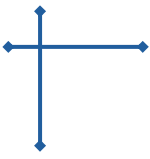


# SFY2025 Annual Report



New Jersey  
Infrastructure Bank



## QUICK FACTS: PROGRAM YEAR SFY2025<sup>1</sup>

The I-Bank jointly administers three distinct infrastructure financing programs, (i) the NJ Water Bank in partnership with DEP, (ii) the NJ Transportation Bank in partnership with DOT and (iii) the NJ Resilience Bank in partnership with the NJOEM.

---

### WATER BANK

---

#### TOTAL LOANS

From its first loan in 1987 through June 30, 2025, the Water Bank has issued **1,625** long-term loans totaling more than **\$9.28 billion** and, as of June 30, 2025, had an additional **\$2.57 billion** in short-term loans outstanding for projects in the planning, design and construction phases.

#### TOTAL SAVINGS

The Water Bank has saved taxpayers and ratepayers more than **\$3.43 billion**, or **37%** on long-term financing costs through principal forgiveness loans, low interest charges, and refinancing of outstanding bond deals at lower interest rates.

#### CURRENT LONG-TERM RATES

In the Spring 2025 Financing Program, Borrowers receiving a standard funding package of 50% I-Bank / 50% DEP Fund Loan financed eligible projects for 20 years at an all-in interest rate of 2.722%, and for 30 years at an all-in interest rate of 2.922%.

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### TRANSPORTATION BANK

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#### TOTAL LOANS

From its first financing program year in 2018 through June 30, 2025, the Transportation Bank has issued **15** long-term loans to construction complete projects totaling approximately **\$60.0 million** and, as of June 30, 2025, had an additional **\$38.0 million** in short-term loans outstanding for projects in the planning and construction phases.

#### TOTAL SAVINGS

Through its low-cost loans, the Transportation Bank has saved taxpayers and ratepayers an estimated **\$10.9 million**, or **19%** on their long-term financing costs.

#### CURRENT LONG-TERM RATES

In the Spring 2025 Financing Program, two Borrowers received a long-term direct loan with a maturity of 10 years and an all-in interest rate equal to approximately 25% of the I-Bank's AAA, or [2.55%], and one Borrower received a long-term direct loan with a maturity of [20] years and an all-in interest rate equal to approximately 50% of the I-Bank's AAA, or [2,75%].

---

### RESILIENCE BANK

---

#### TOTAL LOANS

In January 2025, New Jersey became the first state in the nation to close on a loan utilizing funds from FEMA's STORM Act. The loan provided **\$1.61 million** to co-finance a project receiving a FEMA BRIC grant. In April 2025, the Resilience Bank closed its second STORM Act funded loan. This loan provided **\$1.04 million** to co-finance a project receiving a FEMA PDM grant.

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### I-BANK PROGRAMS COMBINED

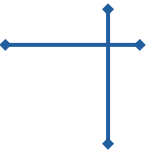
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#### TOTAL JOBS CREATED

Since their inception, the Water Bank, Transportation Bank and Resilience Bank Programs combined have created an estimated **181,926** direct, one-year construction jobs.<sup>2</sup>

<sup>1</sup> See page 3 for list of defined acronyms appearing in this report.

<sup>2</sup> According to the White House Council of Economic Advisors estimates: 20 direct construction job-years were created per \$1M spent through 2011 and 12 direct construction job-years per \$1M spent from 2012 to present.



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## MISSION STATEMENT

The New Jersey Infrastructure Bank is an independent State Financing Authority responsible for providing and administering low-interest rate loans to qualified municipalities, counties, regional authorities and water purveyors in New Jersey for the purpose of financing local transportation, resilience, and water quality related projects. The I-Bank’s mission is to finance public infrastructure projects that enhance ground and surface water resources, ensure the safety of drinking water supplies, protect public health, promote resilience, reduce roadway congestion, improve highway safety and contribute to New Jersey’s economic well-being and its role as a critical channel for commerce.

### Cover Photos:

Left: Water Bank Project - Carney’s Point Sewerage Authority, Lafayette Road Sanitary Sewer - \$1,437,803

Top Center: Transportation Bank Project - Mendham Township, 2023 Road Improvements - \$2,476,197

Bottom Center: Resilience Bank Project - Brick Township Municipal Utilities Authority, Reservoir Resilient Infrastructure - \$1,040,000

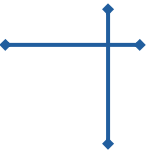


## ACRONYMS

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The following acronyms are used in this report:

BIL	Bipartisan Infrastructure Law
Blended Rate	Market Interest Rate
BRIC Grant	Building Resilient Infrastructure and Communities Grant
CDC	Centers For Disease Control and Prevention
CLP	Construction Loan Program
CSO	Combined Sewer Overflow
CW	Clean Water
DEP	Department of Environmental Protection
DLGS	Division of Local Government Services
DOT	Department of Transportation
DW	Drinking Water
FAF	Financial Addendum Forms
FEMA	Federal Emergency Management Agency
GPR	Green Project Reserve
H2LOans	Online Platform for Water Bank Projects
HMA	Hazard Mitigation Assistance
HMP	Hazard Mitigation Plan
I-Bank	New Jersey Infrastructure Bank
IJA	Infrastructure Investment and Jobs Act of 2021
NEPA	National Environmental Policy Act
NJ CHAMP	New Jersey Community Hazard Assistance Mitigation Program
NJIB	New Jersey Infrastructure Bank
NJ-Moves	Online Platform for Transportation Bank Projects
NJOEM	New Jersey State Police, Office of Emergency Management
PDM Grant	Pre-Disaster Mitigation Grant
PFAS	Perfluoroalkyl and Polyfluoroalkyl Substances
PPL	Project Priority List
Resilience Bank	New Jersey Resilience Infrastructure Financing Program
RNG	Renewable Natural Gas
SAIL	Statewide Assistance Infrastructure Loan Program
SEC	Securities and Exchange Commission
SFY	State Fiscal Year



## ACRONYMS (CONTINUED)



SRF	New Jersey State Revolving Fund
State HMP	New Jersey Hazard Mitigation Plan
STORM Act	Safeguarding Tomorrow through Ongoing Risk Mitigation Act
SWIFIA	Water Infrastructure Finance and Innovation Act's State Infrastructure Financing Authority
Transportation Bank	New Jersey Transportation Infrastructure Financing Program
TOBA	Trust Operating Bank Account Procedures
TTF	New Jersey State Transportation Trust Fund
USEPA	U.S. Environmental Protection Agency
Water Bank	New Jersey Environmental Infrastructure Financing Program
WIFIA	Water Infrastructure Finance and Innovation Act



## MESSAGE FROM THE CHAIRPERSON AND EXECUTIVE DIRECTOR

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To: The Honorable Phil Murphy, Governor of the State of New Jersey  
The Honorable Members of the New Jersey State Legislature

### EXECUTIVE SUMMARY

Thanks to your continued partnership and support, the I-Bank advanced its mission of promoting critical infrastructure investments and resilience projects for local government units across the State by delivering affordable financing through the three I-Bank financing programs; The **NJ Water Bank**, co-administered with the DEP, the **NJ Transportation Bank**, co-administered with the DOT, and the **NJ Resilience Bank**, co-administered with NJOEM.

### Water Bank Successes

In SFY2025, the Water Bank Program stood out for both the scale and the variety of projects it supported including innovative, sustainability focused projects. For the year, the I-Bank disbursed \$593 million for engineering and construction expenses and closed or upsized 124 short-term loans totaling \$946 million, including a \$165 million loan to the Middlesex County Utilities Authority for a cutting-edge RNG facility and a \$183 million loan to the Passaic Valley Sewerage Commission for a standby power generation facility. As of year-end SFY2025, the I-Bank has over \$2.57 billion in outstanding Water Bank short-term loans for engineering and construction work in progress. During SFY2025, the Water Bank converted 72 construction-complete projects totaling \$358 million to long-term financing including \$60 million from the DEP in the form of principal-forgiveness funds. In total, borrowers that participated in the long-term financing pool saved an estimated \$163 million through lower loan repayments. The I-Bank met these needs with the benefit of a \$127.2 million draw on its previously secured, low-interest rate loan from USEPA's WIFIA program, preserving \$30 million in State Revolving Funds to finance future projects.

The Water Bank also continued to offer technical assistance for disadvantaged communities. This dedicated outreach and capacity-building effort helps underserved communities plan, finance, and implement operational and capital improvements to ensure more reliable, efficient water services.

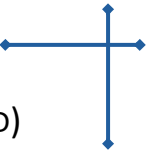
### Transportation Bank Growth

The Transportation Bank continued its growth trajectory in SFY2025, closing four new short-term loans, bringing the total number of outstanding loans in the program to 12 for \$38 million, and converting three construction-complete projects to permanent financing, providing those borrowers with interest savings amounting to 16 to 22 percent of their project costs. The Transportation Bank currently has 15 long-term Transportation Bank loans outstanding, with an original issuance amount totaling approximately \$60 million.

In collaboration with DOT, the I-Bank developed regulations for the Transportation Bank which were published in the New Jersey Register alongside its new corporate regulations for public comment.

### Resilience Bank's Nation-Leading NJ CHAMP Program Launch

The I-Bank closed the first two Safeguarding Tomorrow through Ongoing Risk Mitigation ("STORM") Act loans in the nation under NJ CHAMP, the I-Bank's financing program funded with federal STORM Act grants and State match funds. The first loan to the Bergen County Utilities Authority totaled \$1.61 million to co-finance the construction of a floodwall that provides resilience for a wastewater pump station in Rutherford, NJ. The second loan to the Brick Township Municipal Utilities Authority totaled \$1.04 million to co-finance a project that hardens the Township's raw water reservoir, prevents erosion and increases the reservoir's storage capacity. These inaugural projects showcase New Jersey's leadership in deploying innovative financial techniques for the construction of resilience, environmental and transportation infrastructure.



## MESSAGE FROM THE CHAIRPERSON AND EXECUTIVE DIRECTOR (CONTINUED)

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### Operational Excellence

During SFY2025, the I-Bank completed a multi-year internal controls audit that identified and closed operational gaps, strengthening governance and ensuring the highest standards of fiduciary oversight.

### Efficient Requisition Process and Interest Credit Savings Program (I-Credit\$)

The I-Bank's reimbursement process, available through its online portal ([H2LOans.com](https://H2LOans.com)) provides borrowers with an easy and efficient process to access loan proceeds for qualified incurred costs enabling borrowers to make timely payments to their project vendors or reuse timely cash reimbursements. The I-Bank's disbursements to borrowers average less than two weeks from borrower requisition submission.

To accelerate drawdowns of available Program funds and reduce the financing costs of short-term loans for borrowers, in SFY2025 the I-Bank introduced the I-Credit\$ program. Under this initiative, borrowers that submit timely reimbursement requests received a reduction of 0.20 percent (Water Bank) and 0.40 percent (Transportation Bank) off the I-Bank's already low published base interest rates for each short-term loan program. In SFY2025, the inaugural launch of the I-Credit\$ initiative, 167 projects saved an additional \$800,000 in interest expense by providing timely and complete requisition requests.

### Looking Ahead to SFY2026

The I-Bank is implementing an enhanced social media presence to better inform and engage stakeholders including potential project sponsors and to drive interest in building the State's public infrastructure. The I-Bank expects another strong year in Water Bank lending, building on the successes of SFY2024 and 2025, and anticipates robust loan origination in the Transportation Bank.

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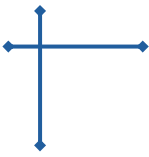
These accomplishments reflect the power of partnership among the Governor's Office, the Legislature, local government sponsors, the I-Bank and its State agency co-administrators to leverage every dollar into transformative infrastructure improvements. Looking forward, Board members and staff remain committed to expanding the I-Bank's financing programs to serve additional communities through streamlining processes, introducing creative financing techniques and pursuing new federal and private-sector funding streams to meet New Jersey's evolving infrastructure and resilience needs.

Members of the Board and staff welcome the opportunity to brief your offices on these developments and successes in greater detail. Thank you for your steadfast support.

Respectfully submitted,

**Robert A. Briant, Jr.**  
Chairperson

**David E. Zimmer, CFA**  
Executive Director



## EXECUTIVE DIRECTOR'S CERTIFICATION PURSUANT TO E.O. NO. 37

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In accordance with Executive Order No. 37 (Corzine), the New Jersey I-Bank's SFY2025 Annual Report also serves as the comprehensive report of the Authority's operations. This report highlights the significant actions of the Authority for the fiscal year, including the degree of success the I-Bank has had in promoting the State's economic growth strategies and other policies.

The report of independent auditors, CliftonLarsonAllen LLP, is included in the Annual Report and completes the I-Bank's requirements concerning the preparation of a comprehensive report required by Executive Order No. 37 (see Independent Auditor's Report starting on page 48).

I, David E. Zimmer, certify that during SFY2025, the Authority has, to the best of my knowledge, followed all of the Authority's standards, procedures, and internal controls, and produced no material findings.

I further certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the Authority for SFY2025.

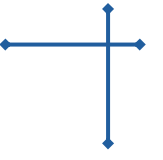
David E. Zimmer, CFA  
Executive Director

## CFO CERTIFICATION SFY2025

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I, Lauren S. Kaltman, certify that the financial information provided to the auditor in connection with the audit is, to the best of my knowledge, accurate and that such information, to the best of my knowledge, fairly represents the financial condition and operational results of the I-Bank for SFY2025.

Lauren S. Kaltman  
Chief Financial Officer



# BOARD OF DIRECTORS AND EXECUTIVE STAFF

## PUBLIC MEMBERS



**Robert Briant, Jr.**  
Chairperson



**Mark Longo**  
Vice Chairperson



**Jack Kocsis, Jr.**  
Treasurer



**James McManus, Jr.**  
Secretary

## EX-OFFICIO MEMBERS



**Shawn LaTourette**  
Commissioner  
NJ Department of  
Environmental Protection



**Francis K. O'Connor**  
Commissioner  
NJ Department of  
Transportation



**Jacquelyn A. Suárez**  
Commissioner  
NJ Department of  
Community Affairs



**Elizabeth Maher Muoio**  
State Treasurer  
NJ Department of  
Treasury

## EXECUTIVE STAFF



**David E. Zimmer**  
Executive Director



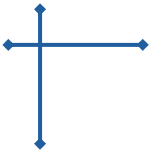
**Judy Karp**  
Assistant Director,  
Legal & Compliance Officer



**Lauren Kaltman**  
Chief Financial  
Officer



**George Rolon**  
Chief Operating  
Officer



## I-BANK: FINANCING PROGRAMS BENEFITS SAVINGS, CASH-FLOW, ADMINISTRATION

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### OVERVIEW

For 39 years, the I-Bank and DEP have partnered, co-administering the New Jersey Water Bank to provide low-cost financing for environmental infrastructure projects, saving taxpayers more than \$3.43 billion on long-term loans. Including short-term loans, the program has created approximately 180,730 direct, one-year construction jobs, adding vital economic activity to the State.

In 2018, the I-Bank's mandate was expanded to finance transportation projects in partnership with the DOT through the creation of the New Jersey Transportation Bank. Since its inception, the Transportation Bank has received annual appropriations totaling \$178.7 million and has successfully lent more than \$115 million with an additional \$145 million in projects under review. In addition, the Transportation Bank's outstanding long-term and short-term loans closed through June 30, 2025 have created nearly 1,200 direct, one-year construction jobs.

In 2023, the I-Bank's mandate was expanded to finance resilience and hazard mitigation projects in partnership with NJOEM through NJ CHAMP as part of the New Jersey Resiliency Bank. In SFY2025, the program was awarded just over \$6.4 million in STORM Act funds from FEMA. Combined with the required State match, NJ CHAMP had more than \$7 million available for eligible projects at a fixed 1% interest rate. In SFY2025, NJ CHAMP successfully closed two loans totaling \$2.65 million.

### DOLLAR SAVINGS BENEFITS

**Pool Financing** – By consolidating a group of borrowers into a pooled bond issue, small and lower-rated borrowers have better access to the high-quality municipal debt market.

**Minimized Financing Costs** – Borrowers in the I-Bank's Water Bank and Transportation Bank programs receive a blended interest rate based upon a combination of the I-Bank's AAA market interest rate and funds appropriated through the DEP or DOT, respectively, loaned at a 0% interest rate. This structure dramatically minimizes each borrower's cost compared to self-financing. Borrowers in the NJ CHAMP program receive a fixed 1% interest rate. Additionally, closing and issuance

fees are minimized with borrowers paying a fixed fee of 0.10% of the I-Bank funded portion of their loan at closing.

**5% Down Payment Waiver** – Applicants subject to the five percent down payment requirement of New Jersey Local Bond Law are afforded an exception as a participant in the Water Bank and Transportation Bank programs.

**On Target Funding** – Both design and construction activities are funded as a component of the short-term construction loan programs through project completion. The Water Bank and Transportation Bank short-term loan programs offer below market interest rates which accrue only on requisitioned funds. Short-term loans are converted to long-term loans for exact project costs at construction completion, eliminating excess bond proceeds and appropriately sizing debt service. NJ CHAMP loans incorporate the structural aspects of the short-term construction loan programs of the Water Bank and Transportation Bank into one loan. This one loan structure offers low-cost capital available for project design and construction costs and significantly lower interest rates compared to independent financing by the borrower.

**Refunding** – The I-Bank continually monitors market conditions to assess when interest rates meet the savings threshold for refunding outstanding long-term bond issues. All realized net savings (totaling approximately \$185 million to-date in the Water Bank) are passed on to borrowers.

**Debt Service Reserve Fund** – With few exceptions, borrowers are relieved of their obligation to commit funds to a debt service reserve fund.

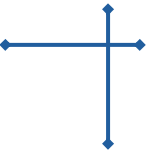
### CASH FLOW BENEFITS

**Capitalized Interest** – Short-term construction loans for the Water Bank and Transportation Bank allow borrowers to defer repayments until construction completion and conversion to long-term financing.

**Generous Allowable Costs** – All financing programs allow for a broad array of eligible costs, including legal fees, and planning and design and engineering costs.

## I-BANK: FINANCING PROGRAMS BENEFITS

### SAVINGS, CASH-FLOW, ADMINISTRATION (CONTINUED)



**Flexible Term** – Water Bank projects may be financed for the lesser of the financed asset’s certified useful life or 30 years (up to 35 years for projects receiving federal funding through WIFIA, and 45 years for CSO projects). Transportation Bank projects may be financed for the lesser of the asset’s certified useful life or up to 31 years (35 years for projects receiving funding through a federal credit program) to fit each community’s preferred budget policies. NJ CHAMP projects may be financed for the lesser of the financed asset’s certified useful life or 10, 15 or 20 years based on the loan size, and up to 30 years for projects in low-income geographic areas.

#### **ADMINISTRATIVE BENEFITS**

**Easy Reporting** – The I-Bank manages federal IRS arbitrage rebate requirements on its publicly-issued tax-exempt bonds, relieving borrowers of the cost and administration of this obligation. Due to the I-Bank’s extensive portfolio of outstanding Water Bank bonds, almost every participating borrower is relieved of the obligation of reporting under the SEC’S secondary continuing disclosure (Rule 15c-2) or reporting requirements for debt issued through the I-Bank.

**Timely Decisions** – **DLGS Approvals:** Processing times

for DLGS approval are expedited, and processing costs are reduced by the I-Bank submitting approval requests on behalf of each Borrower directly to the Director of the DLGS at the Department of Community Affairs.

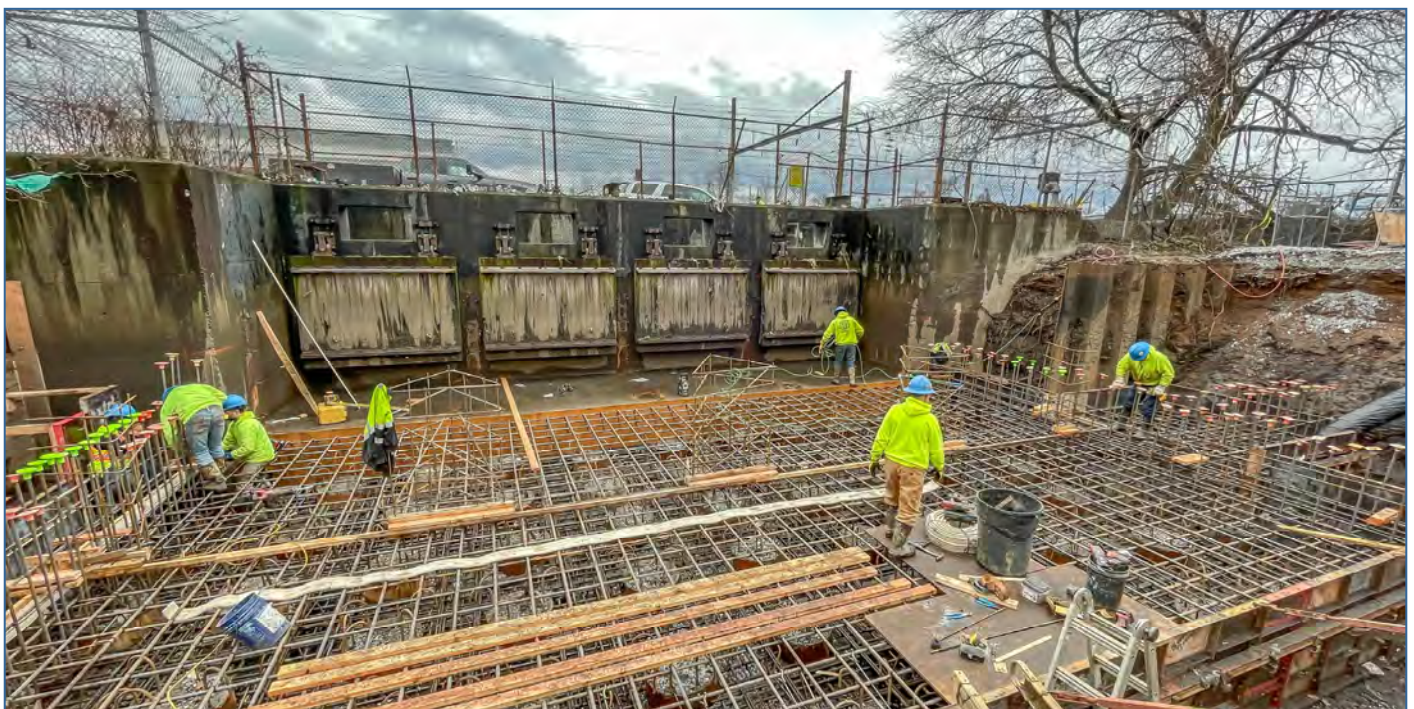
**Water Bank:** The DEP prioritizes permit applications for projects seeking financing.

**Transportation Bank:** The DOT and I-Bank use the same review process for projects receiving Local Aid grants to eliminate duplicative work for engineers and minimize approval timelines.

**Resilience Bank:** The NJOEM and I-Bank prioritize projects expected to receive FEMA grants to enable the local match portion of the grant to be funded through a loan.

