				1,690,602		1,690,602									8,631,838	4,818,972	13,450,810		
2026	6,414,157	1,755,678	8,169,835	1,810,828	1,853,098	3,663,926	1,706,398	165,456	1,871,854									9,931,383	3,774,232	13,705,615	15.68	
2027	6,150,909	1,585,830	7,736,739	2,339,000	2,525,135	4,864,135	1,250,000	124,525	1,374,525									9,739,909	4,235,490	13,975,399	16.60	
2028	6,300,274	1,367,899	7,668,173	2,295,500	3,024,873	5,320,373	1,160,000	98,100	1,258,100									9,755,774	4,490,872	14,246,646	16.69	
2029	4,260,274	1,197,374	5,457,648		162,500	162,500	460,000	72,200	532,200	2,500,000	3,459,500	5,959,500				2,375,000	2,375,000	9,595,274	4,891,574	14,486,848	14.78	
2030	4,366,274	1,047,099	5,413,373		266,875	266,875	560,000	78,000	638,000	2,500,000	3,353,250	5,853,250				2,550,000	2,550,000	9,976,274	4,745,224	14,721,498	14.44	
2031	3,710,274	895,504	4,605,778	173,000	377,813	550,813	500,000	78,750	578,750	3,045,000	3,247,000	6,292,000				2,950,000	2,950,000	10,378,274	4,599,066	14,977,341	15.74	
2032	3,811,274	757,804	4,569,078	264,000	478,080	742,080	500,000	82,500	582,500	3,175,000	3,117,588	6,292,588				3,050,000	3,050,000	10,800,274	4,435,971	15,236,246	15.93	
2033	3,290,351	616,066	3,906,417	349,000	579,615	928,615	500,000	86,250	586,250	3,310,000	2,982,650	6,292,650				3,775,000	3,775,000	11,224,351	4,264,581	15,488,932	15.55	
2034	3,405,351	490,941	3,896,292	420,000	653,130	1,073,130	500,000	90,000	590,000	3,450,000	2,841,975	6,291,975				3,900,000	3,900,000	11,675,351	4,076,046	15,751,397	16.15	
2035	3,430,000	373,254	3,803,254	488,000	683,730	1,171,730	500,000	90,000	590,000	3,595,000	2,695,350	6,290,350				4,150,000	4,150,000	12,163,000	3,842,334	16,005,334	15.63	
2036	3,480,000	258,032	3,738,032	531,000	700,020	1,231,020	500,000	90,000	590,000	3,750,000	2,542,563	6,292,563				4,400,000	4,400,000	12,661,000	3,590,614	16,251,614	15.16	
2037	2,727,000	152,335	2,879,335	1,045,000	703,125	1,748,125	500,000	90,000	590,000	3,905,000	2,383,188	6,288,188				5,000,000	5,000,000	13,177,000	3,328,648	16,505,648	15.63	
2038	215,000	95,520	310,520				500,000	90,000	590,000	4,075,000	2,217,225	6,292,225			655,000	801,900	1,456,900	5,500,000	5,500,000	10,945,000	3,204,645	14,149,645
2039	225,000	90,020	315,020				400,000	60,000	460,000	4,245,000	2,044,038	6,289,038			690,000	765,875	1,455,875	5,500,000	5,500,000	11,060,000	2,959,933	14,019,933
2040	235,000	84,270	319,270				300,000	36,000	336,000	4,425,000	1,863,625	6,288,625			730,000	727,925	1,457,925	5,500,000	5,500,000	11,190,000	2,711,820	13,901,820
2041	240,000	78,273	318,273				200,000	18,000	218,000	4,615,000	1,675,563	6,290,563			770,000	687,775	1,457,775	5,500,000	5,500,000	11,325,000	2,459,610	13,784,610
2042	250,000	71,775	321,775				100,000	6,000	106,000	4,810,000	1,479,425	6,289,425			810,000	645,425	1,455,425	5,500,000	5,500,000	11,470,000	2,202,625	13,672,625
2043	260,000	64,763	324,763							5,000,000	1,275,000	6,275,000			855,000	600,875	1,455,875	5,500,000	5,500,000	11,615,000	1,940,638	13,555,638
2044	270,000	57,475	327,475							5,000,000	1,062,500	6,062,500			905,000	553,850	1,458,850	5,500,000	5,500,000	11,675,000	1,673,825	13,348,825
2045	275,000	49,981	324,981							5,000,000	850,000	5,850,000			955,000	504,075	1,459,075	5,500,000	5,500,000	11,730,000	1,404,056	13,134,056
2046	285,000	41,925	326,925							5,000,000	637,500	5,637,500			1,005,000	451,550	1,456,550	5,500,000	5,500,000	11,790,000	1,130,975	12,920,975
2047	295,000	33,225	328,225							5,000,000	425,000	5,425,000			1,060,000	396,275	1,456,275	5,500,000	5,500,000	11,855,000	854,500	12,709,500
2048	310,000	24,150	334,150							5,000,000	212,500	5,212,500			1,120,000	337,975	1,457,975	5,500,000	5,500,000	11,930,000	574,625	12,504,625
2049	320,000	14,700	334,700												1,180,000	276,375	1,456,375	5,500,000	5,500,000	7,000,000	291,075	7,291,075
2050	330,000	4,950	334,950												1,245,000	211,475	1,456,475	5,500,000	5,500,000	7,075,000	216,425	7,291,425
2051															1,300,000	143,000	1,443,000	5,500,000	5,500,000	6,800,000	143,000	6,943,000
2052															1,300,000	71,500	1,371,500	5,500,000	5,500,000	6,800,000	71,500	6,871,500
2053																						
2054																						
2055																						
2056																						
2057																						
2058																						
2059																						
Total:	61,797,375	16,027,814	77,825,189	9,715,328	12,007,994	21,723,322	11,827,000	1,355,781	13,182,781	81,400,000	40,365,438	121,765,438	14,580,000	7,175,850	21,755,850	114,650,000	114,650,000	293,969,703	76,932,876	370,902,579		