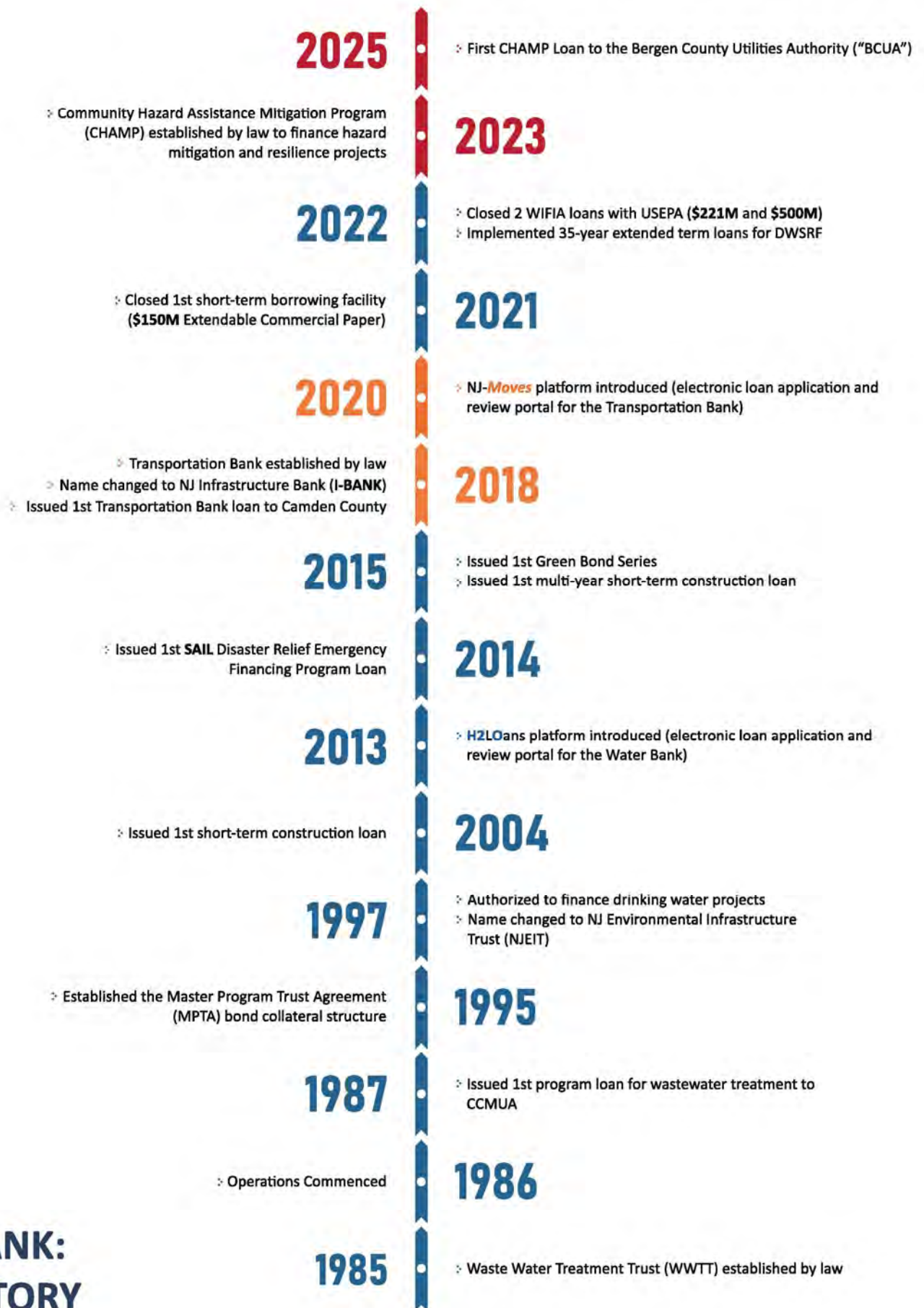
#### **SAIL - Disaster Relief Program**

The SAIL Disaster Relief Program provides short-term funds to communities in advance of FEMA public assistance funds after a declared disaster. SAIL was developed and initiated after Superstorm Sandy to relieve communities of the financial strain in the wake of a disaster. The I-Bank works closely with NJOEM to ensure timely disbursement of funds for project expenses.



Newark City: Peddie CSO Improvements.  
**SFY2025 Water Bank Long-Term Loan: \$3,772,074**

# I-BANK: HISTORY



# New Jersey Water Bank



Photos:

**SFY2025 Water Bank Long-Term Loans:**

Left: Rockaway Valley Regional Sewerage Authority, Effluent, Phosphorous Upgrades, **\$2,212,823**

Top Center: Allentown Borough, Water Treatment Plant Improvements, **\$898,913**

Bottom Center: Long Branch Sewerage Authority, Capital Improvements, **\$2,235,022**

## WATER BANK: CASE STUDY: CITY OF CAMDEN

### THE ROLE OF STRATEGIC INVESTMENT THROUGH THE I-BANK IN CAMDEN'S REVITALIZATION



Camden City's Sanitary and CSS Revitalization  
**SFY2025 Water Bank Long-Term Loan: \$6,549,129**

Since its incorporation in 1828, Camden, New Jersey, has been defined by transformation, from its origins as a 17th-century Quaker settlement seeking religious freedom, to an industrial powerhouse in the late 19th and early 20th centuries. Its strategic location on the Delaware River opposite Philadelphia stimulated economic growth through shipbuilding, manufacturing, and commerce. During its industrial peak, Camden was home to major employers such as Campbell Soup Company and RCA Victor, attracting waves of immigrants and fueling population growth.

The mid-to-late 20<sup>th</sup> century brought major challenges to the city. Declines in traditional industries led to widespread job losses, population decline, and socioeconomic hardship. As factories shuttered, many middle-class families left for the suburbs, leaving behind higher poverty rates, elevated crime, and environmental degradation.

Over the past two decades, Camden has undertaken a comprehensive revitalization strategy focused on economic diversification, infrastructure renewal, and qual-

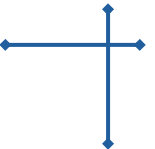
ity-of-life improvements. Under the leadership of Mayor Victor Carstarphen, the city has adopted a holistic redevelopment model grounded in three core pillars:

1. **Public Safety:** Community policing and public safety investments have significantly reduced crime.
2. **Economic Growth:** Strategic partnerships have attracted over \$3 billion in private investment.
3. **Education:** Expanded educational opportunities, anchored by institutions such as Rutgers University at Camden and Cooper Medical School of Rowan University, are preparing the next generation for success.

The model is producing results. The city's "Clean Up Camden" initiative, supported by local companies like Subaru and New Jersey American Water, have improved neighborhoods, while cultural and recreational investments, such as the Freedom Mortgage Pavilion, Adventure Aquarium, and the USS New Jersey, continue to draw visitors and enhance community pride.

From a fiscal perspective, Camden is now financially stable, with its municipal credit rating upgraded three times in the past decade, to an A rating, stable outlook from Standard & Poor's, its highest rating in almost 50 years.

Infrastructure renewal is an indispensable component of Camden's resurgence. The city has resurfaced 50 roads, undertaken \$150 million in park and open space improvements, and advanced multi-million-dollar upgrades to water and sewer systems. Since 1997, Camden has borrowed \$56.3 million through the Water Bank, achieving an estimated \$130.7 million in aggregate savings, more than twice the amount borrowed, thanks to principal forgiveness and low-interest financing. These long-term savings are not just numbers on paper; they have created the financial flexibility for Camden to reinvest in itself. A recent project, financed with approximately \$6.5 million in NJ Water Bank loans, jointly administered by the DEP and NJ I-Bank, addressed significant deficiencies in Camden's aging sanitary and combined sewer system. The initiative qualified for CSO Abatement and Affordability financing, resulting in \$5 million in principal forgiveness. Combining the forgiven principal with interest cost savings, the total savings of financing the project through



## WATER BANK: CASE STUDY: CITY OF CAMDEN (CONTINUED)

the Water Bank are estimated to be more than \$8.0 million, or almost 25% more than the total project cost over the 15-year loan term as compared to Camden financing it independently. The project represents substantial taxpayer savings in addition to generating an estimated 78 direct one-year construction jobs.

This large-scale upgrade replaced over 112,000 linear feet of deteriorated sewer pipe, installed 2,300 feet of cured-in-place liners, and mitigated hazards such as cave-ins, backups, and flooding. These improvements not only enhance public health and safety but also reduce emergency repair costs and liability risks. Shrewd leadership has leveraged these savings to maximize reinvestment in critical infrastructure, demonstrating how sound financial stewardship can accelerate the revitalization of a community.

This investment is a direct reflection of Camden’s revitalization vision, building a modern, reliable infrastructure that protects public health, supports economic growth, and enhances quality of life. By capitalizing on strategic, low-cost financing, the city was able to accelerate critical upgrades, stretch taxpayer dollars, and deliver long-term value to residents. These infrastructure improvements lay the groundwork for sustained investment, improved environmental resilience, and a stronger, more vibrant Camden.



Camden City’s Concrete Restoration



Camden City’s Construction Progress C-3

## WATER BANK: FINANCING OFFERINGS



Delanco Sewerage Authority  
Collection System Improvement  
**SFY2025 Water Bank Long-Term Loan: \$1,673,092**

New Jersey continues to be recognized nationally as a leader in innovative and effective environmental protection and financing strategies. During SFY2025, the Water Bank provided low-interest loans funded through a strategic blend of resources, including:

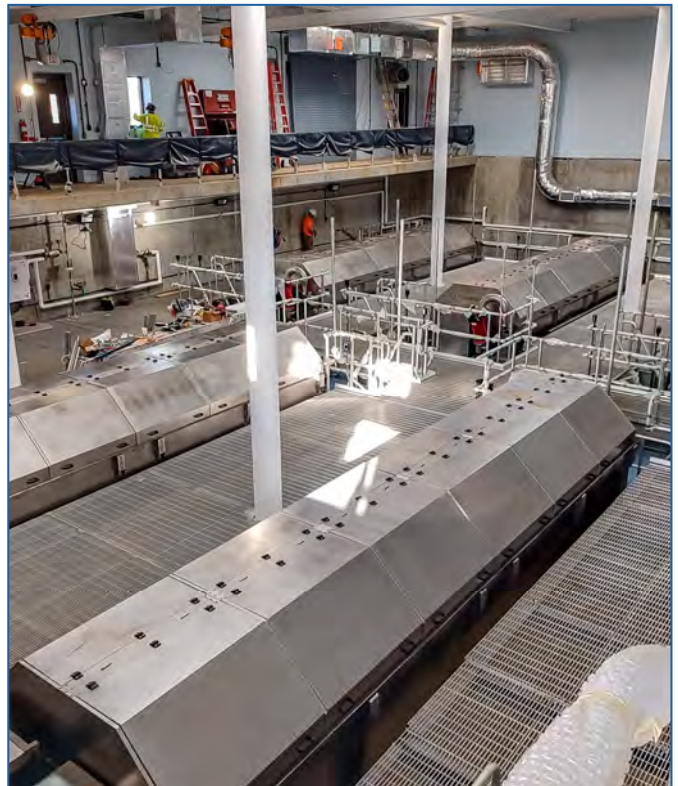
- Federal CW or DW SRF allocations
- State appropriated funds
- Proceeds from I-Bank bond issuances, either through the public market or under the federal WIFIA
- I-Bank Extendable Commercial Paper
- I-Bank cash-reserves

This past year, the Water Bank Program featured enhanced principal forgiveness and grant opportunities afforded by funds from the federal IIJA of 2021, or BIL and the federal American Rescue Plan Act of 2021. This diversified funding model enables the Water Bank to maximize available capital, reduce borrowing costs for local governments and utilities, and advance New Jer-

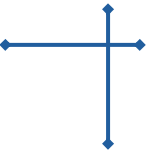
sey's commitment to sustainable, long-term water quality improvements.

### SHORT-TERM FINANCING

The Water Bank provides short-term financing through its CLP and the I-Bank's SAIL program to support projects during planning, design, and construction. In SFY2025, the program closed or upsized a record 124 loans totaling \$946 million, funding projects that addressed lead service line replacements, PFAS removal, combined sewer overflow abatement, and that constructed new treatment facilities. Short-term loans cover 100 percent of eligible project costs and in SFY2025 carried interest rates ranging from 0.395% to 0.50%, set monthly based on the I-Bank's blended cost of funds. Borrowers were also eligible to receive an interest rate credit based upon the pace of their requisitions. During SFY2025, the I-Bank's Enabling Act was amended to set short term loan maturities to five full fiscal years replacing the pre-existing limitation of two years for planning and design activities and three years for construction activities. Upon project completion, loans are converted into long-term financing under the



Logan Township Municipal Utilities Authority  
Effluent Force Main Replacement  
**SFY2025 Water Bank Long-Term Loan: \$8,500,267**



## WATER BANK: FINANCING OFFERINGS (CONTINUED)

applicable program terms, providing a seamless transition for borrowers. The Water Bank's quick turnaround time to process requests for loan funds, typically less than two weeks from reimbursement request to disbursement, reduces financing costs and administrative burdens for communities statewide.

### LONG-TERM FINANCING

In May of 2025, the I-Bank issued \$56.66 million of Environmental Infrastructure Series 2025A-SW1 Bonds through the public market and \$127.21 million of Environmental Infrastructure Series 2025C-SW1 Bonds through a private placement, to provide the I-Bank's share of long-term borrower financing for 65 borrowers alongside DEP's funding through zero-percent loans and principal forgiveness. The Series 2025C-SW1 bonds were the first draw from the I-Bank's \$500 million loan agreement with the USEPA under the SWIFIA program. These funds provide an alternative source of long-term financing to the I-Bank's traditional municipal revenue bond proceeds. This strategic use of the \$127.21 million of SWIFIA funds saved the DEP approx-

imately \$30 million in SRF funds which, when leveraged by the I-Bank, will finance up to \$60 million in additional projects without increasing costs to the State or Water Bank borrowers.

### *Clean Water Program*

In SFY2025, long-term funding packages continued to be offered as a blended interest rate equivalent to a percentage of the I-Bank's AAA rated Market Interest Rate (Blended Rate) and included more advantageous, lower Blended Rates and potential principal forgiveness offered to communities that met DEP's Affordability Criteria.

### *Drinking Water Program*

The SFY2025 Base Drinking Water Program offered combined financing from the DEP and the I-Bank at a 50% Blended Rate for publicly and privately owned water system borrowers. The Water Bank provided tiered affordability packages including potential principal forgiveness to communities that met DEP's Affordability Criteria.



Lower Township Municipal Utilities Authority, Collection System Expansion  
**SFY2025 Water Bank Long-Term Loan: \$27,212,595**

# WATER BANK: ELIGIBLE ACTIVITIES

## CLEAN WATER

### *Wastewater*

- Sewage collection, treatment, or disposal, including correction of inflow/infiltration problems, sludge management and combined sewer overflows
- Emergency repairs to replace, in-kind, the failure of an essential portion of a wastewater system that will disrupt service for a minimum of 24 hours and/or poses a substantial threat to the public's health, safety and welfare

### *Stormwater Management*

- Stormwater/non-point source pollution management including construction, expansion or replacement of stormwater management systems, collection basins and storm drains, rehabilitation of tidal gates and extension of outfall points
- Runoff Control
- Manure/feedlot management, streambank stabilization, lake dredging and restoration, and salt dome construction

### *Equipment Purchases*

- Equipment purchases including street sweepers,

sewer flushing and cleaning equipment, dump trucks, crawler loaders, skimmer boats, aquatic weed harvesters, SCADA Equipment, and outfall netting

- Landfill Construction and Closure (Publicly Owned)
- Sealing an old landfill or constructing a new cell to prevent, reduce or control leachate, its storage and/or treatment, capping systems, liners, leachate collection systems, treatment systems, sewer connections, barge shelters, containment booms, litter fences, gas collection and treatment systems, monitoring wells and reclamation or reduction work

### *Brownfield Remediation*

- Remediation of abandoned and contaminated industrial sites including removal of contaminated soil, site-capping, and the installation of stormwater controls (note, a local or county government must be the borrower and loan obligor)
- Open Space Land Acquisition
- Preserving open land that maintains or enhances the quality of surface or groundwater including stream headwaters and corridors, wetlands, and aquifer recharge areas



Waldwick Borough: Water Treatment Systems.  
**SFY2025 Water Bank Long-Term Loan \$5,921,761**

## WATER BANK: ELIGIBLE ACTIVITIES (CONTINUED)



Merchantville-Pennsauken Water Commission. National Highway PFC Plant.  
**SFY2025 Water Bank Long-Term Loan \$7,998,165**

### **Septic Systems**

- While the Water Bank cannot lend to individuals, a local government of a community with numerous system failures may establish a Septic Management District and apply for financing for the costs of planning and corrective measures, including the construction of a community system. A local government may also borrow funds from the Water Bank on behalf of residents and provide conduit loans for the rehabilitation of existing systems or the purchase and installation of traditional or alternative replacement septic systems

### **Green Infrastructure**

- The incorporation of green infrastructure when used to reduce the volume of runoff and treat it. Municipalities and utilities can incorporate green infrastructure through investments such as tree plantings, green streets, community gardens, rain gardens, parking lot retrofits, and bioretention systems. Green infrastructure also includes other practices that mimic natural hydrology and increase an area's ability to capture water and allow it to percolate into the ground
- GPR Projects that utilize green infrastructure technologies, provide water or energy efficiency im-

provements, or other environmentally innovative activities as defined by USEPA GPR

### **Security Monitoring**

- Security improvements at eligible wastewater and drinking water facilities, including fencing, lighting, motion detectors, cameras, secure doors, and alternative auxiliary power sources

### **DRINKING WATER**

- Replacement, source development and rehabilitation that address federal safe drinking water health standards
- Treatment to comply with primary and secondary drinking water standards
- Well Sealing
- Storage to prevent contamination from entering the water system and transmission lines
- Replacement of distribution systems to prevent contamination (i.e., Lead Service Lines) or improve pressure to safe levels

*(note, this list is not intended to be all-inclusive)*

## WATER BANK: LOAN PRODUCTION SUMMARY (LAST 5 YEARS)

SFY	1st S-T Loan (Oper Seg) \$	Additional S-T Loans (Oper Segs) \$	L-T Inc/Dec (Oper Seg) \$	SFY Total \$
2025	635,736,864	309,752,662	(33,184,198)	912,305,328
2024	730,602,324	348,481,710	(35,577,008)	1,043,507,026
2023	335,464,995	186,668,462	(12,212,050)	509,921,407
2022	217,952,523	93,395,985	(11,943,684)	299,404,824
2021	590,641,509	180,711,719	(45,679,559)	725,673,669
<b>Total</b>	<b>\$ 2,510,398,215</b>	<b>\$ 1,119,010,538</b>	<b>\$ (138,596,499)</b>	<b>\$ 3,490,812,254</b>

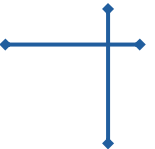
## WATER BANK: OUTSTANDING SHORT-TERM LOANS

SFY2025 YEAR-END

Borrower	Projects	Loan Amount \$	Borrower	Projects	Loan Amount \$
Allentown Borough	2	3,347,972	Elizabeth City	8	75,221,476
Aqua New Jersey, Inc.	3	15,927,851	Essex Fells Borough	2	5,162,355
Atlantic City MUA	3	35,355,044	Fieldsboro Borough	1	1,666,711
Atlantic County UA	1	11,922,292	Flemington Borough	2	1,400,000
Bayonne City	1	10,122,095	Franklin Twp SA	2	10,540,358
Bayshore RSA	1	31,000,000	Glen Ridge Borough	1	1,251,036
Belleville Twp	1	2,592,243	Gloucester Twp	4	3,779,763
Bergen County UA	3	96,700,000	Hackensack City	2	12,194,761
Berkeley Heights Twp	2	6,960,437	Haddon Heights Borough	1	471,305
Berkeley Twp MUA	1	1,516,263	Hamilton Twp	1	2,563,974
Bloomfield Twp	2	6,054,487	Harvey Cedars Borough	1	2,654,681
Boonton Town	2	7,829,273	Hawthorne Borough	2	4,346,057
Bordentown City	1	2,667,570	Highlands Borough	1	8,329,712
Brick Twp MUA	3	19,382,886	Hightstown Borough	1	470,908
Brookwood Musconetcong River POA	1	880,032	Hillside Twp	6	7,369,562
Buena Borough	1	2,586,278	Hoboken City	1	12,070,226
Burlington City	1	1,755,571	Irvington Twp	6	18,947,950
Camden City	2	57,175,071	Island Heights Borough	1	843,965
Camden County MUA	4	67,241,517	Jersey City MUA	3	50,958,191
Cape May City	2	6,212,742	Kearny Town	1	12,123,577
Cumberland County (Downe Twp)	1	16,005,200	Lake Stockholm Systems	1	1,687,832
Cumberland County UA	1	10,583,653	Lakewood Twp MUA	1	12,060,428
East Orange City	8	17,343,652	Lambertville MUA	3	2,916,441
Edison Twp	1	975,688	Landis Sewerage Authority	1	1,492,730

# WATER BANK: OUTSTANDING SHORT-TERM LOANS

SFY2025 YEAR-END (CONTINUED)



Borrower	Projects	Loan Amount \$	Borrower	Projects	Loan Amount \$
Lavallette Borough	1	3,700,000	Paterson City	1	2,350,000
Linden Roselle SA	1	13,612,003	Pemberton Twp	1	1,757,000
Little Egg Harbor MUA	2	6,814,074	Pennsville SA	1	5,641,613
Livingston Twp	3	15,922,057	Perth Amboy City	1	5,647,251
Long Beach Twp	1	6,808,742	Pleasantville City	1	2,273,783
Long Branch SA	1	2,091,466	Prompton Lakes Borough MUA	2	432,452
Lyndhurst Twp	1	3,523,343	Rahway Valley SA	2	7,604,984
Manchester Twp	1	4,020,163	Red Bank Borough	1	8,355,162
Maplewood Twp	6	7,495,302	Ridgefield Park Village	1	5,347,589
Margate City	1	3,483,472	Ridgewood Village	3	50,323,829
Mendham Borough	1	3,836,491	Robbinsville Twp	1	1,460,608
Merchantville-Pennsauken WC	1	9,055,133	Rockaway Valley RSA	2	16,559,571
Metuchen Borough	1	8,227,354	Roselle Park Borough	6	3,533,086
Middlesex County UA	6	234,567,188	Runnemede Borough	1	7,250,500
Millburn Twp	6	6,685,750	Seaside Heights Borough	3	8,989,428
Millville City	1	6,943,624	Ship Bottom Borough	1	429,363
Montgomery Twp	2	31,600,000	South Monmouth RSA	1	1,874,923
Mt Arlington Borough	1	818,657	South Orange Village Twp	7	7,556,960
Mt Laurel Twp MUA	1	4,832,547	Stafford Twp	1	12,320,000
New Brunswick City	2	39,000,000	Stone Harbor Borough	1	5,943,971
Newark City	9	38,673,004	Stony Brook RSA	1	20,504,424
Newton Town	3	5,328,417	Summit City	6	9,752,737
NJ Water Supply Auth	1	50,000,000	Sussex County MUA	1	5,445,489
North Bergen MUA	2	57,324,436	Toms River MUA	1	7,412,525
North Bergen Twp	1	3,522,129	Trenton City	3	40,610,971
North Caldwell Borough	1	1,701,005	Tuckerton Borough	1	724,730
North Hudson SA	6	96,394,337	Two Rivers Water Reclamation Auth	1	123,272,021
Oakland Borough	1	7,681,070	Union Twp	6	20,583,225
Ocean County UA	2	49,243,057	Vernon Twp	1	2,096,924
Ocean Gate Borough	1	894,485	Verona Twp	3	5,863,070
Old Bridge MUA	1	2,700,000	Wanaque Valley RSA	1	1,166,535
Orange City	1	633,753	West Orange Twp	6	13,166,439
Park Ridge Borough	1	3,018,901	Wildwood City	3	25,292,618
Passaic Valley SC	11	622,251,564	Wildwood Crest Borough	1	3,221,683
Passaic Valley WC	4	96,580,575	Willingboro MUA	2	5,498,825
			<b>Total</b>	<b>261</b>	<b>2,571,910,204</b>

## WATER BANK: LONG-TERM LOANS CLOSED IN SFY2025

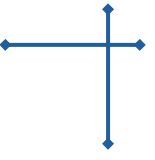
(SERIES 2024A-W1, SERIES 2024C-W1, SERIES 2025A-SW1, SERIES 2025C-SW1 and Direct Loans)

Borrower Name	Loan Amount \$	Est. Program Savings \$
Allentown Borough	891,976	676,227
Brick Twp. MUA	19,496,488	4,529,425
Burlington City	1,760,685	298,233
Camden City	6,503,619	6,574,361
Camden County MUA	19,214,313	3,446,464
Carneys Point SA	1,441,881	1,441,881
Clinton Town	1,061,673	181,284
Clinton Twp. SA	1,961,986	412,331
Delanco SA	1,625,664	276,382
Deptford Twp. MUA	3,556,048	707,956
East Greenwich Twp.	1,000,000	1,000,000
East Orange City	344,671	50,355
Elizabeth City	3,625,138	809,231
Essex Fells Borough	7,795,382	3,252,394
Franklin Twp. SA	3,658,342	811,487
Gloucester County UA	13,732,889	6,865,735
Hackensack City	12,676,221	10,487,148
Hackettstown MUA	726,788	557,624
Hamburg Borough	732,552	126,475
Hawthorne Borough	4,986,291	2,537,517
High Bridge Borough	1,766,805	1,180,204
Hillside Twp.	503,886	61,088
Hoboken City	8,308,094	2,006,449
Ho-Ho-Kus Borough	3,460,133	1,862,211
Hopewell Twp.	1,092,973	339,720
Irvington Twp.	1,268,948	272,816
Logan Twp. MUA	8,298,880	1,476,653
Long Branch SA	5,915,414	4,278,262
Lower Twp. MUA	26,537,253	4,768,006
Mantua Twp. MUA	2,583,505	559,294
Medford Lakes Borough	5,602,631	1,000,936
Merchantville-Pennsauken WC	7,804,949	2,626,363
Mount Laurel Twp. MUA	2,722,273	491,859
Musconetcong SA	2,339,722	410,340

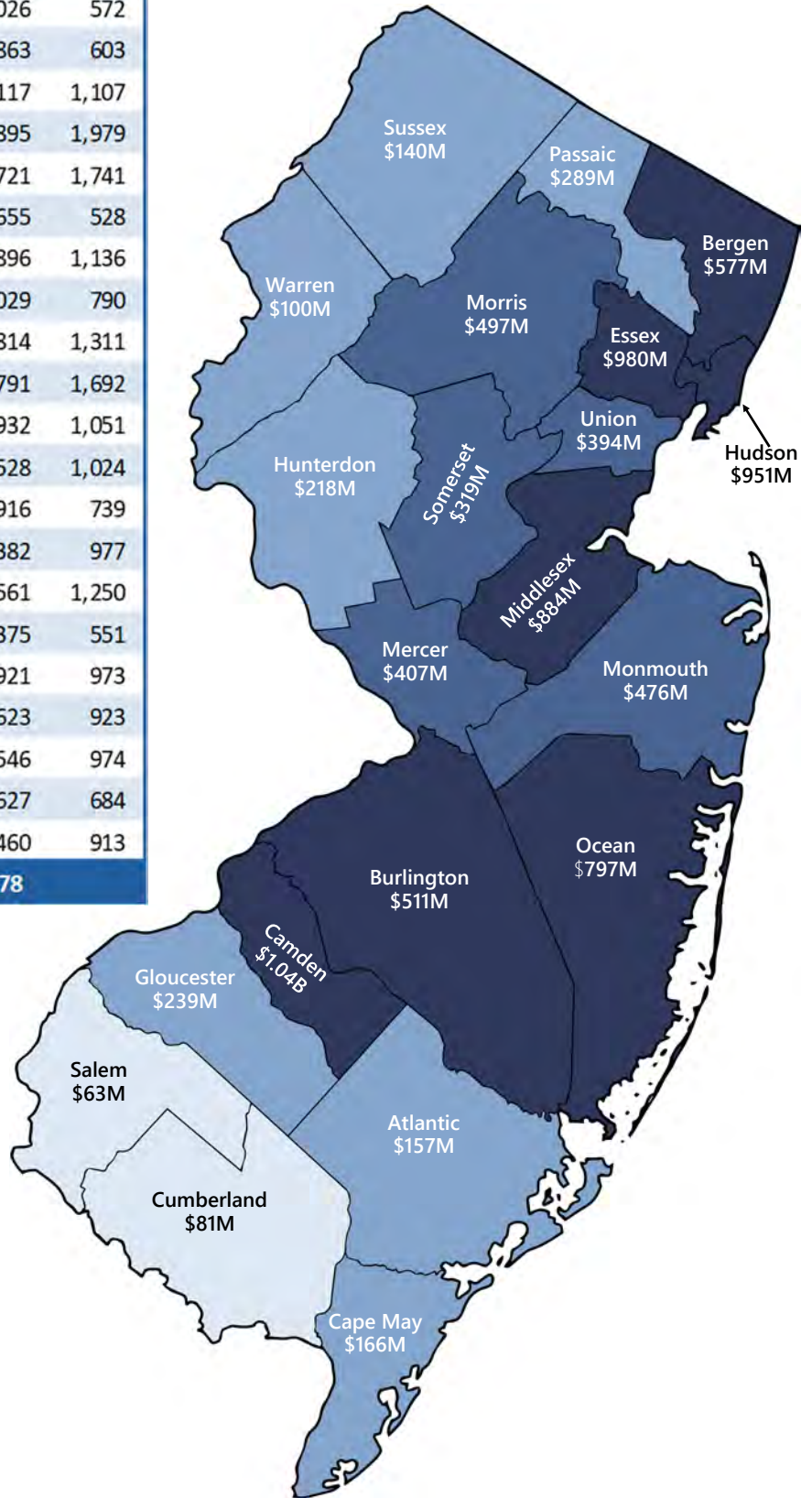
Borrower Name	Loan Amount \$	Est. Program Savings \$
Newark City	4,878,680	4,284,402
Newton Town	2,572,902	2,572,902
NJ American Water	94,284,147	57,770,846
North Brunswick Twp.	2,658,468	469,990
North Haledon Borough	1,900,338	526,893
Northwest Bergen County UA	1,801,984	316,673
Passaic Valley SC	3,949,599	3,604,995
Rockaway Valley RSA	13,244,029	3,142,108
Rosemont Water Co	22,201	22,201
Rutgers University	1,479,037	277,151
Ship Bottom Borough	1,481,973	267,857
Stafford Twp.	7,860,255	7,140,759
Stony Brook RSA	18,127,713	4,431,577
Summit City	667,350	134,365
Union Twp.	1,378,707	338,328
Upper Deerfield Twp.	3,343,704	3,609,599
Waldwick Borough	5,805,620	3,463,074
Wenonah Borough	878,418	295,983
West Deptford Twp.	2,887,660	2,230,648
West Orange Twp.	861,663	67,806
Willingboro MUA	2,919,900	2,013,408
<b>Total</b>	<b>358,002,421</b>	<b>163,358,275</b>

# WATER BANK: LOAN HISTORY SFY1987-2025

## BY COUNTY

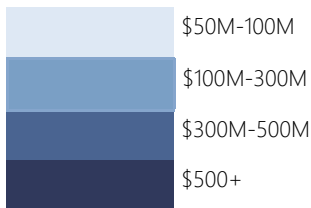


County	Total Loan Amount \$	Est. Program Savings \$	Per * Capita \$
Atlantic	157,128,572	61,153,026	572
Bergen	576,734,378	140,668,863	603
Burlington	511,154,087	163,037,117	1,107
Camden	1,036,239,135	446,204,895	1,979
Cape May	165,812,762	58,372,721	1,741
Cumberland	81,355,865	32,304,655	528
Essex	980,477,178	476,129,896	1,136
Gloucester	238,861,622	81,024,029	790
Hudson	950,633,642	365,631,814	1,311
Hunterdon	218,233,137	63,500,791	1,692
Mercer	407,032,443	159,384,932	1,051
Middlesex	883,785,282	275,284,528	1,024
Monmouth	475,586,023	165,183,916	739
Morris	497,352,269	205,813,382	977
Ocean	796,661,212	266,399,561	1,250
Passaic	289,330,016	118,673,375	551
Salem	63,091,296	27,195,921	973
Somerset	318,736,893	108,084,623	923
Sussex	140,439,452	40,633,546	974
Union	393,625,180	134,712,627	684
Warren	100,131,471	37,949,460	913
<b>Total</b>	<b>9,282,401,914</b>	<b>3,427,343,678</b>	



\* U.S. Census Bureau (4/2020 - 7/2023)

LEGEND:



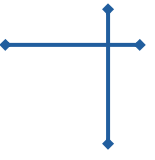
# WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER

Borrower Name	Original Loan \$	Est. Program Savings \$
2117 Mt. Ephraim, Inc., Nancy-Lee	397,969	132,719
Aberdeen Twp.	10,627,051	2,571,095
Allamuchy Twp.	7,494,437	2,273,022
Allentown Borough	5,586,397	2,335,643
Aqua New Jersey, Inc.	9,423,411	4,647,369
Asbury Park City	25,055,578	8,567,466
Atlantic City MUA	13,123,435	7,229,758
Atlantic County UA	67,786,945	29,600,992
Atlantic Highlands Borough	1,917,275	447,322
Atlantic Highlands-Highlands RSA	872,692	293,499
Avalon Borough	1,118,240	215,924
Barnegat Twp.	3,382,601	1,000,795
Barrington Borough	1,019,712	287,067
Bayonne City	2,068,740	1,765,252
Bayonne LRA	35,772,049	14,221,634
Bayonne LRA (MUA)	1,796,017	672,387
Bayonne MUA	28,844,005	13,830,206
Bayshore RSA	71,015,301	26,877,642
Bayview Water Co.	1,600,000	485,388
Beach Haven Borough	8,987,445	5,014,124
Beachwood Borough	4,614,128	1,891,842
Bellmawr Borough	14,007,749	4,859,691
Belmar Borough	982,903	273,832
Bergen County	7,383,149	1,605,543
Bergen County IA - Encap	211,321,814	0
Bergen County UA	147,583,460	62,513,910
Bergenfield Borough	1,130,000	366,825
Berkeley Heights Twp.	15,036,610	5,978,627
Berkeley Twp.	3,140,003	986,350
Berkeley Twp. MUA	9,624,023	4,149,139
Berkeley Twp. SA	27,133,992	10,047,581
Berlin Borough	4,823,632	1,402,673
Bernardsville Borough	6,824,630	3,190,642
Bethlehem Twp.	987,100	362,530
Beverly SA	371,996	83,962

# WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)



Borrower Name	Original Loan \$	Est. Program Savings \$
Bloomfield Twp.	8,842,759	4,747,319
Bloomington Borough	516,255	378,278
Boonton Town	3,492,315	891,657
Bordentown City	4,037,899	1,051,981
Bordentown SA	5,155,639	2,582,808
Bound Brook Borough	148,161	18,294
Bradley Beach Borough	2,299,383	478,462
Brick Twp.	2,573,862	744,384
Brick Twp. MUA	65,643,985	18,665,519
Bridgeton City	10,158,187	5,691,868
Bridgewater Twp.	1,770,319	515,861
Brielle Borough	10,007,175	2,577,046
Brigantine City	12,718,667	3,646,101
Brookwood Musconetcong River POA	1,039,200	291,174
Buena Borough MUA	2,961,060	935,893
Burlington City	23,828,599	9,504,298
Burlington County	94,168,067	28,856,383
Burlington Twp.	15,391,605	4,328,205
Byram Homeowners Assoc	569,085	109,784
Byram Twp.	1,802,284	626,706
Caldwell Borough	37,883,224	15,488,803
Califon Borough	1,343,949	234,254
Camden City	129,180,475	56,319,489
Camden County MUA	630,294,092	274,797,103
Cape May City	3,765,097	1,265,433
Cape May County MUA	51,280,891	20,795,668
Cape May Point Borough	161,766	18,145
Carneys Point SA	1,441,881	1,441,881
Carneys Point Twp.	502,733	149,279
Carneys Point Twp. SA	6,510,000	3,798,909
Carteret Borough	22,442,062	10,593,497
Carteret Redevelopment Agency	38,472,833	11,370,104
Cedar Glen Homes, Inc.	846,401	225,054
Cedar Glen West, Inc.	432,666	82,089
Cedar Grove Twp.	9,123,321	4,168,090

## WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Chatham Borough	13,821,038	5,976,719
Chatham Twp.	7,257,264	1,761,232
Cherry Hill Twp.	6,142,348	2,444,110
Chester Borough	1,394,451	473,649
Chesterfield Twp.	5,622,510	1,581,112
Cinnaminson SA	16,652,802	4,107,713
Clayton Borough	2,785,750	982,916
Clementon Borough	1,195,000	482,568
Cliffside Park Borough	1,105,000	192,618
Clifton City	4,576,000	1,408,253
Clinton Town	24,331,490	6,466,492
Clinton Twp.	264,000	87,835
Clinton Twp. SA	4,047,060	1,092,175
Collingswood Borough	4,263,827	1,319,243
Consumers NJ Water Co	3,473,961	1,207,113
Continental Communities LLC	2,956,689	803,376
Cranford Twp.	10,975,680	3,256,399
Cumberland County IA	15,415,997	3,269,926
Cumberland County UA	7,899,790	1,998,759
Delanco SA	1,625,664	276,382
Delanco Twp. SA	1,076,866	305,253
Delran SA	13,694,636	4,778,897
Delran Twp.	3,162,329	703,262
Denville Twp.	18,205,604	7,985,291
Deptford Twp. MUA	9,282,539	2,391,931
Dover Town	822,669	226,577
Dumont Borough	7,062,000	2,081,660
Dunellen Borough	1,845,475	528,290
East Brookwood Estates POA	1,357,000	375,231
East Greenwich Twp.	1,000,000	1,000,000
East Newark Borough	579,562	213,166
East Orange City	36,053,104	16,343,762
East Rutherford Borough	896,793	123,271
East Windsor MUA	52,527,046	18,254,804
East Windsor Twp.	868,172	335,794



**WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025**  
BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Eatontown SA	4,400,336	1,313,246
Edgewater Borough	3,803,741	1,468,143
Edgewater MUA	1,771,496	599,028
Edgewater Park SA	3,242,377	835,877
Edison Twp.	3,299,256	935,748
Egg Harbor Twp. MUA	2,028,012	347,426
Elizabeth City	89,893,329	44,199,801
Elmer Borough	580,000	446,838
Elmwood Park Borough	8,874,766	2,558,218
Essex County UA	2,135,414	666,943
Essex Fells Borough	7,795,382	3,252,394
Evesham MUA	22,395,820	6,539,070
Evesham Twp.	2,643,250	1,164,675
Ewing Lawrence SA	46,611,576	14,520,193
Ewing Twp.	4,236,765	1,507,606
Fanwood Borough	1,362,256	305,540
Farmingdale Borough	535,438	441,506
Flemington Borough	4,774,751	1,488,905
Florence Twp.	20,837,659	5,599,006
Florham Park SA	3,554,134	947,445
Fort Lee Borough	6,952,250	1,972,327
Franklin Borough	550,000	181,574
Franklin Twp.	3,495,733	1,042,802
Franklin Twp. SA	49,797,234	16,374,510
Free Acres Assoc, Inc.	1,097,428	318,599
Frenchtown Borough	8,724,110	3,636,670
Galloway Twp.	2,384,284	685,281
Garfield City	6,122,693	1,652,201
Gibbsboro Borough	2,097,711	744,500
Glen Ridge Borough	11,313,317	4,184,941
Gloucester City	20,177,099	6,756,309
Gloucester County IA	26,733,446	3,951,685
Gloucester County UA	103,224,173	42,677,210
Gloucester Twp.	18,577,154	4,867,841
Gloucester Twp. MUA	2,190,500	621,667

## WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Great Gorge Terrace Condo Assoc, Inc.	846,930	796,468
Hackensack City	28,317,490	19,722,958
Hackettstown MUA	12,881,354	5,354,066
Haddon Twp.	6,387,500	2,226,244
Hainesport Twp.	13,711,900	3,896,590
Haledon Borough	1,538,000	594,614
Hamburg Borough	2,601,242	1,113,641
Hamilton Twp.	5,945,429	2,320,914
Hamilton Twp. MUA	6,543,167	1,777,497
Hammonton Town	28,868,026	9,622,196
Hampton Borough	1,115,109	1,110,551
Hanover SA	31,928,758	11,819,793
Harrington Park Borough	348,576	19,652
Harrison Town	5,622,704	1,829,290
Harrison Twp.	6,810,754	1,868,563
Harvey Cedars Borough	1,676,634	494,973
Hawthorne Borough	14,258,858	5,565,651
High Bridge Borough	2,693,746	1,547,437
Highlands Borough	2,098,450	491,566
Hightstown Borough	11,222,143	4,953,356
Hillsborough Twp.	7,082,919	2,147,767
Hillside Twp.	2,493,197	1,024,995
Hoboken City	96,890,606	42,329,997
Ho-Ho-Kus Borough	3,460,133	1,862,211
Holmdel Twp.	5,902,119	2,018,779
Hopatcong Borough	28,714,402	7,335,572
Hopewell Twp.	1,092,973	339,720
Howell Twp.	12,338,514	7,683,717
Hudson County IA	35,543,208	13,915,511
Independence MUA	262,000	209,394
Irvington Twp.	6,845,125	3,046,843
Island Heights Borough	5,129,500	1,855,216
Jackson Twp.	1,166,859	983,650
Jackson Twp. MUA	45,819,156	11,112,253
Jefferson Twp.	1,387,350	414,472



**WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025**  
BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Jefferson Twp.- Mountain Shores POA	647,816	763,165
Jersey City MUA	360,046,133	114,326,831
Keansburg Borough	5,790,422	3,147,805
Kearny MUA	12,802,824	4,485,446
Kearny Town	26,609,403	8,401,457
Lake Tamarack Water Co	151,020	45,919
Lakeshore Company	457,179	457,179
Lakewood Twp. MUA	33,059,735	9,400,351
Lambertville MUA	9,160,606	6,141,453
Lambertville SA	3,182,679	903,367
Lavallette Borough	2,765,423	1,339,760
Lawrence Twp.	1,175,095	336,574
Lebanon Twp.	1,106,401	426,894
Leonia Borough	770,607	242,254
Linden City	17,530,919	4,275,175
Linden Roselle SA	25,154,343	8,159,367
Linwood City	1,990,931	372,742
Little Egg Harbor MUA	11,971,443	3,535,159
Little Egg Harbor Twp.	5,690,620	2,995,292
Livingston Twp.	17,209,276	8,669,488
Lodi Borough	140,650	20,213
Logan Twp. MUA	11,273,880	2,469,895
Long Beach Twp.	56,657,319	20,164,536
Long Branch SA	48,709,054	24,450,526
Long Hill Twp.	16,726,597	6,310,889
Longport Borough	3,883,629	1,340,206
Lopatcong Twp.	200,000	14,171
Lower Twp. MUA	45,515,233	9,925,917
Lumberton Twp.	2,072,303	600,715
Lyndhurst Twp.	13,267,776	3,782,429
Madison Borough	20,291,715	9,044,337
Magnolia Borough	1,828,287	558,008
Manasquan Borough	16,558,128	5,125,942
Manchester Twp.	6,868,816	1,795,651
Manchester UA	9,556,772	5,140,594

## WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Mantua Twp. MUA	11,197,824	3,205,946
Manville Borough	6,731,831	2,891,297
Maple Shade Twp.	37,072,255	12,973,043
Maplewood Twp.	394,262	138,034
Margate City	937,449	273,180
Marlboro Twp.	19,595,719	6,197,271
Matawan Borough	8,930,224	2,308,519
Maywood Borough	845,977	391,179
Medford Lakes Borough	5,602,631	1,000,936
Medford Twp.	24,214,127	9,746,992
Mendham Borough	2,308,222	423,151
Mendham Twp.	3,715,324	1,500,964
Mercer County	991,599	285,869
Mercer County IA	2,157,252	660,775
Merchantville Borough	3,195,523	949,133
Merchantville-Pennsauken WC	17,394,507	5,248,291
Middle Twp.	347,597	101,488
Middlesex Borough	3,945,898	1,239,759
Middlesex County UA	402,022,992	109,700,773
Middlesex Water Co	131,124,689	52,631,611
Middletown Twp. SA	21,293,423	7,241,286
Midland Park Borough	518,020	181,137
Millburn Twp.	2,076,373	601,380
Milltown Borough	20,825,592	7,307,187
Millville City	32,759,189	11,805,567
Mine Hill Twp.	1,804,557	591,563
Monmouth County Bayshore Outfall Auth	1,818,952	520,567
Monmouth County IA	1,350,828	150,421
Monroe Twp.	2,835,280	1,119,317
Montclair State University	2,628,290	670,937
Montclair Twp.	10,175,941	3,128,242
Montgomery Twp.	32,216,019	14,738,781
Montville Twp.	6,627,906	1,760,075
Montville Twp. MUA	6,647,108	2,870,083
Moonachie Borough PA	407,701	58,686



**WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025**  
BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Moorestown Twp.	31,533,622	6,787,170
Morris Twp.	40,763,641	17,375,407
Morristown Town	56,186,196	27,386,830
Mount Arlington Borough	10,355,023	3,148,157
Mount Laurel Twp. MUA	65,141,474	20,633,067
Mt Holly MUA	26,287,025	7,933,862
Mt Holly Water Co	13,189,909	4,376,194
Mt Olive Twp.	29,640,514	8,962,747
Musconetcong SA	34,696,077	9,209,526
National Park Borough	2,394,706	1,479,099
Neptune Twp.	1,281,375	390,090
Netcong Borough	1,628,465	1,152,645
New Brunswick City	37,676,776	13,803,353
New Milford Borough	1,191,250	452,422
New Providence Borough	6,280,000	2,601,612
Newark City	418,888,794	262,594,607
Newfield Borough	1,102,010	739,673
Newton Town	15,295,208	8,648,103
NJ American Water	324,374,343	135,545,864
NJ American Water-Pennsgrove Water Supply Co	2,219,940	766,970
NJ American Water-Shorelands Water Co	5,630,000	1,999,673
NJ American Water-South Jersey Water Supply Co	371,098	127,581
NJ City University	16,535,929	3,990,879
NJ Sports & Expo Auth	744,201	161,691
NJ Water Supply Auth	131,572,893	31,114,550
North Arlington Borough	507,322	181,979
North Bergen MUA	83,384,695	38,817,020
North Brunswick Twp.	27,659,604	7,170,718
North Haledon Borough	1,900,338	526,893
North Hudson SA	229,029,086	101,237,661
North Jersey District Water SC	60,895,065	20,938,319
North Plainfield Borough	2,154,442	726,505
North Wildwood City	22,158,427	11,432,725
Northwest Bergen County UA	57,066,121	16,784,173
Norwood Borough	1,036,850	425,139

## WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Nutley Twp.	5,542,148	1,647,369
Oaklyn Borough	1,298,868	406,507
Ocean County	9,831,002	7,780,710
Ocean County UA	281,638,195	86,773,939
Ocean Gate Borough	1,837,217	1,195,295
Ocean Twp.	17,697,545	6,959,570
Ocean Twp. SA	33,952,632	9,820,672
Oceanport Borough	23,149,779	7,668,982
Old Bridge MUA	68,766,064	19,995,996
Old Bridge Twp.	9,148,278	3,056,727
Old Tappan Borough	12,773,936	4,337,233
Oradell Borough	4,146,949	1,033,526
Orange Twp. City	11,595,473	3,600,511
Palmyra Borough	3,526,750	791,108
Paramus Borough	1,661,330	623,550
Parsippany-Troy Hills Twp.	33,369,717	17,327,135
Passaic Valley SC	282,785,028	103,611,732
Passaic Valley WC	115,781,544	47,690,848
Paterson City	26,954,530	11,477,267
Paulsboro Borough	2,650,164	508,394
Pemberton Twp.	1,872,559	971,967
Pennington Borough	1,446,190	1,376,656
Pennsauken SA	929,000	269,204
Pennsville SA	709,266	149,337
Pennsville Twp.	6,456,745	1,892,966
Pequannock River Basin RSA	14,528,718	6,812,097
Pequannock, Lincoln Park & Fairfield SA	51,338,604	23,218,666
Perth Amboy City	22,754,864	8,274,933
Phillipsburg Town	39,027,801	18,562,624
Pine Hill Borough	606,289	175,125
Pine Hill Borough MUA	5,169,653	1,439,529
Plainfield Area RSA	8,009,080	2,797,146
Pleasantville City	1,121,841	465,773
Plumsted Twp.	27,993,410	2,981,841
Point Pleasant Beach Borough	7,538,179	3,070,846



**WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025**  
BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Point Pleasant Borough	1,638,485	1,187,949
Pompton Lakes Borough MUA	16,605,641	8,087,172
Princeton (Borough & Township)	32,701,256	12,695,544
Rahway City	17,581,401	5,209,852
Rahway Valley SA	197,880,694	56,722,758
Ramsey Borough	1,999,175	548,502
Randolph Twp.	13,533,063	5,910,293
Raritan Twp. MUA	20,861,756	8,097,403
Readington Twp.	2,415,097	745,149
Red Bank Borough	5,959,686	3,113,344
Ridgefield Borough	990,000	338,200
Ridgefield Park Village	2,133,780	760,046
Ridgewood Village	18,932,172	5,769,461
River Edge Borough	566,627	204,887
Riverside SA	6,692,743	2,046,614
Riverside Water Reclamation Auth	1,589,040	440,387
Robbinsville Twp.	1,360,000	393,950
Rockaway Valley RSA	45,489,732	15,745,864
Roosevelt Borough	1,793,938	660,140
Roselle Borough	1,943,011	798,706
Rosemont Water Co	142,983	53,439
Roxbury Twp.	39,917,151	19,082,071
Runnemede Borough	2,047,000	712,532
Runnemede Borough SA	1,572,106	506,856
Rutgers University	1,479,037	277,151
Rutgers, The State Uni of NJ	28,450,014	8,495,524
Saddle Brook Twp.	3,320,674	926,658
Saddle River Borough	2,094,855	579,146
Salem City	12,963,001	9,625,255
Salem County IA	13,784,605	2,566,378
Sayreville Borough	34,555,000	11,325,545
Scotch Plains Twp.	2,104,299	381,151
Sea Girt Borough	5,941,102	1,950,481
Seaside Park Borough	14,505,337	5,141,178
Secaucus MUA	3,049,345	2,251,038

## WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Secaucus Town	3,325,000	1,242,021
Ship Bottom Borough	27,328,918	7,809,621
Shore Water Company	671,075	671,075
Somerdale Borough	830,528	252,920
Somers Point City	2,875,000	732,084
Somerset Raritan Valley SA	106,428,283	32,641,514
Somerville Borough	3,384,514	505,976
South Hackensack Twp.	1,441,280	486,103
South Monmouth RSA	9,625,247	2,912,878
South Orange Twp.	1,476,588	640,831
South River Borough	6,112,500	2,076,830
Southeast Monmouth MUA	16,121,774	5,325,356
Spotswood Borough	1,695,625	737,912
Stafford MUA	4,368,651	1,482,364
Stafford Twp.	53,773,156	23,260,097
Stanhope Borough	2,197,250	991,182
Stillwater Twp. Water District #1	475,833	378,475
Stockton Borough	1,566,599	491,489
Stone Harbor Borough	17,072,956	5,229,759
Stony Brook RSA	47,954,189	17,703,080
Summit City	667,350	134,365
Sussex Borough	1,707,400	660,586
Sussex County MUA	60,363,115	11,773,700
Swedesboro Boro	95,589	13,070
Tewksbury Twp.	413,961	134,579
Toms River MUA	19,963,424	7,631,078
Toms River Twp.	1,484,912	940,418
Trenton City	188,437,987	80,054,195
Tuckerton Borough	10,977,479	5,378,153
Two Rivers Water Reclamation Auth	51,175,338	16,061,005
Union Beach Borough	600,000	203,177
Union Twp.	4,722,091	1,664,279
University Hospital	6,935,405	550,486
Upper Deerfield Twp.	3,343,704	3,609,599
Valley View Healthcare & Rehab Center	24,252	5,124

# WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025

BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Ventnor City	6,819,407	2,608,306
Verona Twp.	22,863,811	10,727,360
Village of Lake Glenwood, Inc	811,765	987,158
Vineland City	10,178,998	5,443,548
Voorhees Twp.	6,349,596	2,372,128
Waldwick Borough	8,757,184	4,308,177
Wall Twp.	10,545,475	2,748,080
Wanaque Valley RSA	8,950,838	4,004,859
Warren County MUA	18,062,397	4,316,481
Warren Twp. SA	12,692,421	4,193,270
Washington Borough	17,233,521	5,490,872
Washington Twp. MUA	22,928,024	7,551,761
Watchung Borough	3,458,390	1,011,107
Waterford Twp. MUA	5,454,244	1,502,817
Wayne Twp.	14,759,658	6,146,290
Weehawken Twp.	8,734,336	2,102,017
Wenonah Borough	878,418	295,983
West Deptford Twp.	21,087,378	7,358,898
West Milford MUA	11,327,665	6,076,600
West Orange Twp.	7,296,153	2,891,916
West Windsor Twp.	3,269,984	945,484
Western Monmouth UA	32,730,942	6,805,606
Westville Borough	2,353,160	640,189
Westwood Borough	6,030,781	1,495,200
Wharton Borough	465,596	133,836
Wildwood City	6,359,066	1,394,523
Wildwood Crest Borough	16,930,111	6,806,471
Willingboro MUA	43,552,631	18,043,353
Willingboro Twp.	1,187,400	496,236
Winslow Twp.	16,738,818	5,068,622
Wonder Lakes Properties, Inc.	141,202	16,997
Woodbine Borough	1,103,378	1,186,666
Woodbridge Twp.	884,595	206,682
Woodbury City	9,154,723	2,880,653
Woodbury Heights Borough	941,910	323,273

**WATER BANK: LONG-TERM LOAN HISTORY: SFY1987-2025**  
 BY BORROWER (CONTINUED)

Borrower Name	Original Loan \$	Est. Program Savings \$
Woodland Park Borough	5,183,430	1,934,199
Woodstown SA	6,379,625	2,300,341
<b>Total</b>	<b>9,282,401,914</b>	<b>3,427,343,678</b>

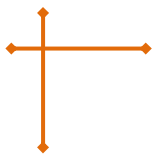


Burlington City: Meter Replacement.  
 SFY2025 Water Bank Long-Term Loan: \$1,798,728.

# New Jersey Transportation Bank



Photos:  
**SFY2025 Transportation Bank Long-Term Loans:**  
Mendham Township, Road Improvements, **\$2,476,197**



# TRANSPORTATION BANK: OVERVIEW

## INTRODUCTION

The I-Bank, working in partnership with the DOT, co-administers the Transportation Bank with a mission to increase the affordability of transportation infrastructure projects by offering low-cost financing to qualified counties, municipalities, and regional transportation authorities. These projects enhance safety, improve quality of life, and help meet travel and commerce demands.

## TRANSPORTATION PROGRAM

The Transportation Bank received an appropriation of \$20.5 million from the TTF in SFY2025, which can be leveraged with borrowed funds to provide approximately \$40 million in project financing. These funds are lent to borrowers at either 50% or 75% of the I-Bank's AAA market rate depending on the maturity of the loan. These low-cost funds may supplement State and Federal grant funds, such as those offered through the DOT's Local Aid and Economic Development Program, assisting local governments with moving forward with their transportation projects.

## ELIGIBLE PROJECTS

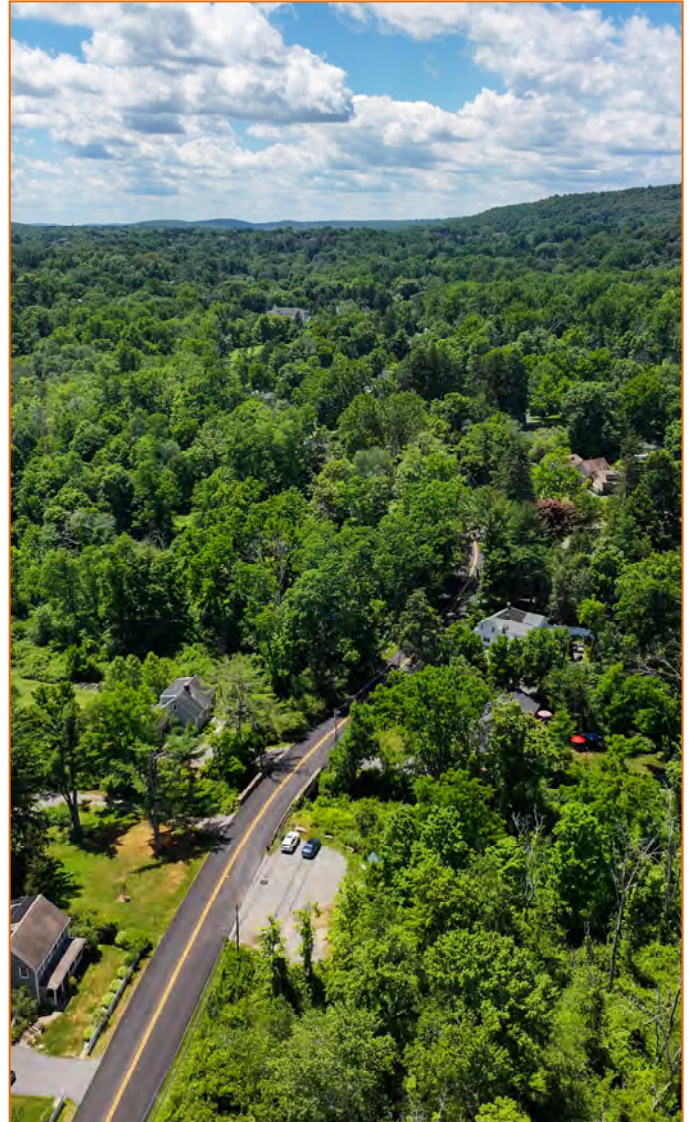
The Transportation Program's low-interest rate loans are available for capital projects for public highways, approach roadways, ramps, bridges, signal systems, roadbeds, transit lanes or rights of way, pedestrian bikeways and walkways, pedestrian bridges connecting to passenger stations, grade crossings, and other necessary surface improvements as well as marine and aviation projects.

## ELIGIBLE BORROWERS

Eligible borrowers for the Transportation Program include local government units (defined as a county, municipality, regional transportation authority, or any other political subdivision of the State) authorized to construct, operate, and maintain public highways or transportation projects.

## ELIGIBLE PROJECT COSTS

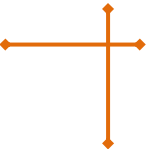
Eligible costs for financing through the Transportation Bank include construction expenses, rights of way acquisition, and project management costs as well as soft costs such as fees related to environmental planning, permitting, engineering, financial advisor, and legal counsel.



Mendham Township, Road Improvement  
**SFY2025 Transportation Bank Long-Term Loan:**  
**\$2,476,197**

## OVERVIEW OF THE PROGRAM

Upon a Borrower's application submission, the project is placed on the Transportation Bank PPL by the I-Bank, pursuant to the ranking methodology set forth by the DOT Commissioner in the program's annual Prioritization System submitted to the Legislature in January of each fiscal year. As a prerequisite to financing eligibility, an applicant must have their project identified on the PPL and meet the requirements of the I-Bank's credit-worthiness standards, which include an investment grade rated municipal or county general obligation pledge.



# TRANSPORTATION BANK: OVERVIEW (CONTINUED)

The Transportation Program offers short-term loan funds during the planning and construction phase. In SFY2025, short-term loans were charged an interest rate ranging from 2.1% to 2.75%. Borrowers also were able to receive an interest rate credit based on the pace at which they requisitioned funds for their projects. Upon project completion, short-term loans are converted into long-term financing for a term less than or equal to the lesser of the useful life of the project (as determined and certified by the Project’s Engineer), or 31 years. Transportation Bank loans are not subject to the maturity limitations in New Jersey Local Bond Law. Depending upon the term of the loan, Borrowers pay a blended interest rate equivalent to approximately 25%-50% of the I-Bank’s AAA rated cost of funds.

### GENERAL DETAIL

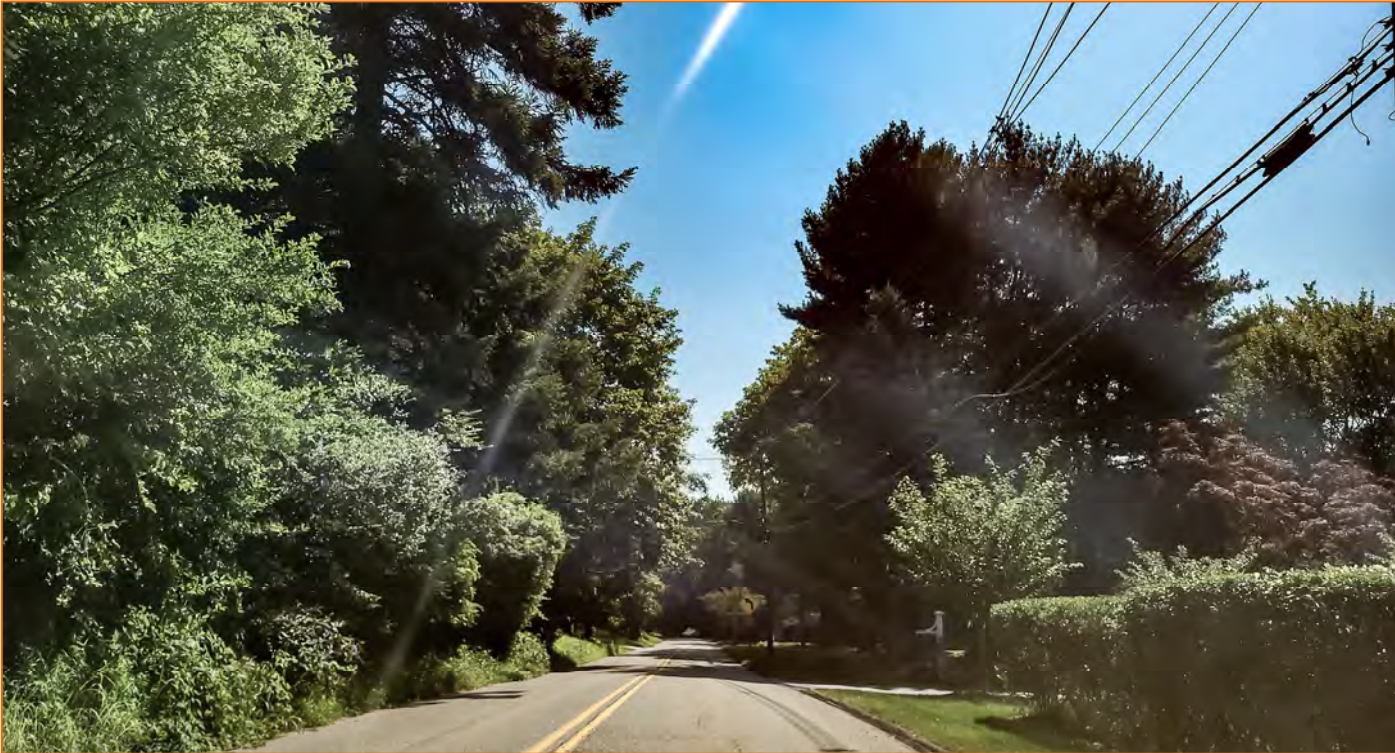
As of the end of SFY2025, the Transportation Bank had committed approximately \$97 million of funds to projects, consisting of 15 long-term loans for 18 projects totaling \$59.0 million, and 12 outstanding short-term loans with a value of \$38.0 million.

### SFY2025 LOAN DETAIL

During SFY2025, four borrowers closed on short-term loans in the Transportation Program for a total amount of \$8.7 million. The borrowers included the City of Bayonne, Little Ferry Borough, Mendham Township, and Robbinsville Township and the loans ranged between \$1.7 and \$3.1 million. All four SFY2025 projects were road asset projects.

During SFY2025, the Transportation Program converted three short-term loans to long-term financing totaling \$4.1 million through direct loans from the I-Bank. The repayments from the long-term loans financed with the State’s TTF appropriations stay within the Transportation Program and revolve to be available as loans for future transportation projects.

Disbursements of loan funds by the I-Bank are based on the costs incurred. All vendor and/or contractor expense invoices submitted by a borrower for incurred eligible costs are reviewed and approved by program staff prior to being disbursed (typically in less than 7 days). A project sponsor need not have paid such expenses prior to drawing on its loan funds.



Mendham Township, Road Improvement  
**SFY2025 Transportation Bank Long-Term Loan: \$2,476,197**

## TRANSPORTATION BANK: NJ-*MOVES* APPLICATION PROCESS

Applicants seeking financing for transportation infrastructure projects through the Transportation Bank use a streamlined, web-based application platform known as “*NJ-Moves*”. This enterprise system is specifically designed to improve efficiency, reduce duplication of effort and minimize input errors for both applicants and staff.

*NJ-Moves* accelerates application submission and review timeframes. By centralizing required information on a digital platform, applicants directly submit complete and accurate data throughout the term of the project, minimizing the need for ongoing follow-up or corrections.

Built with industry-standard security protocols, *NJ-Moves* ensures that all data is encrypted and stored in a secure, cloud-based environment. The platform provides a centralized hub for applicants and staff to access, review, and manage project information.

Key features of *NJ-Moves* include:

- Creation and tracking of transportation projects
- Update project information, costs, details and schedule

- Upload and store required documents (contracts, plans, specs, estimates, etc.)
- Add and manage users to facilitate the application process
- Collaborate with DOT and NJIB engineers and project managers
- Maintain and update project costs
- Submit required financial information for both short-term and long-term loans
- View a project’s rating points and corresponding ranking on the Project Priority List

The Transportation Bank continues to improve the platform by accommodating more complex projects with multiple contracts and non-linear timelines. Upcoming upgrades will include user-friendly releases that will allow borrowers to:

- Track loan progress, technical reviews, DLGS approval and credit checks
- Track individual contract certification
- View and approve loan exhibits within the application
- Submit and upload electronic reimbursement requests with supporting invoices



Mendham Township, Road Improvement  
**SFY2025 Transportation Bank Long-Term Loan: \$2,476,197**

## TRANSPORTATION BANK: FINANCING PROGRAM LEGISLATIVE REPORTS

The DOT and the I-Bank are required to publish annual legislative reports in January and May. These reports outline the Transportation Bank program requirements for the upcoming fiscal year and provide financing and administrative guidance to the public.

The Transportation Bank Priority System and the Transportation Project Priority List (together, the “January Report”) include (i) project and applicant eligibility requirements, (ii) the system and methodology for priori-

tizing projects for funding, and (iii) the initial list of projects eligible for funding in the upcoming fiscal year (the PPL).

The Financial Plan (“May Report”) identifies the (i) process by which Transportation Bank projects will be funded in the upcoming fiscal year, (ii) loan terms and conditions, (iii) interest rate methodologies, (iv) fees, and (v) loan closing.

### TRANSPORTATION BANK: LONG-TERM LOANS CLOSED IN SFY2025 BY BORROWER

Borrower Names	County	Original Loan \$	Est. Program Saving \$
Little Ferry Borough	Bergen	1,123,473	209,020
Mendham Township	Morris	1,397,660	313,272
Raritan Township	Hunterdon	1,620,847	209,301
<b>Total</b>		<b>4,141,980</b>	<b>731,593</b>

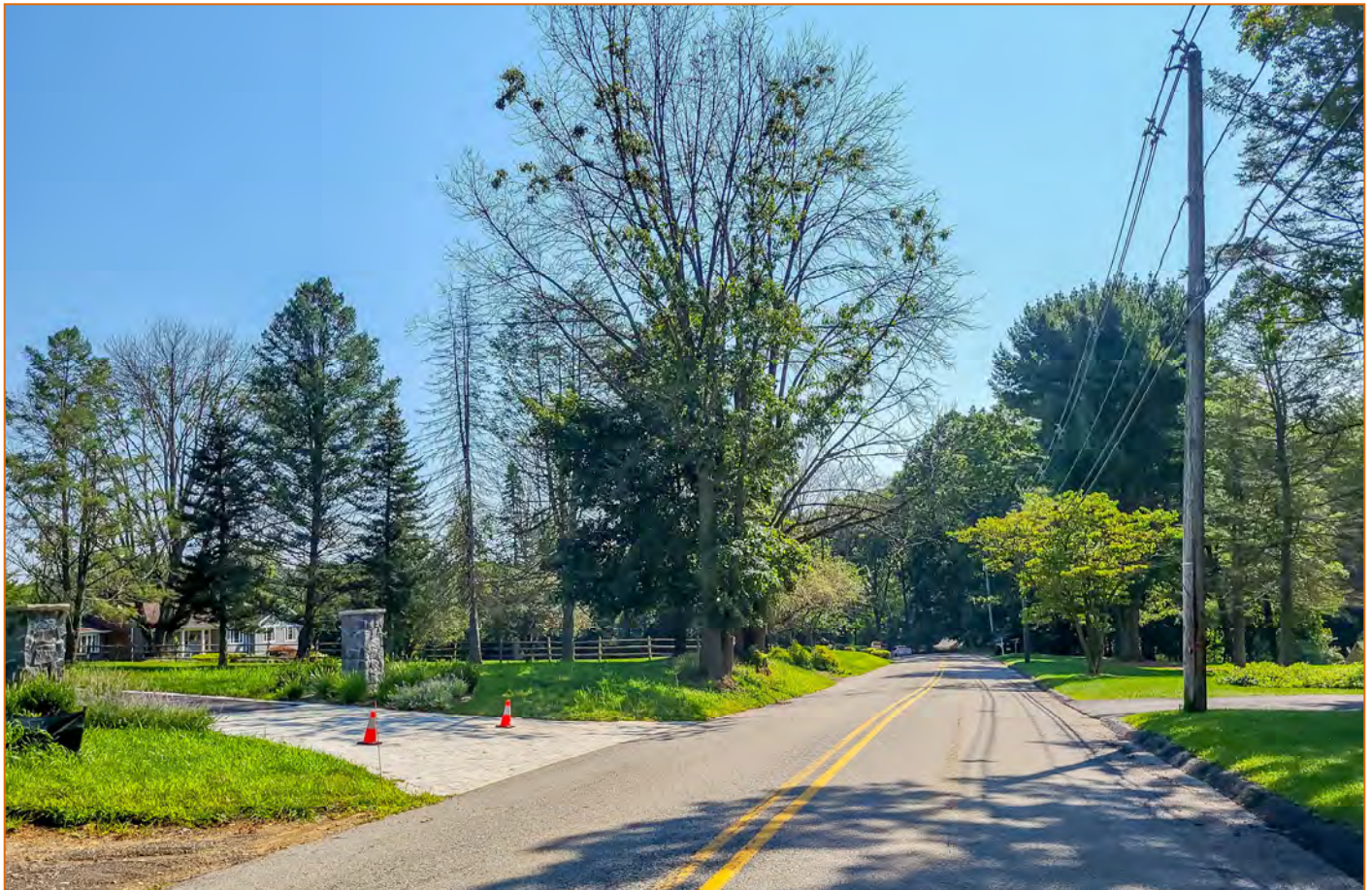
### TRANSPORTATION BANK: LONG-TERM LOAN HISTORY: SFY2018-2025 BY BORROWER

Borrower Names	County	Original Loan \$	Program Saving \$
Atlantic County	Atlantic	12,115,000	1,716,027
Bayonne City	Hudson	1,576,986	423,980
Burlington County	Burlington	2,440,000	72,044
Camden County	Camden	1,787,267	164,365
Cape May County	Cape May	9,627,220	1,446,715
Essex County	Essex	1,864,849	405,616
Hackensack City	Bergen	2,035,971	340,061
Little Ferry Borough	Bergen County	1,123,473	209,020
Little Silver Borough	Monmouth	2,388,507	730,175
Mendham Twp.	Morris County	1,397,660	313,272
Orange City	Essex	8,583,041	2,301,252
Raritan Twp. (2)	Hunterdon	3,234,528	591,946
Somerdale Borough	Camden	2,053,550	164,852
Wildwood City	Cape May	8,757,031	2,029,297
<b>Total</b>		<b>58,985,084</b>	<b>10,908,622</b>

# TRANSPORTATION BANK: OUTSTANDING SHORT-TERM LOANS

SFY2025 YEAR-END BY BORROWER

SFY	Borrower	County	Last Loan Amount\$
2021	Bayonne City	Hudson	2,921,230
2025	Bayonne City	Hudson	1,699,701
2023	Essex County	Essex	5,172,537
2022	Flemington Borough	Hunterdon	1,671,550
2024	Hoboken City	Hudson	6,388,267
2025	Little Ferry Borough	Bergen	1,791,942
2025	Mendham Twp	Morris	2,206,000
2024	Princeton	Mercer	6,934,000
2024	Prospect Park Borough	Passaic	600,505
2024	Robbinsville Twp	Mercer	2,000,000
2025	Robbinsville Twp	Mercer	3,050,000
2024	Willingboro Twp	Burlington	3,586,334
<b>Total</b>			<b>38,022,066</b>



Mendham Township, Road Improvement  
**SFY2025 Transportation Bank Long-Term Loan: \$2,476,197**

# New Jersey Resilience Bank



Photos:

**SFY2025 Resilience Bank Long-Term Loans:**

Left: Bergen County Utilities Authority, Joint Meeting Pump Station, **\$1,610,000**

Top and Bottom Center: Brick Township Municipal Utilities Authority, Reservoir Resilient Infrastructure, **\$1,040,000**

## NJ RESILIENCE BANK: OVERVIEW

### INTRODUCTION

The I-Bank, working in partnership with the NJOEM, co-administers the NJ CHAMP financing program within its Resilience Bank to provide low-interest rate loans to eligible municipalities, counties, as well as agencies, instrumentalities or authorities of any county or municipality.