(1) Includes all Current Fund debt including: General Improvement bonds, NJIB loans, debt service on BANs for 2025 and deferred charges (SENs) for 2025. Excludes special assessment bonds debt service.

(2) Borrowing rate assumed to increase 0.25% each year. 2025 BAN payments and SEN interest are included in Existing Debt Service. Assumes 2651-21 is reduced by \$10.8 million from sale proceeds in 2028 (55 Lakeside) and 2564-19 is reduced by \$6.3 million from green acres grant funds in 2028 (Rock Spring).

(3) Represents the annual tax impact to the average residential home assessed at \$615,472. Calculation based on Total Taxable Valuation of \$10,001,287,802. No tax impact assumed for 2025 as budget is already adopted. Reflects tax increases versus highest previous year. No change in tax rate shown for years with debt service declines.

ASSUMPTIONS							
Projected BANs (2025-2037)		Projected SENs (2025-2042)		2028 Bonds		2037 Bonds	
Issue Date:	11/05/25	Issue Date:	11/05/25	Issue Date:	11/01/28	Issue Date:	11/01/37
First Interest Date:	11/05/26	First Interest Date:	11/05/26	First Interest Date:	05/01/29	First Interest Date:	05/01/38
First Maturity Date:	11/05/26	First Maturity Date:	11/05/26	First Maturity Date:	11/01/29	First Maturity Date:	11/01/38
Final Maturity Date:	11/05/37	Final Maturity Date:	11/05/42	Final Maturity Date:	11/01/48	Final Maturity Date:	11/01/52
Borrowing Rate:	2.50%	Borrowing Rate:	4.50%	Borrowing Rate:	4.25%	Borrowing Rate:	5.50%
Initial Par Amount:	\$ 74,123,928	Par Amount:	\$ 5,027,000	Par Amount:	\$ 81,400,000	Par Amount:	\$ 14,580,000
Structure:	BAN	Structure:	SEN	Structure:	Conforming/Level	Structure:	Conforming/Level
Max Useful Life:	n/a	Max Useful Life:	n/a	Max Useful Life:	20.10 Years	Max Useful Life:	15.00 Years