### ELIGIBLE BORROWERS / ELIGIBLE PROJECTS

NJ CHAMP loans are available for hazard mitigation and resilience projects with activities that are consistent with the priorities of the State or the State's HMP. NJ CHAMP financing is limited to eligible project costs incurred including construction, engineering, legal counsel, financial advisors, permitting, project management and other costs allowed pursuant to the STORM Act. NJ CHAMP financing excludes any costs for which other grants have been received.

### PROJECT PRIORITY LIST ("PPL") / RANKING METHODOLOGY

Identification of a project on the PPL and the Project Eligibility List are prerequisites to receive NJ CHAMP financing. Eligible projects are ranked by the NJOEM based on the prioritization methodology set forth in the NJ CHAMP January Report (see NJ CHAMP Financing Program Legislative Reports, page 44). Eligible project types include (i) activities that mitigate the impact of natural hazards, (ii) building code adoption and enforcement, and (iii) zoning and land-use planning changes. Projects that reduce risk, increase resilience, and align with the statutory objectives of the current State's HMP are also eligible. Loans may be used by local governments to satisfy a local government's non-federal cost-share requirement for other FEMA HMA grant programs, such as the Hazard Mitigation Grant Program, Hazard Mitigation Grant Program Post-Fire, and Flood Mitigation Assistance grant programs.

In SFY2025, the ranking system prioritized projects located in areas designated as "Disadvantaged Communities" as defined by the CDC Social Vulnerability Index, as well as projects located in low-income geographic areas as defined in 42 U.S.C. 5135 § (m)(6). Projects are certified/approved based on the project's rank, the amount of available funds, compliance with the program's requirements and deadlines for design and application submittal.

### FINANCING

Conditions precedent to loan closing include: (i) the applicant's receipt of a federal grant award; (ii) submission of the FAF; and (iii) satisfaction of the program's creditworthiness standards. In addition, loan closing requires project certification by both the NJOEM and the I-Bank.

In SFY2025, the I-Bank closed the first two STORM Act loans in the nation under NJ CHAMP. The first loan was for \$1.61 million to the Bergen County Utilities Authority for the construction of a floodwall to protect a wastewater pump station. The second loan was for \$1.04 million to the Brick Township Municipal Utilities Authority for a project that hardens the Township's raw water reservoir. Both loans offer an interest rate of 1% pursuant to STORM Act requirements.



Brick Township Municipal Utilities Authority:  
Reservoir Resilient Infrastructure.  
**SFY2025 Resilience Bank Long-Term Loan: \$1,040,000**

## NJ RESILIENCE BANK: APPLICATION PROCESS

Applicants seeking financing for NJ CHAMP hazard mitigation and resilience projects may submit loan applications at any time throughout the year. Projects are financed on a rank and readiness basis. Applications are not accepted after construction advertisement without prior approval from NJOEM. Generally, the loan application process is as follows:

1. The Applicant's submission of:
  - Project Description form, with Environmental Letter of Interest / Historic Preservation Documentation (if applicable);
  - Loan application;
  - Engineering design and specifications;
  - An executed engineering or construction contract (or draft thereof); and
  - A completed financial addendum form.
2. The I-Bank's issuance of:
  - Creditworthiness approval;
  - Authorization to advertise construction;
  - Applicable contract award authorization; and
  - Applicable contract certification.
3. The NJ DLGS issuance of (if applicable):
  - Approval of the applicant's note or bond issued to the I-Bank.
4. FEMA issuance of (if applicable):
  - Environmental NEPA determination; and
  - Historic Preservation determination.
5. Execution of a Loan Agreement

In the event that a project is compliant with the requirements of, and has received approval for assistance from, another FEMA grant program, NJ CHAMP will rely

on the previously obtained FEMA approvals, as applicable, in lieu of the review requirements listed in the section above.

Loans are available upon contract certification. The program's funding commitment is triggered at the time of loan closing.



Brick Township Municipal Utilities Authority:  
Reservoir Resilient Infrastructure.  
**SFY2025 Resilience Bank Long-Term Loan: \$1,040,000**

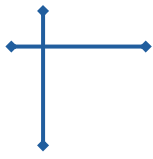
## NJ RESILIENCE BANK: FINANCING PROGRAM LEGISLATIVE REPORTS

The NJOEM and the I-Bank are statutorily required to publish annual legislative reports in January and May. These reports outline the NJ CHAMP eligibility requirements for the upcoming fiscal year and provide financing and administrative guidance to the public.

The NJ CHAMP Project Prioritization System and the Project Priority List (together, the (January Report)) set forth project and applicant eligibility requirements, the

methodology for prioritizing projects for funding, and the initial list of projects eligible for funding in the upcoming fiscal year.

The Financial Plan (May Report) identifies the (i) process by which NJ CHAMP projects will be funded in the upcoming fiscal year, (ii) loan terms and conditions, (iii) interest rate, (iv) fees, and (v) loan closing prerequisites.



## I-BANK COMPLIANCE SFY2025

As a financing authority of the State, the I-Bank has policies and procedures in place that govern expenditures, financial reporting, and procurement. Recognizing its extensive responsibility as an issuer of bonds and a steward of public monies, the I-Bank has developed these policies and procedures to ensure compliance with the requirements of federal and state laws and regulations, as well as its own enabling act and bond resolutions. The I-Bank's Chief Legal & Compliance Officer is responsible for the oversight of these legal and regulatory requirements with regular monitoring and quarterly reports, which are presented to the I-Bank Board's Audit & Governance Committee.

Financial controls in place include, but are not limited to, the following policies:

**Investment Policy:** A comprehensive policy establishing operational parameters for the investment activities of the I-Bank ensures that such investments are consistent with the I-Bank's overall financial needs, prudent management, and comply with federal and State laws.

**Creditworthiness Policy:** As a lender of funds, the I-Bank maintains minimum creditworthiness standards for applicants to receive financing through one or more of the I-Bank's financing programs. These creditworthiness standards help ensure that the publicly issued bonds of the I-Bank maintain a AAA/Aaa/AAA/ credit rating from the three nationally recognized rating agencies to afford all future borrowers the lowest borrowing rates, and that each borrower has demonstrated the ability to meet its loan repayment obligations to the I-Bank and the State. The I-Bank Credit Policy was updated in SFY2025 to (i) streamline its presentation, (ii) include projects financed under the NJ CHAMP program, (iii) tighten the parameters of the junior lien program, and (iv) clarify waivers allowable under various circumstances.

**Procurement Policy:** The I-Bank adheres to the requirements of its Procurement Policy which is aligned with New Jersey laws and regulations, committing the I-Bank to the principles of a fair and open bidding process.

**Managing Contract Spending Caps:** The I-Bank maintains vigilance with its goods and services contracts by managing operating fund disbursements to those vendors with cap amounts.

**Trust Operating Bank Account Procedures:** The I-Bank's TOBA policy strictly regulates authorization of disbursements to the Executive Director with additional counter-signatory requirements involving the Board's Treasurer for disbursements at or above \$30,000. As a check and balance, the Policy requires a semi-annual compliance report to the Board's Treasurer.

## I-BANK INTERNAL CONTROLS SFY2025

In SFY2025, in conjunction with its outside Internal Controls Audit firm, CohnReznick, LLP, the I-Bank completed Phase V, the final phase, of its audit plan. The audit involved staff interviews, direct observations, and testing of sample transactions to confirm that the identified controls were both appropriately designed and operated effectively. This phase culminated in a final report of the process areas identified in the risk assessment. The final report documented and evaluated the processes, procedures and controls employed by the I-Bank based on the comprehensive assessment of the I-Bank's internal controls processes, during which existing policies were refined, process gaps, weaknesses and opportunities for improvement were identified, and all levels of the internal control structure were continually evaluated.

The final audit report is based on the identification and testing of 207 key controls - the primary procedures and policies the I-Bank relies on to mitigate significant risks, prevent fraud, and ensure the accuracy and reliability of financial reporting and other critical processes. Cohn Reznick concluded that the controls of the I-Bank, the Water Bank and the Transportation Bank are "designed properly and operating effectively" while also offering recommendations to remediate any identified gaps. The final report was reviewed by the I-Bank Board's Audit Compliance Committee.

The I-Bank will continue to test and refine its financial and operational areas and expects to procure the services of its next internal control auditor within the coming year.

# **APPENDIX**

## **INDEPENDENT AUDITOR'S REPORT**

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# New Jersey Infrastructure Bank

(A Component Unit of the State of New Jersey)

Financial Report  
June 30, 2025 and 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
New Jersey Infrastructure Bank  
f/k/a New Jersey Environmental Infrastructure Trust  
Lawrence Township, New Jersey

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities and each major fund of the New Jersey Infrastructure Bank (the I-Bank), as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the New Jersey Infrastructure Bank's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the New Jersey Infrastructure Bank, as of June 30, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the New Jersey Infrastructure Bank and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the New Jersey Infrastructure Bank's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the New Jersey Infrastructure Bank's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the New Jersey Infrastructure Bank's ability to continue as a going concern for a reasonable period of time.

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of net pension liability, schedule of contributions for the pension plan and schedule of proportionate share of net open liability be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial

Board of Directors  
New Jersey Infrastructure Bank

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 GAAS, 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***

Management is responsible for the other information included in the annual report. The other information comprises the Master Program Trust Agreement Schedule but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2025, on our consideration of the New Jersey Infrastructure Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the New Jersey Infrastructure Bank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering New Jersey Infrastructure Bank's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 30, 2025

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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The New Jersey Infrastructure Bank (I-Bank) is a state financing entity structured organizationally as three distinct operating departments: (i) the Environmental Infrastructure Trust (EIT), which functions in conjunction with the New Jersey Department of Environmental Protection (NJDEP), for the purpose of operating its environmental infrastructure Clean Water and Drinking Water financing programs for critical water infrastructure projects, which programs are referred to collectively as the New Jersey Water Bank (Water Bank), (ii) the Transportation Infrastructure Bank (TIB), which functions in conjunction with the New Jersey Department of Transportation (NJDOT), for the purpose of operating its transportation infrastructure financing program for transportation infrastructure projects, which program is referred to as the New Jersey Transportation Bank (Transportation Bank), and (iii) the Resilience Infrastructure Bank (RIB), which currently operates the Community Hazard Assistance Mitigation Program (CHAMP), in conjunction with the New Jersey State Police Office of Emergency Management (NJOEM), for the purpose of operating its hazard mitigation and resilience program for critical resiliency projects.

The I-Bank is not (i) a "bank" or "savings bank" within the meaning of the New Jersey Banking Act of 1948, or (ii) a "national banking association" or a "federal savings bank" within the meaning of the National Bank Act. Further, the I-Bank is not subject to the supervision of the New Jersey Department of Banking and Insurance or the Office of the Comptroller of the Currency (United States Treasury Department), the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation. The I-Bank does not accept "deposits" within the meaning of the New Jersey Banking Act of 1948 or the National Bank Act, and its obligations are not insured by the Federal Deposit Insurance Corporation.

This section of the annual financial report of the I-Bank presents management's discussion and analysis of the financial performance of each financing program within the I-Bank during the fiscal year ended June 30, 2025, relative to the fiscal year ended June 30, 2024. Please read this section in conjunction with the I-Bank's financial statements and accompanying notes.

**Overview of the financial statements:** This financial report consists of three parts, i) the Management's Discussion and Analysis (this section), ii) the basic financial statements, and iii) the notes to the financial statements. This report also includes supplementary information intended to furnish additional details to support the financial statements. The accounting policies of the I-Bank conform to accounting principles generally accepted in the United States of America as applicable to enterprise funds.

The I-Bank's financial statements report information about the I-Bank using accounting methods similar to those used by private sector companies. These statements offer both short and long-term financial information about the I-Bank's lending activities. The statement of net position includes all of the I-Bank's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and accounts payable (liabilities). The statement of revenues, expenses and changes in net position includes all of the current year's revenues and expenses. The statements of cash flows are the final required financial statement with a primary purpose to provide information about the I-Bank's cash receipts, cash payments and the net changes in cash positions resulting from operations, investing and non-capital financing activities. They are intended to answer such questions as sources and uses of cash during the reporting period.

The following analysis is segregated into the I-Bank's three separate Financing Programs. Throughout this document the terms **Water Bank**, **Transportation Bank** and **CHAMP** are used to refer to the I-Bank's activity under each of the separate Financing Programs.

During 2025, in agreement with the State of New Jersey, the I-Bank began including pension and OPEB (Other Postemployment Benefits) costs based on the State's most current results (SFY2024). The adoption of these benefits, detailed in Notes 8 and 9, impacts the financial statements as described above. The impact of adopting these reserves was a net decrease to Net Position of approximately \$9.9 million. The I-Bank allocated the impact to its three separate financing programs on an employee basis dating back to 1997. The Water Bank incurred approximately 85% of the impact, as it was the only program until 2018,

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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when the Transportation Bank was introduced, followed by CHAMP at the end of SFY2023. Detailed impacts are provided in the MD&A on the following pages for each financing program.

**Water Bank**

**Financial analysis:** The mission of the **Water Bank** is to provide and administer low interest rate loans to qualified municipalities, counties, regional authorities, and water purveyors for the purpose of financing the construction of environmental infrastructure projects with a water quality or public health benefit. Therefore, when reviewing the Water Bank's component of the I-Bank's financial statements, its performance should be measured based upon the Water Bank's ability to fund both short-term construction loans and provide long-term permanent financing for projects upon their completion.

The Water Bank Construction Financing Program (Water Bank CFP) issues short-term loans to pay pre-construction and construction expenses for various types of environmental infrastructure projects prior to providing long-term financing. The Water Bank CFP offers loans for eligible costs including construction, planning & design, associated legal fees, equipment, and emergencies. The Water Bank CFP is a incurred cost program wherein loan funds are disbursed only after the receipt and approval of eligible program cost invoices. Total loans outstanding increase with each additional disbursement and decrease upon conversion to long-term financing.

Additionally, the I-Bank offers the State-wide Assistance Infrastructure Loan (SAIL) Program which provides timely and cost-effective interim funding through short-term loans for borrowers to repair damaged infrastructure and improve the resiliency of Clean Water and Drinking Water systems for declared disasters. The short-term SAIL Program provides advance funding to water systems working with FEMA, HUD-CDBG or other federal grant programs, pending receipt of federal reimbursements to mitigate the financial and cashflow stress on disaster impacted communities during the fortification and/or rebuild process. The SAIL Program includes funding of the local share required by federal grant programs, that is then converted to long-term financing through the I-Bank's traditional Water Bank Program.

Upon construction completion, the Water Bank converts the program's short-term construction and short-term SAIL loans into long-term financing. Long-term financing generally consists of two loans to each borrower, a Fund Loan provided by the State through the NJDEP at 0% interest and a Trust Loan provided by the I-Bank. The I-Bank acts as a conduit lender, either procuring proceeds from bonds issued in the public municipal market or privately placed, including bonds issued to USEPA through the Federal Water Infrastructure Finance and Innovation Act (WIFIA). The proceeds are provided to participating borrowers at the all-in cost of funds net of any interest subsidy, if applicable. In cases of de-minimis loans or unique circumstances, the Water Bank will, at times, act as a direct long-term lender by providing its portion of long-term financing from cash-on-hand rather than bond proceeds.

**Financial highlights for the year ended June 30, 2025:**

With few exceptions, Water Bank Short-Term Construction and SAIL loans outstanding during SFY2025 were charged a blended interest rate ranging from 0.395% to 0.5% reflective of competitive market rates, as well as interest rates on funds from the I-Bank's Extended Commercial Paper (ECP), and funds of the NJDEP at 0%. Additionally, in SFY2025 borrowers had the opportunity to earn an interest credit on their Short-Term Construction and SAIL loans based upon the pace of their requisitions. During SFY2025 and SFY2024, the Water Bank closed on 77 and 95 short-term loans, respectively.

In SFY2025, the cash and investment balances increased 6.6% versus SFY2024 substantially due to the receipt of bond proceeds at long-term conversion, borrower payments on loans and DEP contributions to

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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**Water Bank (Continued)**

the CFP program being partially offset by the amount paid out in requisitions. Total Loans increased 31.3% driven by requisitions paid to borrowers due to higher outstanding note balances in SFY2025 versus

SFY2024. Liabilities increased 26.9% driven by the funds received from the DEP for the Construction Financing Program which was partly offset by the assignment of loans to DEP at long term conversion. Additionally, subsequent to its conversion to a [local employer], the Water Bank recorded net Pension and OPEB liabilities for the first time in SFY2025 totaling \$8.1 million (see Note #8).

For SFY2025, the Water Bank's operating revenue increased 9.2%. Investment income increased 3.0% as lower interest rates in SFY2025 versus SFY2024 were more than offset by higher investment holdings. Interest income from loans increased 9.2% in SFY2025 due to an increase in the average monthly loan balance compared to SFY2024. For SFY2025, the Water Bank's administrative fees increased 5.3% compared to SFY2024 due to higher annual administrative fees earned from this issuance of new bond series compared to maturing bond series.

The Water Bank's non-operating revenues increased due to the recognition in the prior year of a one-time special item relating to the agreement between the I-Bank and the State as to the treatment of certain funds provided annually by the State and disbursed to the I-Bank for the purposes of funding the Water Bank's CFP. Miscellaneous income, which primarily relates to the return of funds that had been held in debt service accounts for bonds that mature, decreased 33.5% as the amount of returned funds varies each year based on the size of the maturing series.

The Water Bank's total expenses decreased 2.4% as higher salary, and medical related expenses were offset by lower bond counsel fees as a result of a single bond issuance in SFY2025 versus two issuances in SFY2024. An adjustment to the accrual in anticipation of pension and OPEB expenses also contributed to the year over year decrease. Additionally, The I-Bank's Extended Commercial Paper (ECP) interest expense decreased 13.8% due to lower average interest rates of 3.29% in SFY2025 versus 3.81% in SFY2024.

- Assets increased by \$213,772,669 or 22.1%
  - Cash and investments (excluding earmarked but, as of yet, undisbursed project funds) increased by \$23,319,127 or 6.6%
  - Total loans increased by \$189,629,728 or 31.3%
- Liabilities increased by \$200,018,199 or 26.9%
- Net position increased by \$20,725,914 or 9.3%
- Operating revenues increased by \$2,132,737 or 9.2%
- Non-operating revenues increased by \$775,617,992 or 100.3%
- Operating expenses decreased by \$161,447 or (2.4%)

**Financial highlights for the year ended June 30, 2024:**

With few exceptions, Water Bank Short-Term Construction and SAIL loans outstanding during SFY2024 were charged a blended interest rate ranging from 0.365% to 0.408% reflecting a passthrough of the

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

---

**Water Bank (Continued)**

interest rate on funds from the I-Bank's Extended Commercial Paper (ECP) and funds of the NJDEP at 0%. During SFY2024 and SFY2023, the Water Bank closed on 95 and 78 short-term loans, respectively.

In SFY2024, the cash and investment balances increased 55.5% due to investment income and the Water Bank paying out less in requisitions for the Water Bank CFP than the cash it received through appropriations from the DEP and from bond proceeds at long-term conversion. Additionally, the I-Bank received \$2.0 million for the Water Sewer Optimization Fund and \$6.0 million for the Economic Development & Infrastructure Improvement Revolving Fund. Total Loans decreased 21.6% as the I-Bank completed a long-term conversion of short-term loans to long-term loans through the issuance of bonds in June 2024 but did not issue bonds in June of 2023. Liabilities increased 2,642.6% primarily due to the recognition of a payable to the State for funds used for the Construction Financing Program (see note 2).

For SFY2024, the Water Bank's operating revenue increased 63.4%. Investment income increased 148.9% as a result of sustained higher interest rates throughout the year with average rates for the first half of the year nearly double the rates for the same time period in SFY2023 and FMV adjustments. Interest income from loans increased 7.5% in SFY2024 due to an increase in average monthly loan balances compared to SFY2023. For SFY2024, the Water Bank's administrative fees increased 12.1% compared to SFY2023 due to higher annual administrative fees from new issues compared to maturing issues as well as transaction fees associated with the two WIFIA bond closings in SFY2024.

The Water Bank's Non-operating revenue and special item income decreased 2,652.7%. Miscellaneous income which primarily relates to the return of funds that had been held in debt service reserve accounts for bonds decreased 17.8% as the amount varies each year based on the size of the issue retired. The Water Bank's non-operating revenues decreased due to a special item and the recognition of a payable relating to the agreement between the I-Bank and the State as to the treatment of certain funds provided annually by the State and disbursed to the I-Bank for the purposes of funding the Water Bank's CFP (See Note 2).

The Water Bank's expenses increased 2.0%. Administrative fees increased 1.1% due mainly to increases in salary and related expenses and trustee fees driven by a change in service provider in late SFY2023. These increases were offset by the reduction of one-time WIFIA startup costs incurred in SFY2023 including lower bond counsel expenses, reduced rating agency fees and lower EPA fees. The increase of 8.0% in interest expense was driven by higher SFY2024 interest rates for the I-Bank's Extended Commercial Paper (ECP) partially offset by lower balances which were \$25 million throughout SFY24 compared to \$35 million for the majority of SFY2023.

- Assets decreased by \$39,479,068 or (3.92%)
  - Cash and investments (excluding earmarked but, as of yet, undisbursed project funds) increased by \$126,805,076 or 55.53%
  - Total loans decreased by \$166,573,533 or (21.55%)
- Liabilities increased by \$717,707,194 or 2,642.59%
- Net position decreased by \$757,186,262 or (77.22%)
- Operating revenues increased by \$9,022,713 or 63.40%
- Non-operating revenues decreased by \$803,920,479 or (2,652.68%)
- Operating expenses increased by \$133,947 or 2.00%

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

**Water Bank (Continued)**

The following table summarizes the net position changes of the Water Bank between June 30, 2025, 2024 and 2023:

	2025	2024	Percent Increase (Decrease)	2023	Percent Increase (Decrease)
Current loans receivable	\$ 313,765,392	\$ 330,560,364	(5.1)%	\$ 576,131,780	(42.6)%
Noncurrent loans receivable	482,245,963	275,821,263	74.8 %	196,823,380	40.1 %
Cash for borrowers - undisbursed reserve funds	80,000	80,000	0.0 %	80,000	0.0 %
Total loans	<u>796,091,355</u>	<u>606,461,627</u>	31.3 %	<u>773,035,160</u>	(21.5)%
Current cash and cash equivalents, as reduced by undisbursed reserve funds	64,372,523	66,928,187	(3.8)%	35,295,020	89.6 %
Current investments	190,481,530	175,078,120	8.8 %	89,168,157	96.3 %
Noncurrent investments	123,604,448	113,133,067	9.3 %	103,871,121	8.9 %
Investment interest receivable	1,421,502	1,216,964	16.8 %	795,738	52.9 %
Loan interest receivable	3,417,369	2,364,467	44.5 %	3,081,146	(23.3)%
Administrative fee receivable	2,611,747	2,524,950	3.4 %	2,246,446	12.4 %
Due (to) from Programs	(47,476)	397,662	(111.9)%	130,053	205.8 %
Other assets	81,080	156,366	(48.1)%	117,636	32.9 %
Total assets	<u>1,182,034,079</u>	<u>968,261,410</u>	22.1 %	<u>1,007,740,478</u>	(3.9)%
Deferred Outflows of Resources	8,711,306	-	100.0 %	-	-
Accounts payable	1,019,279	3,217,168	(68.3)%	2,069,266	55.5 %
Due to CHAMP	-	-	-	992	(100.0)%
Accr int payable	14,479	222,848	(93.5)%	89,014	150.4 %
Notes payable	25,000,000	25,000,000	0.0 %	25,000,000	0.0 %
Other payable	910,780,639	716,426,449	27.1 %	-	100.0 %
Net Pension liability	3,524,059	-	100.0 %	-	-
Net OPEB liability	4,546,208	-	100.0 %	-	-
Total liabilities	<u>944,884,665</u>	<u>744,866,466</u>	26.9 %	<u>27,159,272</u>	2642.6 %
Deferred Inflows of Resources	1,739,862	-	100.0 %	-	-
Net Position					
Restricted	182,451,509	166,678,916	9.5 %	928,131,604	(82.0)%
Unrestricted	61,669,349	56,716,028	8.7 %	52,449,602	8.1 %
Total net position	<u>\$ 244,120,858</u>	<u>\$ 223,394,944</u>	9.3 %	<u>\$ 980,581,206</u>	(77.2)%

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

**Water Bank (Continued)**

The following table summarizes the changes in Water Bank net position between fiscal years June 30, 2025, 2024 and 2023:

	2025	2024	Percent Increase (Decrease)	2023	Percent Increase (Decrease)
Net position, beginning of year	\$ 223,394,944	\$ 980,581,206		\$ 942,735,755	
Investment income	11,463,449	11,133,387	3.0 %	6,817,863	63.3 %
Net increase/(decrease) in fair value of investments	3,551,709	2,383,695	49.0 %	(1,387,753)	271.8 %
Loan interest income	3,338,218	3,057,735	9.2 %	2,844,788	7.5 %
Administrative fees	7,034,323	6,680,145	5.3 %	5,957,350	12.1 %
Operating revenue	<u>25,387,699</u>	<u>23,254,962</u>	9.2 %	<u>14,232,249</u>	63.4 %
Miscellaneous	1,280,251	1,924,425	(33.5)%	2,341,781	(17.8)%
Employee Unemployment Contribution	2,550	2,594	(1.7)%	3,591	(27.8)%
State appropriations - current year	720,691	7,992,404	(91.0)%	27,960,607	(71.4)%
SRF Funds Due to State (DEP)	-	(783,533,923)	100.0 %	-	(100.0)%
Nonoperating revenue and special item	<u>2,003,492</u>	<u>(773,614,500)</u>	100.3 %	<u>30,305,979</u>	(2652.7)%
Interest expenses	821,905	952,986	(13.8)%	882,670	8.0 %
Administrative expenses	4,391,642	5,873,737	(25.2)%	5,810,107	1.1 %
Pension expense	956,265	-	100.0 %	-	-
OPEB expense	495,464	-	100.0 %	-	-
Total expenses	<u>6,665,277</u>	<u>6,826,724</u>	(2.4)%	<u>6,692,777</u>	2.0 %
Change in net position	20,725,914	(757,186,262)	102.7 %	37,845,451	(2100.7)%
Net position, end of year	<u>\$ 244,120,858</u>	<u>\$ 223,394,944</u>	9.3 %	<u>\$ 980,581,206</u>	(77.2)%

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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**Transportation Bank**

**Financial analysis:** The mission of the **Transportation Bank** is to provide and administer low-interest rate loans to qualified municipalities, counties, and regional authorities for the purpose of financing transportation infrastructure projects. Therefore, when reviewing the Transportation Bank's component of the I-Bank's financial statements, its performance should be measured based upon the Transportation Bank's ability to fund short-term construction loans and provide long-term permanent financing.

The Transportation Bank provides low-cost financing for capital projects for public highways, approach roadways, and other necessary land side improvements, ramps, signal systems, roadbeds, transit lanes or rights of way, pedestrian walkways and bridges connecting to passenger stations and servicing facilities, bridges and grade crossings along with marine and aviation projects. The Transportation Bank received the eighth annual appropriation for the Transportation Bank in SFY2025 of \$20.5 million. The State has provided for up to \$2.6 million of this appropriation to be used for operations.

**Financial highlights for the year ended June 30, 2025:**

During SFY2025, the Transportation Bank's cash and investment balance increased 16.4% due primarily to the receipt of State Appropriations for the Transportation Program and investment income partially offset by the payment of requisitions to borrowers and operating expenses. Requisition payments on loans versus the receipt of loan repayments resulted in a loans receivable increase of 14.2% for SFY2025 versus SFY2024. Transportation Bank short-term loans outstanding during SFY2025 were charged a blended interest rate ranging month to month from 2.1% to 2.75%. Additionally, in SFY2025 borrowers had the opportunity to earn an interest credit on their Short-Term Construction loans based upon the pace of their requisitions. Subsequent to its conversion to a [local employer] the Transportation Bank recorded net Pension and OPEB liabilities for the first time in SFY2025 totaling \$1.4 million.

For SFY2025, the Transportation Bank's operating revenue was not significantly changed as lower administrative fees were offset by investment earnings. Lower interest rates in SFY2025 versus SFY2024 were more than offset by higher investment balances attributable to the receipt of a \$20.5 million SFY2025 State Appropriation. Loan interest income remained relatively unchanged with long-term loan income increases offset by fewer short-term loan revenues. Administrative fees were lower with short-term and long-term closing fees down a combined \$0.3 million in SFY2025 versus prior year.

The Transportation Bank's non-operating revenue saw a 9.3% decline driven by a reduction in the annual State Appropriation for the program which decreased to \$20.5 million in SFY2025 from \$22.6 million in SFY2024 pursuant to the renewal of the Transportation Trust Fund Act.

Transportation Bank total expenses decreased 22.2% in SFY2025 mainly driven by an adjustment to the prior year's accrual in anticipation of pension and OPEB expenses. These declines were partially offset by an increase in salary related and medical insurance expenses combined with increased legal expenses to enhance program regulations.

- Assets increased by \$25,642,825 or 15.9%
  - Cash and investments increased by \$16,770,488 or 16.4%
  - Loans increased by \$8,223,204 or 14.2%
- Liabilities increased by \$873,991 or 243.7%
- Net position increased by \$25,881,331 or 16.1%
- Operating revenues increased by \$12,751 or 0.2%

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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**Transportation Bank (Continued)**

- Non-Operating revenues decreased by \$2,099,947 or (9.3%)
- Operating expenses decreased by \$381,263 or (22.2%)

**Financial highlights for the year ended June 30, 2024:**

During SFY2024, the Transportation Bank's cash and investment balance increased 26.3% due to the receipt of State Appropriations for the Transportation Program and investment income partially offset by the payment of requisitions to borrowers. The net of requisition payments and loan repayments resulted in a loans receivable increase of 12.3% for SFY2024 versus SFY2023. Transportation Bank short-term loans outstanding during SFY2024 were charged a blended interest rate ranging from 2.25% to 2.75%.

For SFY2024, the Transportation Bank's operating revenue increased 61.8% mostly from investment income which increased 63.2% as a result of sustained higher interest rates throughout the year with average rates for the first half of the year nearly double the rates for the same time period in SFY2023 coupled with higher total asset values from the receipt of another \$22.6 million State Appropriation. In addition, loan interest income increased 40.3% in SFY2024 as aggregate outstanding loan balances increased along with interest rates and administrative fees more than doubled driven by increased long term and short-term loan closing in SFY2024 versus the prior year.

The Transportation Bank's non-operating revenue remained flat as the amount of the annual State Appropriation for the program did not change from SFY2023 to SFY2024.

Transportation Bank administrative expenses increased in SFY2024 mainly due to an increase in salary and related expenses partially offset by decreases in bond counsel and information technology expenses.

- Assets increased by \$27,815,827 or 20.8%
  - Cash and investments increased by \$21,317,012 or 26.2%
  - Loans increased by \$6,356,773 or 12.3%
- Liabilities increased by \$228,563 or 175.8%
- Net position increased by \$27,587,265 or 20.7%
- Operating revenues increased by \$2,562,076 or 61.8%
- Non-Operating revenues decreased by \$534 or 0.0%
- Administrative expenses increased by \$137,961 or 8.7%

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

**Transportation Bank (Continued)**

The following table summarizes the net position changes of the Transportation Bank between June 30, 2025, 2024 and 2023:

	2025	2024	Percent Increase (Decrease)	2023	Percent Increase (Decrease)
Current loans receivable	\$ 6,618,694	\$ 4,495,080	47.2 %	\$ 18,831,969	(76.1)%
Noncurrent loans receivable	59,704,395	53,604,805	11.4 %	32,911,143	62.9 %
Total loans	<u>66,323,089</u>	<u>58,099,885</u>	14.2 %	<u>51,743,112</u>	12.3 %
Current cash and cash equivalents	16,178,360	11,210,310	44.3 %	8,578,210	30.7 %
Current investments	75,330,260	81,599,408	(7.7)%	72,703,558	12.2 %
Noncurrent investments	27,860,647	9,789,062	184.6 %	-	100.0 %
Investment interest receivable	966,503	395,833	144.2 %	87,803	350.8 %
Loan interest receivable	416,050	230,665	80.4 %	414,009	(44.3)%
Administrative fee receivable	55,673	132,658	(58.0)%	125,639	5.6 %
Other assets	37,795	67,731	(44.2)%	57,395	18.0 %
Total assets	<u>187,168,377</u>	<u>161,525,552</u>	15.9 %	<u>133,709,726</u>	20.8 %
Deferred Outflows of Resources	1,390,144	-	100.0 %	-	-
Due to the Water Bank for expenses	(55,240)	358,616	(115.4)%	130,053	175.7 %
Net Pension liability	562,367	-	100.0 %	-	-
Net OPEB liability	725,481	-	100.0 %	-	-
Total liabilities	<u>1,232,607</u>	<u>358,616</u>	243.7 %	<u>130,053</u>	175.7 %
Deferred Inflows of Resources	277,646	-	100.0 %	-	-
Net Position					
Restricted	162,615,260	143,080,170	13.7 %	122,051,287	17.2 %
Unrestricted	24,433,008	18,086,767	35.1 %	11,528,385	56.9 %
Total net position	<u>\$ 187,048,268</u>	<u>\$ 161,166,937</u>	16.1 %	<u>\$ 133,579,672</u>	20.7 %

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

**Transportation Bank (Continued)**

The following table summarizes the changes in the Transportation Bank net position between fiscal years June 30, 2025, 2024 and 2023:

	2025	2024	Percent Increase (Decrease)	2023	Percent Increase (Decrease)
Net position, beginning of year	<u>\$ 161,166,937</u>	<u>\$133,579,672</u>		<u>\$ 108,415,987</u>	
Investment income	5,198,111	5,187,673	0.2 %	2,839,024	82.7 %
Net increase/(decrease) in the fair value of investments	176,176	(85,681)	305.6 %	287,440	(129.8)%
Loan interest income	1,149,418	1,113,296	3.2 %	793,646	40.3 %
Administrative fees	194,995	490,662	(60.3)%	223,764	119.3 %
Operating revenues	<u>6,718,701</u>	<u>6,705,950</u>	0.2 %	<u>4,143,874</u>	61.8 %
Employee Unemployment Contribution	1,031	978	5.4 %	1,512	(35.3)%
State appropriations - current year	20,500,000	22,600,000	(9.3)%	22,600,000	0.0 %
Nonoperating revenues	<u>20,501,031</u>	<u>22,600,978</u>	(9.3)%	<u>22,601,512</u>	0.0 %
Administrative expenses	1,106,734	1,719,663	(35.6)%	1,581,702	8.7 %
Pension expense	152,600	-	100.0 %	-	-
OPEB expense	79,066	-	100.0 %	-	-
Total expenses	<u>1,338,400</u>	<u>1,719,663</u>	(22.2)%	<u>1,581,702</u>	8.7 %
Change in net position	25,881,331	27,587,264	(6.2)%	25,163,684	9.6 %
Net position, end of year	<u>\$ 187,048,268</u>	<u>\$161,166,937</u>	16.1 %	<u>\$ 133,579,672</u>	20.7 %

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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**CHAMP**

**Financial analysis:** The mission of **CHAMP** is to make low interest loans for hazard mitigation and resilience projects in conjunction with the New Jersey State Police Office of Emergency Management as a Program within the Resilience Infrastructure Bank.

**Financial highlights for the year ended June 30, 2025:**

During SFY2025, assets increased 22.2% due to the receipts of \$1.5 million from NJ OEM Appropriations for CHAMP for match funds. Investment income increased 422.8% primarily reflecting a full year of the FEMA grant and match funds in SFY2025 versus two months in SFY2024. Total Operating expenses are lower by 5.5% driven by higher legal expenses to establish and refine the program offset by adjustments to prior year accrued pension and OPEB related expenses. Additionally, in SFY2025 CHAMP recorded net Pension and OPEB liabilities for the first time totaling \$8 thousand. It is worth noting that CHAMP closed two loans in SFY2025 but as of June 30, 2025 no funds have been drawn against these loans.

- Assets increased by \$1,668,556 or 22.2%
  - Cash and investments increased by \$1,674,713 or 22.3%
- Liabilities decreased by \$23,596 or (60.4%)
- Net position increased by \$1,698,791 or 22.7%
- Operating revenues increased by \$306,162 or 422.8%
- Non-operating revenues decreased by \$5,609,924 or (78.9%)
- Operating expenses decreased by \$10,509 or (5.5%)

**Financial highlights for the year ended June 30, 2024 :**

During SFY2024, CHAMP assets increased due to the receipts of a FEMA Grant of \$6,462,962 and a required federal match amount of \$646,296 from State Appropriations. Administrative fees for SFY2024 are attributable to employee salary and related expenses along with shared corporate expenses. SFY2024 represents the first full year of CHAMP operations.

- Assets increased by \$7,030,461
  - Cash and investments increased by \$7,016,697
- Liabilities increased by \$39,046
- Net position increased by \$6,991,415
- Operating revenues increased by \$72,152
- Non-operating revenues increased by \$6,609,389
- Administrative expenses increased by \$183,879



**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Management's Discussion and Analysis (Unaudited)  
Years Ended June 30, 2025 and 2024**

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**CHAMP (Continued)**

**Contacting the I-Bank's financial management:** This financial report is designed to provide citizens, borrowers, investors and creditors with a general overview of the I-Bank's finances and to demonstrate the I-Bank's accountability for the State Appropriations and bond proceeds it receives. If you have any questions about this report or need additional financial information, contact the I-Bank's Chief Financial Officer at 3131 Princeton Pike, Building 4, Lawrenceville, New Jersey 08648 at [cfo@njib.gov](mailto:cfo@njib.gov).

**New Jersey Infrastructure Bank**  
**(A Component Unit of the State of New Jersey)**

**Statements of Net Position**  
**June 30, 2025**

	Water Bank	Transportation Bank	CHAMP	Total
<b>Assets</b>				
Current assets:				
Unrestricted assets:				
Cash and cash equivalents	\$ 20,518,023	\$ 8,042,714	\$ 264,852	\$ 28,825,589
Investments	5,182,744	2,752,684	-	7,935,428
Investments interest receivable	163,029	172,672	811	336,513
Loans interest receivable	3,402,890	-	-	3,402,890
Loans receivable	5,930,103	-	-	5,930,103
Administrative fee receivable	2,611,747	55,673	-	2,667,419
Due from the Transportation Bank	(55,240)	-	-	(55,240)
Due from CHAMP	7,764	-	-	7,764
Other assets	60,792	24,924	1,903	87,620
Restricted assets:				
Cash and cash equivalents	43,934,501	8,135,646	1,516,278	53,586,424
Investments	185,298,786	72,577,577	7,402,780	265,279,142
Investments interest receivable	1,258,473	793,830	4,932	2,057,235
Loans interest receivable	14,479	416,050	-	430,529
Loans receivable	307,835,289	6,618,694	-	314,453,983
<b>Total current assets</b>	<b>576,163,380</b>	<b>99,590,464</b>	<b>9,191,556</b>	<b>684,945,400</b>
Noncurrent assets:				
Unrestricted assets:				
Capital assets	20,288	12,871	1,214	34,373
Investments	2,640,357	13,491,579	-	16,131,936
Loans receivable	23,304,954	-	-	23,304,954
Restricted assets:				
Investments	120,964,091	14,369,068	-	135,333,159
Loans receivable	458,941,009	59,704,395	-	518,645,404
<b>Total noncurrent assets</b>	<b>605,870,699</b>	<b>87,577,913</b>	<b>1,214</b>	<b>693,448,826</b>
<b>Total assets</b>	<b>1,182,034,079</b>	<b>187,168,377</b>	<b>9,192,770</b>	<b>1,378,395,226</b>
Deferred Outflows of resources:				
Pension related	3,133,579	500,054	2,985	3,636,618
OPEB related	5,577,727	890,090	5,313	6,473,130
Total deferred outflows of resources	8,711,306	1,390,144	8,298	10,109,748
<b>Total assets and deferred outflows of resources</b>	<b>1,190,745,385</b>	<b>188,558,521</b>	<b>9,201,068</b>	<b>1,388,504,975</b>
<b>Liabilities and Net Position</b>				
Current liabilities:				
Unrestricted liabilities:				
Accounts payable	1,019,279	-	-	1,019,279
Due to the Water Bank	-	(55,240)	7,764	(47,476)
Restricted liabilities:				
Accrued interest payable	14,479	-	-	14,479
Notes Payable	25,000,000	-	-	25,000,000
Other Payable	910,780,639	-	-	910,780,639
<b>Total current liabilities</b>	<b>936,814,397</b>	<b>(55,240)</b>	<b>7,764</b>	<b>936,766,922</b>
Non-current liabilities:				
Net Pension Liability	3,524,059	562,367	3,357	4,089,783
Net OPEB Liability	4,546,208	725,481	4,330	5,276,019
<b>Total non-current liabilities</b>	<b>8,070,267</b>	<b>1,287,848</b>	<b>7,687</b>	<b>9,365,802</b>
<b>Total liabilities</b>	<b>944,884,665</b>	<b>1,232,607</b>	<b>15,451</b>	<b>946,132,724</b>
Deferred Inflows of resources:				
Pension related	212,878	33,971	203	247,052
OPEB related	1,526,984	243,675	1,454	1,772,113
Total deferred inflows of resources	1,739,862	277,646	1,657	2,019,165
<b>Total liabilities and deferred inflows of resources</b>	<b>946,624,527</b>	<b>1,510,253</b>	<b>17,109</b>	<b>948,151,889</b>
Net position:				
Net investment in capital assets	20,288	12,871	1,214	34,373
Restricted for debt service	160,674,591	-	-	160,674,591
Restricted for Program	21,767,697	162,611,541	8,923,748	193,302,986
Restricted for Unemployment	9,221	3,720	242	13,183
Unrestricted	61,649,061	24,420,137	258,755	86,327,953
<b>Total net position</b>	<b>244,120,858</b>	<b>187,048,268</b>	<b>9,183,960</b>	<b>440,353,086</b>
<b>Total liabilities and net position</b>	<b>\$ 1,190,745,385</b>	<b>\$ 188,558,521</b>	<b>\$ 9,201,068</b>	<b>\$ 1,388,504,975</b>

See notes to financial statements.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Statements of Net Position  
June 30, 2024**

	Water Bank	Transportation Bank	CHAMP	Total
<b>Assets</b>				
Current assets:				
Unrestricted assets:				
Cash and cash equivalents	\$ 12,196,208	\$ 5,120,102	\$ 357,673	\$ 17,673,982
Investments	9,825,949	12,730,036	-	22,555,985
Investments interest receivable	178,583	395,833	1,448	575,864
Loan interest receivable	2,141,618	-	-	2,141,618
Loans receivable	6,266,728	-	-	6,266,728
Administrative fee receivable	2,524,950	132,658	-	2,657,609
Due from the Transportation Bank	358,616	-	-	358,616
Due from CHAMP	39,046	-	-	39,046
Other assets	112,371	42,355	2,771	157,496
Restricted assets:				
Cash and cash equivalents	54,811,979	6,090,209	6,531	60,908,719
Investments	165,252,171	68,869,371	7,144,993	241,266,535
Investment interest receivable	1,038,381	0	8,661	1,047,042
Loan interest receivable	222,848	230,665	-	453,513
Loans receivable	324,293,636	4,495,080	-	328,788,716
Other assets	2,594	978	134	3,706
<b>Total current assets</b>	<b>579,265,678</b>	<b>98,107,287</b>	<b>7,522,211</b>	<b>684,895,176</b>
Noncurrent assets:				
Unrestricted assets:				
Capital assets	41,400	24,398	2,003	67,802
Investments	7,503,460	-	-	7,503,460
Loans receivable	18,744,266	-	-	18,744,266
Restricted assets:				
Investments	105,629,607	9,789,062	-	115,418,669
Loans receivable	257,076,997	53,604,805	-	310,681,802
<b>Total noncurrent assets</b>	<b>388,995,731</b>	<b>63,418,265</b>	<b>2,003</b>	<b>452,416,000</b>
<b>Total assets</b>	<b>968,261,410</b>	<b>161,525,552</b>	<b>7,524,214</b>	<b>1,137,311,176</b>
<b>Liabilities and Net Position</b>				
Current liabilities:				
Unrestricted liabilities:				
Accounts payable	3,217,168	-	-	3,217,168
Due to the Water Bank	-	358,616	39,046	397,662
Restricted liabilities:				
Accrued interest payable	222,848	-	-	222,848
Notes Payable	25,000,000	-	-	25,000,000
Other Payable	716,426,449	-	-	716,426,449
<b>Total current liabilities</b>	<b>744,866,466</b>	<b>358,616</b>	<b>39,046</b>	<b>745,264,127</b>
<b>Total liabilities</b>	<b>744,866,466</b>	<b>358,616</b>	<b>39,046</b>	<b>745,264,127</b>
Net position:				
Net investment in capital assets	41,400	24,398	2,003	67,802
Restricted for debt service	150,048,189	-	-	150,048,189
Restricted for Program	16,624,360	143,077,603	7,160,182	166,862,145
Restricted for Unemployment	6,368	2,567	137	9,072
Unrestricted	56,674,627	18,062,368	322,846	75,059,841
<b>Total net position</b>	<b>223,394,944</b>	<b>161,166,937</b>	<b>7,485,168</b>	<b>392,047,049</b>
<b>Total liabilities and net position</b>	<b>\$ 968,261,410</b>	<b>\$ 161,525,552</b>	<b>\$ 7,524,214</b>	<b>\$ 1,137,311,176</b>