DEBT & CAPITAL AMORTIZATION SUMMARY										
Year	Starting Net Debt	New BAN Authorization	New SEN Authorization	Annual Pay-Go Capital	Adjustments	Principal Amortization	Ending Net Debt	Net Debt Percentage	Debt Service + Deferred Charges	Debt Service Carrying Charge
2025	170,571,638	6,700,000	800,000	-	(15,468,335)	(8,631,838)	153,971,466	1.96%	13,450,810	12.5%
2026	153,971,466	5,000,000	500,000	-	-	(9,931,383)	149,540,083	1.87%	13,705,615	12.5%
2027	149,540,083	5,000,000	500,000	-	-	(9,739,909)	145,300,174	1.78%	13,975,399	12.5%
2028	145,300,174	5,000,000	500,000	-	(17,133,600)	(9,755,774)	123,910,799	1.49%	14,246,646	12.5%
2029	123,910,799	2,625,000	500,000	2,375,000	-	(7,220,274)	119,815,525	1.41%	12,111,848	10.4%
2030	119,815,525	2,450,000	500,000	2,550,000	-	(7,426,274)	115,339,251	1.33%	12,171,498	10.2%
2031	115,339,251	2,050,000	500,000	2,950,000	-	(7,428,274)	110,460,977	1.25%	12,027,341	9.9%
2032	110,460,977	1,950,000	500,000	3,050,000	-	(7,750,274)	105,160,702	1.16%	12,186,246	9.8%
2033	105,160,702	1,225,000	500,000	3,775,000	-	(7,449,351)	99,436,351	1.08%	11,713,932	9.3%
2034	99,436,351	1,100,000	500,000	3,900,000	-	(7,775,351)	93,261,000	0.99%	11,851,397	9.2%
2035	93,261,000	850,000	500,000	4,150,000	-	(8,013,000)	86,598,000	0.90%	11,855,334	9.0%
2036	86,598,000	600,000	500,000	4,400,000	-	(8,261,000)	79,437,000	0.81%	11,851,614	8.8%
2037	79,437,000	-	500,000	5,000,000	-	(8,177,000)	71,760,000	0.72%	11,505,648	8.4%
2038	71,760,000	-	-	5,500,000	-	(5,445,000)	66,315,000	0.65%	8,649,645	6.2%
2039	66,315,000	-	-	5,500,000	-	(5,560,000)	60,755,000	0.59%	8,519,933	6.0%
2040	60,755,000	-	-	5,500,000	-	(5,690,000)	55,065,000	0.52%	8,401,820	5.8%
2041	55,065,000	-	-	5,500,000	-	(5,825,000)	49,240,000	0.46%	8,284,610	5.6%
2042	49,240,000	-	-	5,500,000	-	(5,970,000)	43,270,000	0.39%	8,172,625	5.4%
2043	43,270,000	-	-	5,500,000	-	(6,115,000)	37,155,000	0.33%	8,055,638	5.2%
2044	37,155,000	-	-	5,500,000	-	(6,175,000)	30,980,000	0.27%	7,848,825	5.0%
2045	30,980,000	-	-	5,500,000	-	(6,230,000)	24,750,000	0.21%	7,634,056	4.8%
2046	24,750,000	-	-	5,500,000	-	(6,290,000)	18,460,000	0.15%	7,420,975	4.5%
2047	18,460,000	-	-	5,500,000	-	(6,355,000)	12,105,000	0.10%	7,209,500	4.3%
2048	12,105,000	-	-	5,500,000	-	(6,430,000)	5,675,000	0.05%	7,004,625	4.1%
2049	5,675,000	-	-	5,500,000	-	(1,500,000)	4,175,000	0.03%	1,791,075	1.0%
2050	4,175,000	-	-	5,500,000	-	(1,575,000)	2,600,000	0.02%	1,791,425	1.0%
2051	2,600,000	-	-	5,500,000	-	(1,300,000)	1,300,000	0.01%	1,443,000	0.8%
2052	1,300,000	-	-	5,500,000	-	(1,300,000)	0	0.00%	1,371,500	0.7%

(1) Adjustments include: (i) the removal of \$15.5 million of authorized but not issued debt in 2025 to better reflect the Township's actual debt profile; and (ii) assume ordinance 2651-21 is reduced by \$10.8 million from sale proceeds in 2028 (55 Lakeside) and ordinance 2564-19 is reduced by \$6.3 million from green acres grant funds in 2028 (Rock Spring).