See notes to financial statements.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Statements of Revenues, Expenses and Changes in Net Position  
Year Ended June 30, 2025**

	Water Bank	Transportation Bank	CHAMP	Total
Operating revenue:				
Investment income:				
Interest income	\$ 11,463,449	\$ 5,198,111	\$ 378,572	\$ 17,040,132
Net increase in the fair value of investments	3,551,709	176,176	-	3,727,885
Interest income from loans	3,338,218	1,149,418	-	4,487,636
Administrative fees	7,034,323	194,995	-	7,229,317
<b>Total operating revenues</b>	<b>25,387,699</b>	<b>6,718,701</b>	<b>378,572</b>	<b>32,484,971</b>
Operating expenses:				
Interest expenses	821,905	-	-	821,905
Administrative expenses	4,391,642	1,106,734	178,495	5,676,872
Pension expense	956,265	152,600	911	1,109,776
OPEB expense	495,464	79,066	472	575,002
<b>Total operating expenses</b>	<b>6,665,277</b>	<b>1,338,400</b>	<b>179,878</b>	<b>8,183,555</b>
<b>Operating income (loss)</b>	<b>18,722,422</b>	<b>5,380,300</b>	<b>198,694</b>	<b>24,301,416</b>
Nonoperating revenues:				
Miscellaneous	1,280,251	-	-	1,280,251
Employee Contribution to Unemployment Fund	2,550	1,031	98	3,679
State appropriations - current year	720,691	20,500,000	1,500,000	22,720,691
<b>Total nonoperating revenue</b>	<b>2,003,492</b>	<b>20,501,031</b>	<b>1,500,098</b>	<b>24,004,621</b>
<b>Change in net position</b>	<b>20,725,914</b>	<b>25,881,331</b>	<b>1,698,791</b>	<b>48,306,037</b>
Net position, beginning of year	223,394,944	161,166,937	7,485,168	392,047,049
Net position, end of year	\$ 244,120,858	\$ 187,048,268	\$ 9,183,960	\$ 440,353,086

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Statements of Revenues, Expenses and Changes in Net Position  
Year Ended June 30, 2024**

	Water Bank	Transportation Bank	CHAMP	Total
Operating revenue:				
Investment income:				
Interest income	\$ 11,133,387	\$ 5,187,673	\$ 72,410	\$ 16,393,469
Net increase in the fair value of investments	2,383,695	(85,681)	-	2,298,015
Interest income from loans	3,057,735	1,113,296	-	4,171,031
Administrative fees	6,680,145	490,662	-	7,170,806
<b>Total operating revenues</b>	<b>23,254,962</b>	<b>6,705,950</b>	<b>72,410</b>	<b>30,033,321</b>
Operating expenses:				
Interest expenses	952,986	-	-	952,986
Administrative expenses	5,873,737	1,719,663	190,387	7,783,788
<b>Total operating expenses</b>	<b>6,826,724</b>	<b>1,719,663</b>	<b>190,387</b>	<b>8,736,774</b>
<b>Operating income (loss)</b>	<b>16,428,238</b>	<b>4,986,286</b>	<b>(117,977)</b>	<b>21,296,547</b>
Nonoperating revenues:				
Miscellaneous	1,924,425	-	-	1,924,425
Employee Contribution to Unemployment Fund	2,594	978	134	3,706
State appropriations - current year	7,992,404	22,600,000	7,109,258	37,701,662
<b>Total nonoperating revenue</b>	<b>9,919,423</b>	<b>22,600,978</b>	<b>7,109,392</b>	<b>39,629,793</b>
<b>Special item:</b>				
SRF Funds Due to State (DEP) *	(783,533,923)	-	-	(783,533,923)
<b>Change in net position</b>	<b>(757,186,262)</b>	<b>27,587,264</b>	<b>6,991,415</b>	<b>(722,607,582)</b>
Net position, beginning of year	980,581,206	133,579,672	493,753	1,114,654,631
Net position, end of year	\$ 223,394,944	\$ 161,166,937	\$ 7,485,168	\$ 392,047,049

See notes to financial statements.

\*See Note 2 for additional information regarding Special item.

**New Jersey Infrastructure Bank**  
**(A Component Unit of the State of New Jersey)**

**Statements of Cash Flows**  
**Year Ended June 30, 2025**

	Water Bank	Transportation Bank	CHAMP	Total
<b>Cash flow from operating activities:</b>				
Cash received for administrative fees	\$ 6,947,527	\$ 271,984	\$ -	\$ 7,219,511
Cash payments for goods and services	(3,679,109)	(537,120)	(100,401)	(4,316,630)
Cash payments for salaries and benefits	(3,028,436)	(1,173,031)	(108,056)	(4,309,523)
Cash payments for interest on notes	(1,030,275)	-	-	(1,030,275)
Disbursement of loan funds to borrowers	(592,225,629)	(11,084,794)	-	(603,310,423)
Principal received from loans to borrowers	230,395,231	2,861,589	-	233,256,820
Interest received from loans to borrowers	2,285,317	965,034	-	3,250,351
<b>Net cash used in operating activities</b>	<b>(360,335,374)</b>	<b>(8,696,338)</b>	<b>(208,457)</b>	<b>(369,240,169)</b>
<b>Cash flows from non-capital financing activities:</b>				
Current year funds received from DEP for SRF program	367,000,000	-	-	367,000,000
Proceeds from sale of notes	125,000,000	-	-	125,000,000
Principal paid on notes	(125,000,000)	-	-	(125,000,000)
Miscellaneous	1,285,395	2,009	232	1,287,636
Current year State appropriations received	720,691	20,500,000	1,500,000	22,720,691
<b>Net cash provided by non-capital financing activities</b>	<b>369,006,086</b>	<b>20,502,009</b>	<b>1,500,232</b>	<b>391,008,327</b>
<b>Cash flows from investing activities:</b>				
Interest on investments	8,591,674	9,322,775	382,938	18,297,387
Purchase of investments	(109,580,137)	(122,724,504)	(257,787)	(232,562,428)
Proceeds from sale and maturity of investments	89,762,089	106,564,109	-	196,326,198
<b>Net cash provided by (used in) investing activities</b>	<b>(11,226,374)</b>	<b>(6,837,620)</b>	<b>125,151</b>	<b>(17,938,843)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,555,662)</b>	<b>4,968,051</b>	<b>1,416,926</b>	<b>3,829,315</b>
<b>Cash and cash equivalents:</b>				
Beginning of year	67,008,187	11,210,310	364,204	78,582,701
End of year	\$ 64,452,525	\$ 16,178,361	\$ 1,781,130	\$ 82,412,016
<b>Displayed as:</b>				
Cash and cash equivalents - unrestricted	\$ 20,518,023	\$ 8,042,714	\$ 264,852	\$ 28,825,589
Cash and cash equivalents - restricted	43,934,501	8,135,646	1,516,278	53,586,425
<b>Cash and cash equivalents</b>	<b>\$ 64,452,524</b>	<b>\$ 16,178,360</b>	<b>\$ 1,781,130</b>	<b>\$ 82,412,014</b>
<b>Reconciliation of operating income (loss) to net cash used in operating activities:</b>				
Operating income	\$ 18,722,422	\$ 5,380,300	\$ 198,694	\$ 24,301,416
<b>Adjustments to reconcile operating income (loss) to net cash used in operating activities:</b>				
Depreciation	21,111	11,528	789	33,428
Investment income included in operations	(8,591,674)	(9,322,775)	(382,938)	(18,297,387)
Net unrealized and realized gain on investments	(3,551,709)	(176,176)	-	(3,727,885)
Amortized interest	(2,505,033)	4,534,133	-	2,029,100
<b>Effect of changes in operating assets and liabilities:</b>				
Decrease in administrative fee receivable	(86,797)	76,986	-	(9,811)
Decrease (increase) in other assets	51,579	17,431	867	69,877
Decrease (increase) in interest receivable	(1,257,441)	(756,055)	4,366	(2,009,130)
Increase in loans receivable	(362,275,536)	(8,223,204)	-	(370,498,740)
Increase due from the Transportation Bank	413,856	-	-	413,856
Increase due from the Champ Bank	31,282	-	-	31,282
Increase due to the Water Bank	-	(413,856)	(31,282)	(445,138)
Increase in interest payable	(208,369)	-	-	(208,369)
Increase in accounts payable	(2,197,889)	-	-	(2,197,889)
(Increase) decrease in OPEB outflow	(5,577,727)	(890,090)	(5,313)	(6,473,130)
Increase (decrease) in OPEB inflow/liab	6,073,192	969,156	5,785	7,048,133
(Increase) decrease in Pension outflow	(3,133,579)	(500,054)	(2,985)	(3,636,618)
Increase (decrease) in Pension inflow/liab	3,736,938	596,338	3,560	4,336,836
<b>Net cash used in operating activities</b>	<b>\$ (360,335,374)</b>	<b>\$ (8,696,338)</b>	<b>\$ (208,457)</b>	<b>\$ (369,240,169)</b>
<b>Supplemental Schedule of Noncash Operating and non-Capital Financing Activities</b>				
(Increase) decrease in loans receivable due to assignment	172,645,810	-	-	172,645,810
Increase (decrease) in State Appropriation due to assignment	(172,645,810)	-	-	(172,645,810)

See notes to financial statements.

**New Jersey Infrastructure Bank**  
**(A Component Unit of the State of New Jersey)**

**Statements of Cash Flows**  
**Year Ended June 30, 2024**

	Water Bank	Transportation Bank	CHAMP	Total
<b>Cash flow from operating activities:</b>				
Cash received for administrative fees	\$ 6,401,640	\$ 483,643	\$ -	\$ 6,885,283
Cash payments for goods and services	(1,647,021)	(234,502)	(10,608)	(1,892,131)
Cash payments for salaries and benefits	(3,069,078)	(1,239,599)	(141,876)	(4,450,553)
Cash payments for interest on notes	(819,151)	-	-	(819,151)
Disbursement of loan funds to borrowers	(461,500,117)	(8,310,505)	-	(469,810,622)
Principal received from loans to borrowers	335,697,574	1,953,733	-	337,651,307
Interest received from loans to borrowers	3,774,415	1,295,639	-	5,070,054
<b>Net cash used in operating activities</b>	<b>(121,161,738)</b>	<b>(6,051,591)</b>	<b>(152,484)</b>	<b>(127,365,813)</b>
<b>Cash flows from non-capital financing activities:</b>				
Current year funds received from DEP for SRF program	225,000,000	-	-	225,000,000
Proceeds from sale of notes	100,000,000	-	-	100,000,000
Principal paid on notes	(100,000,000)	-	-	(100,000,000)
Miscellaneous	1,924,425	-	-	1,924,425
Current year State appropriations received	7,992,404	22,600,000	7,109,258	37,701,662
<b>Net cash provided by non-capital financing activities</b>	<b>234,916,829</b>	<b>22,600,000</b>	<b>7,109,258</b>	<b>264,626,087</b>
<b>Cash flows from capital and related financing activities:</b>				
Aquisition of fixed assets	(45,871)	(26,360)	(2,636)	(74,867)
<b>Net cash used in capital and related financing activities</b>	<b>(45,871)</b>	<b>(26,360)</b>	<b>(2,636)</b>	<b>(74,867)</b>
<b>Cash flows from investing activities:</b>				
Interest on investments	7,898,826	6,204,039	62,559	14,165,424
Purchase of investments	(530,496,875)	(132,058,987)	(7,144,993)	(669,700,855)
Proceeds from sale and maturity of investments	440,521,996	111,965,000	-	552,486,996
<b>Net cash provided by (used in) investing activities</b>	<b>(82,076,053)</b>	<b>(13,889,948)</b>	<b>(7,082,434)</b>	<b>(103,048,435)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>31,633,167</b>	<b>2,632,101</b>	<b>(128,296)</b>	<b>34,136,972</b>
<b>Cash and cash equivalents:</b>				
Beginning of year	35,375,020	8,578,210	492,500	44,445,730
End of year	\$ 67,008,187	\$ 11,210,311	\$ 364,204	\$ 78,582,702
<b>Displayed as:</b>				
Cash and cash equivalents - unrestricted	\$ 12,196,208	\$ 5,120,102	\$ 357,673	\$ 17,673,983
Cash and cash equivalents - restricted	54,811,979	6,090,209	6,531	60,908,719
<b>Cash and cash equivalents</b>	<b>\$ 67,008,187</b>	<b>\$ 11,210,311</b>	<b>\$ 364,204</b>	<b>\$ 78,582,702</b>
<b>Reconciliation of operating income (loss) to net cash used in operating activities:</b>				
Operating income	\$ 16,428,238	\$ 4,986,286	\$ (117,977)	\$ 21,296,547
<b>Adjustments to reconcile operating income (loss) to net cash used in operating activities:</b>				
Depreciation	21,535	12,136	633	34,304
Investment income included in operations	(7,898,826)	(6,204,039)	(62,559)	(14,165,424)
Net unrealized and realized gain on investments	(2,383,695)	85,681	-	(2,298,014)
Amortized interest	(2,813,335)	1,323,396	-	(1,489,939)
<b>Effect of changes in operating assets and liabilities:</b>				
Decrease in administrative fee receivable	(278,504)	(7,019)	-	(285,523)
Decrease (increase) in other assets	(11,800)	4,865	(2,768)	(9,703)
Decrease (increase) in interest receivable	295,454	(124,686)	(9,851)	160,917
Increase in loans receivable	(125,533,942)	(6,356,773)	-	(131,890,715)
Increase due from the Transportation Bank	(228,562)	-	-	(228,562)
Increase due from the Champ Bank	(40,038)	-	-	(40,038)
Increase due to the Water Bank	-	228,562	40,038	268,600
Increase in interest payable	133,835	-	-	133,835
Increase in accounts payable	1,147,902	-	-	1,147,902
<b>Net cash used in operating activities</b>	<b>\$ (121,161,738)</b>	<b>\$ (6,051,591)</b>	<b>\$ (152,484)</b>	<b>\$ (127,365,813)</b>
<b>Supplemental Schedule of Noncash Operating and non-Capital Financing Activities</b>				
(Increase) decrease in loans receivable due to assignment	292,107,474	-	-	292,107,474
Increase (decrease) in State Appropriation due to assignment	(292,107,474)	-	-	(292,107,474)

See notes to financial statements.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Notes to Financial Statements**

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**Note 1. Organization and Function of the I-Bank**

The New Jersey Wastewater Treatment Trust (Trust) was created by the Legislature of the State of New Jersey (the State) in November 1985 as a State financing authority to finance clean water infrastructure projects. On June 23, 1997, the State Legislature passed amendments authorizing the Trust to issue loans for Drinking Water projects and to rename the entity the New Jersey Environmental Infrastructure Trust. On October 14, 2016, the Trust's statute was further amended pursuant to Public Law 2016, Chapter 56 (the Amending Statute). The Amending Statute, which became effective on January 16, 2018, pursuant to Public Law 2017, Chapter 327, changed the name to the New Jersey Infrastructure Bank (I-Bank) and expanded the statutory authority of the I-Bank to include a financing program for local transportation projects. The statute was amended in 2023 pursuant to Public Law 2023, Chapter 63 further expanding the statutory authority of the I-Bank by establishing the New Jersey Community Hazard Assistance Mitigation Program (CHAMP) to finance resilience projects through federal Safeguarding Tomorrow through Ongoing Risk Mitigation (STORM) Act funds. Given this expansion of its statutory authority, the I-Bank currently is structured organizationally as three distinct operating departments: (i) one department, in conjunction with the New Jersey Department of Environmental Protection (NJDEP), for the purpose of operating its environmental infrastructure financing programs, which programs are referred to collectively as the New Jersey Water Bank (Water Bank), and (ii) a second department, in conjunction with the New Jersey Department of Transportation (NJDOT), for the purpose of operating its transportation infrastructure financing programs, which programs are referred to as the New Jersey Transportation Bank (Transportation Bank), and (iii) a third department, for the purpose of operating its hazard mitigation and resilience programs, which currently operates CHAMP in conjunction with the New Jersey Office of Emergency Management (NJOEM), which programs are referred to as the New Jersey Resilience Infrastructure Bank (NJRIB). The I-Bank is a component unit of the State, "in but not of" the Department of Treasury. Organizations that are "in but not of" cabinet departments are not under the direct supervision of the respective cabinet officer.

The I-Bank's independent Board of Directors consists of ten members. Four members are ex officio: (i) the New Jersey State Treasurer; (ii) the Commissioner of the New Jersey Department of Community Affairs; (iii) the Commissioner of the NJDEP; and (iv) the Commissioner of the NJDOT. The six remaining directors are appointed. Two directors are appointed by the Governor of the State (the Governor) upon the recommendation of the President of the State Senate. Two directors are appointed by the Governor upon the recommendation of the Speaker of the State General Assembly. The four aforementioned appointees serve during the two-year legislative term in which they are appointed. The remaining two directors are appointed by the Governor with the advice and consent of the State Senate, each for a four-year term. Each appointed director serves until a successor is appointed and qualified and is eligible for reappointment. Any vacancy is filled in the same manner as the original appointment. The Governor designates one of the appointed directors to be the chair and the directors elect biannually a vice chairman, a treasurer, and a secretary from among the appointed directors. The I-Bank is administered by an Executive Director under the guidance of the Board of Directors.

Short-term construction loans are a major component of the Water Bank and Transportation Bank, and in SFY2025, with few exceptions, projects utilized construction loans as the primary source of funding prior to securing long-term financing at construction completion.

The Water Bank's Construction Financing Program (Water Bank CFP) is funded by advances from the NJDEP and proceeds of the I-Bank's Extendable Commercial Paper (ECP). As of June 30, 2025 and June 30, 2024, the Water Bank CFP had net funding from the NJDEP of \$910,780,639 and \$716,426,449, respectively. As of June 30, 2025 and June 30, 2024, the Water Bank had \$25 million of ECP outstanding to add liquidity to the Water Bank CFP. Once a project is at or near construction completion, the short-term funding from the I-Bank for each project is converted to long-term financing through Water Bank Program loans from the I-Bank and the State.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Notes to Financial Statements**

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**Note 1. Organization and Function of the I-Bank (Continued)**

Beginning in SFY2022, long-term Water Bank funding packages were no longer represented in terms of a “DEP Interest Free Share” and an “I-Bank Market Rate Share” but instead as a blended interest rate equivalent to a percentage of the I-Bank’s AAA Market Interest Rate. For example, a long-term Water Bank funding package that previously was described as consisting of a 50% DEP Interest-Free Share and a 50% I-Bank Market-Rate Share is now described as a “Blended Interest Rate of 50% of I-Bank’s AAA Market Interest Rate” or a “50% Blended Rate.” This allows the Water Bank to use below market rate WIFIA funds to increase the I-Bank share of the long-term loans and decrease the NJDEP’s share of funds normally allocated to projects while providing borrowers with the same debt service costs.

The Transportation Bank’s short-term construction loan program (Transportation Bank CFP) and long-term financing program are both funded through appropriations from the State through the NJDOT. For SFY2025, long-term loans were made at a blended interest rate of either 50% or 25% depending upon the final loan maturity of the Water Bank’s AAA Market Rate plus or minus 50 basis points depending upon the term of the loan. While no bonds have been issued for the Transportation Bank, all long-term Transportation Bank Loans issued to date have been nonetheless pledged to the Transportation Bank’s indenture held by the Trustee to build a diversified pool pursuant to rating agency standards. Zion’s Bank serves as Trustee for the Transportation Bank’s Indenture. Once enough loans have been pledged to the indenture for it to qualify as a diversified pool under rating agency criteria, it is anticipated that the I-Bank will issue bonds under the indenture.

Under CHAMP, the I-Bank makes low interest loans to fund eligible hazard mitigation and resilience projects undertaken by local government units and nonprofit organizations under the Federal Emergency Management Agency’s (“FEMA”) Safeguarding Tomorrow Through Ongoing Risk Mitigation (“STORM”) Act, Pub. L. 116-284 (42 U.S.C. s. 5135), as amended or supplemented. Two CHAMP loans were made during SFY2025, however, no draws have been made against the loans.

All funds not needed for current expenses of the I-Bank not held by a Trustee are held at a custodial bank (currently TD Bank) or in the State of NJ Cash Management Fund. The I-Bank authorizes the custodian to disburse funds to the short-term borrowers for requisitions based on a review and approval process in conjunction with the NJDEP for the Water Bank, NJDOT for the Transportation Bank or NJOEM for CHAMP.

As of June 30, 2025, the Water Bank utilizes Zion’s Bank as Trustee for its ECP and Transportation Bank long-term loans and U.S. Bank and Bank of New York Mellon as Trustee for its Water Bank bonds. The initial proceeds from a bond issuance representing any remaining project funds not disbursed for project expenses prior to bond closing are held by the Trustee. Since the I-Bank, with few exceptions, requires borrowers to be construction complete prior to long-term financing, Trustees hold limited project funds. The I-Bank authorizes the Trustee to disburse such funds to the borrowers according to the loan agreements using the same process as for short-term loans. The I-Bank’s accounting staff acts as loan servicer for both the Water Bank and Transportation Bank, with repayments being received directly by the Trustee or Custodian in the case of Water Bank Direct Loans.

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

**Note 2. Summary of Significant Accounting Policies**

**Basis of presentation:** The I-Bank’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to a special purpose government engaged in only business-type activities. The focus of business-type activities is the measurement of economic resources, that is, the determination of operating income, changes in net position (or cost recovery), financial position and cash flows. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

reporting principles. The more significant accounting policies established in GAAP and used by the I-Bank are discussed below.

**Basis of accounting:** Basis of accounting determines when transactions are recorded in the financial records. The I-Bank uses the accrual basis of accounting.

The I-Bank reports the following major enterprise funds:

**The Environmental Infrastructure Trust:** This fund is used for operating its environmental infrastructure financing programs, in conjunction with NJDEP. The I-Bank's portion of which is referred to throughout this document as the **Water Bank**.

**The Transportation Infrastructure Bank:** This fund is used for operating its transportation infrastructure financing programs, in conjunction with NJDOT referred to throughout this document as the **Transportation Bank**.

**CHAMP:** This fund is used for operating the CHAMP financing program, in conjunction with NJOEM referred to throughout this document as **CHAMP**.

**Revenues - exchange and non-exchange transactions:** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recognized when the exchange is settled.

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

**Expenses/expenditures:** Expenses are recognized at the time they are incurred. Direct costs are expensed to each Program, while indirect expenses other than Pension and OPEB are allocated based on annual salary expenses between the three programs.

**Cash, cash equivalents and investments:** Cash and cash equivalents include funds held at TD Bank as well as invested in the Goldman Sachs Treasury Obligation Money Market Fund). Such is the definition of cash and cash equivalents used in the statements of cash flows.

Investments are purchased to meet the objectives set forth in the I-Bank's investment policy. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the statements of revenues, expenses and changes in net position.

**Fair value:** The I-Bank uses fair value measurements to record adjustments to certain assets and to determine fair value disclosures. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

The I-Bank's fair value measurements are classified into a fair value hierarchy based on the markets in which the assets and liabilities are traded, and the reliability of the assumptions used to determine fair value.

The three categories within the hierarchy are as follows:

**Level 1:** Quoted prices in active markets for identical assets and liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

**Level 3:** Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment.

See Note 3 for additional information regarding fair value measurements.

**Operating and nonoperating revenues and expenses:** Operating revenues include all revenues derived from administration fees, interest income on long-term direct loans, short-term and SAIL loans and investment income. Non-operating revenues principally consist of appropriations from the State of New Jersey for programs and the return of I-Bank funds held in Debt Service reserve accounts. Operating expenses include expenses associated with the general administration of the I-Bank.

**Conduit debt obligations:** Bonds issued by the I-Bank are non-recourse debt obligations to the I-Bank, and the I-Bank, in effect, has none of the risks or rewards of the related financing, which is considered Conduit debt. Conduit debt obligations are certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued.

**Capital assets:** Capital assets consist of leasehold improvements, office furniture, computers and office equipment and vehicles. Expenditures, which enhance the asset or significantly extend the useful life of the asset are considered improvements and are added to the capital asset's currently capitalized cost. The cost of normal repairs and maintenance are expensed.

Expenditures are capitalized when they meet the following requirements: (1) cost of \$5,000 or more, (2) useful life of more than one year, and (3) asset is not affected by consumption.

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**Notes to Financial Statements**

**Note 2. Summary of Significant Accounting Policies (Continued)**

**Depreciation:** Depreciation is provided using the straight-line method over the following estimated useful life of the assets:

	Years
Leasehold improvements	Lesser of the lease term or useful life
Office furniture	7
Computers and office equipment	5
Vehicles	5

**Net position:** In accordance with the provisions of GASB, the I-Bank has classified its Net Position into three components – Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

**Net investment in capital assets:** This component of Net Position consists of capital assets, net of accumulated depreciation. (It is the I-Bank’s policy to first apply unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available).

**Restricted:** This component of Net Position consists of external constraints imposed by creditors (such as debt covenants), grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provision or enabling legislation, that restricts the use of Net Position.

The I-Bank further separates restricted Net Position into “Restricted for Debt Service”, “Restricted for Programs”, and “Restricted for Unemployment”. Net Position Restricted for Debt Service includes amounts that have been restricted in accordance with the terms of an award or agreement or by State law and are generally limited to use as a guarantee for bond offerings or loan guarantee. Net Position Restricted for Programs is restricted for i) the Water Bank for short-term financing of allowable costs of environmental infrastructure projects in accordance with the terms of the appropriations and ECP Indenture as well as for technical assistance and optimization programs, ii) the Transportation Bank to make long-term and short-term loans for transportation projects in accordance with the terms of the appropriation, and iii) CHAMP to make loans in accordance with the STORM Act. Net Position for Unemployment is restricted in accordance with the terms of the Department of Labor; Employer Accounts Guide 2019.

**Unrestricted:** This component of Net Position consists of Net Position that does not meet the definition of “restricted” or “net investment in capital assets.” This component includes Net Position that may be allocated for specific purposes by the Board including long-term Direct loans of the Water Bank.

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

**Deferred Inflows and Outflows of Resources:**

In addition to assets and liabilities, the statements of net position report separate sections of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period which will not be recognized as an outflow of resources until that time. Deferred inflows of resources represent an acquisition of net assets that applies to a future period which will not be recognized as an inflow of resources until that time.

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**Notes to Financial Statements**

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**Note 2. Summary of Significant Accounting Policies (Continued)**

Deferred outflows and inflows of resources for defined benefit plans result from the difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan and OPEB investments, changes in the I-Bank's proportion of expenses and liabilities to the pension and OPEB as a whole, differences between the I-Bank's pension and OPEB contributions and its proportionate share of contributions, and the I-Bank's pension and OPEB contributions subsequent to the pension and OPEB valuation measurement dates.

**Effective for fiscal years beginning after December 15, 2023, the New Jersey Infrastructure Bank adopted GASB Statement No. 101, *Compensated Absences*.** This standard replaces GASB Statement No. 16 and introduces a consistent model for recognizing liabilities related to compensated absences. Under GASB Statement No. 101, liabilities are recognized for leave that:

- Is attributable to services already rendered,
- Accumulates, and
- Is more likely than not to be used or otherwise paid/settled.

**Effective for fiscal years beginning after June 15, 2024, the New Jersey Infrastructure Bank adopted GASB Statement No. 102, *Certain Risk Disclosures*.** This standard establishes disclosure requirements intended to provide users of financial statements with information about certain risks that could significantly affect a government's financial position or operations. Under GASB Statement No. 102, governments are required to disclose:

- Concentrations in revenues, expenditures, or investments that make them vulnerable to the risk of a near-term severe impact,
- Known or reasonably estimable risks that could significantly affect financial health, and
- The nature and potential financial effect of such risks, including any mitigating actions taken.

The implementation of GASB Implementation 101 and 102 did not materially impact the I-Bank's financial statements.

**Reclassification of Prior Year Presentation:**

Certain prior year amounts have been reclassified, these reclassifications had no effect on net position or changes therein.

**Note 3. Cash, Cash Equivalents, and Investments**

**Investment Guidelines and Management**

The I-Bank's Investment Policy (the Policy) sets forth the investment and operational policies for the management of I-Bank investment activities. The Policy is designed to ensure that the activities are consistent with the I-Bank's overall financial needs and result in compliance with the Policy, the prudent management of invested funds, the timely availability of operating, administrative, and capital funds, all while generating a sound investment return.

The Policy governs the overall administration and investment management of all funds available for investment ("Investment Portfolio") by or on behalf of the I-Bank, including, without limitation, the Proceeds of bonds or notes issued by the I-Bank, funds utilized for Debt Service Reserve purposes, funds appropriated to the I-Bank from the State directly or through the NJDEP, the NJDOT or NJOEM. The Policy may only be superseded by and shall be subject to the terms and provisions of bond resolutions duly adopted by the I-Bank specific to bonds or notes issued by the I-Bank and the Proceeds of such bonds or

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**Notes to Financial Statements**

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**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

notes, and the New Jersey State Investment Code for funds of the I-Bank. The Policy applies to Investment Portfolio funds from the time of receipt until such time that the funds are no longer held by, or on behalf of the I-Bank. The primary objective of the I-Bank's activities, in order of priority, are (i) safety of principal, (ii) liquidity, and (iii) yield / investment return.

**Authorized Investments and Asset Classes**

The I-Bank is permitted to invest in those investment securities and vehicles that are specifically listed below, provided, however, that, at the time any investment is made, (i) such investment shall be (a) permitted pursuant to the rules and regulations of the New Jersey State Investment Council or (b) approved by the Director of the Division of Investment in the Department of the Treasury upon a finding that such investments are consistent with the corporate purposes of the I-Bank, or (ii) if and to the extent the amounts being invested constitute proceeds of bonds or notes of the I-Bank, such investment shall be permitted pursuant to the terms and provisions of the duly adopted bond resolution of the I-Bank pursuant to which such bonds or notes were issued. Investments made without the advice of the Investment Advisor are limited to permissible money market funds and the State of New Jersey Cash Management Fund.

Credit criteria listed in this section refer to the credit of the issuing organization at the time the security is purchased with the credit monitored for continued compliance in accordance with the credit policy. Only credit ratings of Nationally Recognized Statistical Rating Organizations ("NRSRO") will be observed and considered, including Standard & Poor's, Moody's Investor Service, and Fitch Ratings Service. Ratings are provided by category, for example, the second highest rating category will include bonds rated AA+, AA and AA- for Standard & Poor's and Fitch Ratings and Aa1, Aa2 and Aa3 for Moody's Investors Service.

Investment Portfolio percentage restrictions at the individual fund level, as defined by the State's Investment Policy, and as measured by market value, are applicable only on the date of purchase. All Funds related to each specific program of the I-Bank shall be held in segregated accounts at one or more Custodial Banks or in the State of New Jersey Cash Management Fund.

The following investments are permissible, subject to the percentage limitations of the account, as defined in the Policy:

1. **Government Investments**
  - Direct obligations of the United States of America
  - Obligations that a Federal Agency of a Federal Instrumentality has issued in accordance with an act of Congress.
  - Municipal obligations
  - Supranational Obligations
2. **Money Market and Money Market-like Investments**
  - Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52: 18A-90.4)
  - Money market Mutual Funds, as defined by the Policy
  - Agreements for the purchase of fully collateralized securities, as defined by the Policy
3. **Corporate Securities**
  - Bankers' Acceptances
  - Commercial Paper
  - Certificates of Deposit and Bank Deposit Notes
  - Corporate Notes

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

**Safekeeping and Custody**

All investment securities purchased for the Investment Portfolio or held as collateral on deposits or investments shall be held by the I-Bank, the State Cash Management Fund or by a third-party Custodial Agent who may not otherwise be a counterparty to the investment transaction.

**Custodial credit risk:** Custodial credit risk is the risk that, in the event of failure of the counterparty, the I-Bank will not be able to recover the value of its cash and investments that are in the possession of an outside party.

Deposits and investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the I-Bank and are held by either the counterparty or the counterparty's trust department or agent. As of June 30, 2025 and June 30, 2024, the I-Bank's deposits at TD Bank of \$278,346 and \$519,185, respectively, were all collateralized. All of the I-Bank's investments totaling \$424,679,665 and \$386,744,651 and money market funds totaling \$82,133,667 and \$78,063,515 as of June 30, 2025, and 2024, respectively, were held in accounts outside the counterparty, not in the name of the I-Bank, and were therefore exposed to custodial credit risk.

**Credit risk:** Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The I-Bank's Credit Policy limits the type and ratings of securities allowable as well as providing diversification requirements. As of June 30, 2025, the I-Bank's investments at initial purchase carried ratings in compliance with the Investment Policy.

The Investment Policy includes the following provisions to minimize credit risk by: Limiting investments to the types of securities listed in the Policy;

- Pre-qualifying the Financial Institutions, Brokers/Dealers, intermediaries, and advisors with which the I-Bank will do business (as defined by specific criteria in the Policy);
- Diversifying the Investment Portfolio so that the impact of potential losses from any single asset class or Issuer will be minimized;
- Limiting Counterparty Risk by following the provisions in the Policy, maintaining an approved list of pre-approved counterparties, and having programs in place to monitor those pre-approved counterparties. The I-Bank may rely on outside Investment Advisory Firm(s) for maintaining the list of pre-qualified counterparties and having adequate Due Diligence programs in place; and
- Limiting the Trading Exposure or the amount of trades outstanding with any one counterparty at any given time. Except for activities associated with bond sale proceeds, neither the I-Bank nor any of its representatives shall execute and have outstanding investment trades with one counterparty at any given time, whereby the Principal amount represented by such trades exceeds 20% of all Investable Funds thereby minimizing the risk of loss or litigation to the Investment Portfolio should the counterparty be unable to fulfill its obligation for any reason.

**Concentration of credit risk:** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Both the State's and the I-Bank's investment policy provides diversification requirements and limits the amount the I-Bank may invest in any one issuer

**Interest rate risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The I-Bank seeks to minimize interest rate risk by structuring the investment portfolio so that securities mature to meet a projected liability schedule, thereby avoiding the need to sell securities prior to maturity and the possibility of a realized loss.

The Investment Policy is available on the I-Bank's website at <https://www.njib.gov>.

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

The amounts of cash and cash equivalents as of June 30, 2025 and June 30, 2024 are as follows:

	2025			
	Water Bank	Transportation Bank	CHAMP	Total I-Bank
Operating checking (TD Bank)	\$ 278,346	\$ -	\$ -	\$ 278,346
GS SQ Treasury Obligation (TD Bank MM)	64,174,177	16,178,360	1,781,130	82,133,667
	<b>\$ 64,452,523</b>	<b>\$ 16,178,360</b>	<b>\$ 1,781,130</b>	<b>\$ 82,412,013</b>

	2024			
	Water Bank	Transportation Bank	CHAMP	Total I-Bank
Operating checking (TD Bank)	\$ 519,185	\$ -	\$ -	\$ 519,185
GS SQ Treasury Obligation (TD Bank MM)	66,488,968	11,210,311	364,204	78,063,483
First American Funds (US Bank Corp)	34	-	-	34
	<b>\$ 67,008,187</b>	<b>\$ 11,210,311</b>	<b>\$ 364,204</b>	<b>\$ 78,582,702</b>

As of June 30, 2025 and 2024, the **Water Bank** had the following investments by level and maturities:

Investment Type	Level	Fair Value	June 30, 2025			
			Investment Maturity (In Years)			
			Less Than 1	1-5	6-10	More Than 10
<b>Investment by Fair Value Level:</b>						
U.S. Treasury Notes, Bonds	1	\$ 72,397,012	\$ 20,272,276	\$ 52,124,736	\$ -	\$ -
U.S. Treasury Bills	1	245,136	245,136	-	-	-
Bank Note	2	1,419,386	569,330	850,047	-	-
Supra-National Agency Bonds/Notes	2	509,792	-	509,792	-	-
Federal Agency Bonds/Notes	2	9,268,885	778,264	8,490,622	-	-
Federal Agency Mortgage-Backed Security	2	1,538,534	-	247,169	906,071	385,294
Federal Agency Commercial Mortgage-Backed Security	2	9,934,136	-	9,934,136	-	-
Municipal Bonds/Notes	3	5,695,780	1,334,386	4,361,394	-	-
Corporate Note	2	47,806,555	2,011,368	45,795,186	-	-
Commercial Paper	2	499,580	499,580	-	-	-
Certificate of Deposit	2	4,878,281	4,878,281	-	-	-
Total Debt Securities		154,193,076	30,588,629	122,313,082	906,071	385,294
<b>Investments Value d at Amortized Cost:</b>						
NJ Cash Management Fund		159,892,901	159,892,901	-	-	-
<b>Total Investments</b>		<b>\$ 314,085,978</b>	<b>\$ 190,481,530</b>	<b>\$ 122,313,082</b>	<b>\$ 906,071</b>	<b>\$ 385,294</b>

Investment Type	Level	Fair Value	June 30, 2024			
			Investment Maturity (In Years)			
			Less Than 1	1-5	6-10	More Than 10
<b>Investment by Fair Value Level:</b>						
U.S. Treasury Notes, Bonds	1	\$ 82,954,578	\$ 15,992,276	\$ 66,962,302	\$ -	\$ -
U.S. Treasury Bills	1	1,941,200	1,941,200	-	-	-
Bank Note	2	1,145,464	-	1,145,464	-	-
Supra-National Agency Bonds/Notes	2	1,724,352	1,211,183	513,169	-	-
Federal Agency Bonds/Notes	2	11,247,162	8,982,727	2,264,435	-	-
Federal Agency Mortgage-Backed Security	2	1,986,830	-	389,601	1,146,517	450,711
Federal Agency Commercial Mortgage-Backed Security	2	7,331,008	1,217,764	6,113,245	-	-
Municipal Bonds	3	5,328,492	1,380,093	3,948,399	-	-
Corporate Note	2	39,405,065	9,205,842	30,199,223	-	-
Commercial Paper	2	984,456	984,456	-	-	-
Total Debt Securities		154,048,608	40,915,541	111,535,838	1,146,517	450,711
<b>Investments Value d at Amortized Cost:</b>						
NJ Cash Management Fund		134,162,579	134,162,579	-	-	-
<b>Total Investments</b>		<b>\$ 288,211,187</b>	<b>\$ 175,078,120</b>	<b>\$ 111,535,838</b>	<b>\$ 1,146,517</b>	<b>\$ 450,711</b>

**New Jersey Infrastructure Bank**  
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**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

As of June 30, 2025 and 2024, the **Water Bank** had the following investments by credit ratings. Securities with a split rating are classified according to the lower of the two ratings:

Types of Investments, as of June 30, 2025	Fair Value/ Amortized Cost	Percentage	S&P/ Moody's					Unrated
			AAA Aaa	AA+/AA/AA- Aa1/Aa2/Aa3	A+/A/A- A1/A2/A3	BBB+ Baa1	A-1+/A-1 P1	
U.S. Treasury Bond / Notes	\$ 72,397,012	23%	\$ -	\$ 72,397,012	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Bills	245,136	0%	-	-	-	-	245,136	-
Bank Note	1,419,386	0%	-	1,419,386	-	-	-	-
Supra-National Agency Bonds/Notes	509,792	0%	509,792	-	-	-	-	-
Federal Agency Bonds/Notes	9,268,885	3%	-	9,268,885	-	-	-	-
Federal Agency Mortgage-Backed Security	1,538,534	0%	-	1,538,534	-	-	-	-
Federal Agency Commercial Mortgage-Backed Security	9,934,136	3%	-	9,934,136	-	-	-	-
Municipal Bonds	5,695,780	2%	3,974,743	1,721,037	-	-	-	-
Corporate Note	47,806,555	15%	4,033,069	18,333,751	25,439,735	-	-	-
Commercial Paper	499,580	0%	-	-	-	-	499,580	-
Certificate of Deposit	4,878,281	2%	-	-	-	-	4,878,281	-
State of NJ Cash Management Funds	159,892,901	51%	-	-	-	-	-	159,892,901
<b>Total</b>	<b>\$ 314,065,978</b>	<b>100%</b>	<b>\$ 8,517,604</b>	<b>\$ 114,612,741</b>	<b>\$ 25,439,735</b>	<b>\$ -</b>	<b>\$ 5,622,997</b>	<b>\$ 159,892,901</b>

Types of Investments, as of June 30, 2024	Fair Value/ Amortized Cost	Percentage	S&P/ Moody's					Unrated
			AAA Aaa	AA+/AA/AA- Aa1/Aa2/Aa3	A+/A/A- A1/A2/A3	BBB+ Baa1	A-1+/A-1 P1	
U.S. Treasury Bond / Notes	\$ 82,954,578	29%	\$ -	\$ 82,954,578	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Bills	1,941,200	1%	-	-	-	-	1,941,200	-
Bank Note	1,145,464	0%	-	-	1,145,464	-	-	-
Supra-National Agency Bonds/Notes	1,724,352	1%	1,724,352	-	-	-	-	-
Federal Agency Bonds/Notes	11,247,162	4%	-	11,247,162	-	-	-	-
Federal Agency Mortgage-Backed Security	1,986,831	1%	-	1,986,831	-	-	-	-
Federal Agency Commercial Mortgage-Backed Security	7,331,008	3%	-	7,331,008	-	-	-	-
Municipal Bonds	5,328,492	2%	5,328,492	-	-	-	-	-
Corporate Note	39,405,065	14%	-	7,905,795	31,105,602	393,669	-	-
Commercial Paper	984,455	0%	-	-	-	-	984,455	-
State of NJ Cash Management Funds	134,162,579	47%	-	-	-	-	-	134,162,579
<b>Total</b>	<b>\$ 288,211,187</b>	<b>100%</b>	<b>\$ 7,052,844</b>	<b>\$ 111,425,374</b>	<b>\$ 32,251,066</b>	<b>\$ 393,669</b>	<b>\$ 2,925,655</b>	<b>\$ 134,162,579</b>

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**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

As of June 30, 2025 and June 30, 2024, the **Transportation Bank** had the following investments by level and maturities:

Investment Type	Level	Fair Value	June 30, 2025			
			Investment Maturity (In Years)			
			Less Than 1	1-5	6-10	More Than 10
<b>Investment by Fair Value Level:</b>						
U.S. Treasury Notes, Bonds	1	\$ 46,135,956	\$ 37,132,909	\$ 9,003,047	\$ -	\$ -
U.S. Treasury Bills	1	4,953,423	4,953,423	-	-	-
Federal Agency Bonds/Notes	2	10,462,301	2,477,223	7,985,078	-	-
Corporate Note	2	23,090,620	12,218,098	10,872,522	-	-
Commercial Paper	2	7,400,450	7,400,450	-	-	-
Certificate of Deposit	2	10,001,173	10,001,173	-	-	-
Total Debt Securities		102,043,922	74,183,275	27,860,647	-	-
<b>Investments Valued at Amortized Cost:</b>						
NJ Cash Management Fund		1,146,986	1,146,986	-	-	-
<b>Total Investments</b>		<b>\$ 103,190,908</b>	<b>\$ 75,330,260</b>	<b>\$ 27,860,647</b>	<b>\$ -</b>	<b>\$ -</b>

Investment Type	Level	Fair Value	June 30, 2024			
			Investment Maturity (In Years)			
			Less Than 1	1-5	6-10	More Than 10
<b>Investment by Fair Value Level:</b>						
U.S. Treasury Notes, Bonds	1	\$ 59,887,187	\$ 50,098,125	\$ 9,789,062	\$ -	\$ -
U.S. Treasury Bills	1	22,845,227	22,845,227	-	-	-
Corporate Note	2	5,086,202	5,086,202	-	-	-
Commercial Paper	2	2,474,505	2,474,505	-	-	-
Total Debt Securities		90,293,120	80,504,058	9,789,062	-	-
<b>Investments Valued at Amortized Cost:</b>						
NJ Cash Management Fund		1,095,349	1,095,349	-	-	-
<b>Total Investments</b>		<b>\$ 91,388,470</b>	<b>\$ 81,599,408</b>	<b>\$ 9,789,062</b>	<b>\$ -</b>	<b>\$ -</b>

As of June 30, 2025 and 2024, the **Transportation Bank** had the following investments by credit ratings. Securities with a split rating are classified according to the lower of the two ratings:

Types of Investments, as of June 30, 2025	Fair Value/ Amortized Cost	Percentage	S&P/ Moody's					Unrated
			AAA Aaa	AA+/AA/AA- Aa1/Aa2/Aa3	A+/A/A- A1/A2/A3	BBB+ Baa1	A-1+/A-1 P1	
U.S. Treasury Bond / Notes	\$ 46,135,956	45%	\$ -	\$ 46,135,956	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Bills	4,953,423	5%	-	-	-	-	4,953,423	-
Federal Agency Bonds/Notes	10,462,301	10%	-	10,462,301	-	-	-	-
Corporate Note	23,090,619	22%	3,958,284	4,210,390	14,921,946	-	-	-
Commercial Paper	7,400,450	7%	-	-	-	-	7,400,450	-
Certificate of Deposit	10,001,173	10%	-	-	-	-	10,001,173	-
State of NJ Cash Management Funds	1,146,986	1%	-	-	-	-	-	1,146,986
<b>Total</b>	<b>\$ 103,190,908</b>	<b>100%</b>	<b>\$ 3,958,284</b>	<b>\$ 60,808,647</b>	<b>\$ 14,921,946</b>	<b>\$ -</b>	<b>\$ 22,355,046</b>	<b>\$ 1,146,986</b>

Types of Investments, as of June 30, 2024	Fair Value/ Amortized Cost	Percentage	S&P/ Moody's					Unrated
			AAA Aaa	AA+/AA/AA- Aa1/Aa2/Aa3	A+/A/A- A1/A2/A3	BBB+ Baa1	A-1+/A-1 P1	
U.S. Treasury Bond / Notes	\$ 59,887,187	66%	\$ -	\$ 59,887,187	\$ -	\$ -	\$ -	\$ -
U.S. Treasury Bills	22,845,227	25%	-	-	-	-	22,845,227	-
Corporate Note	5,086,202	6%	-	-	5,086,202	-	-	-
Commercial Paper	2,474,505	3%	-	-	-	-	2,474,505	-
State of NJ Cash Management Funds	1,095,349	1%	-	-	-	-	-	1,095,349
<b>Total</b>	<b>\$ 91,388,470</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ 59,887,187</b>	<b>\$ 5,086,202</b>	<b>\$ -</b>	<b>\$ 25,319,732</b>	<b>\$ 1,095,349</b>

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**Notes to Financial Statements**

**Note 3. Cash, Cash Equivalents, and Investments (Continued)**

As of June 30, 2025 and June 30, 2024, **CHAMP** had the following investments by level and maturities:

Investment Type	Level	Fair Value	June 30, 2025			
			Investment Maturity (In Years)			
			Less Than 1	1-5	6-10	More Than 10
<b>Investments Valued at Amortized Cost:</b>						
NJ Cash Management Fund		\$ 7,402,780	\$ 7,402,780	\$ -	\$ -	\$ -
<b>Total Investments</b>		<b>\$ 7,402,780</b>	<b>\$ 7,402,780</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Investment Type	Level	Fair Value	June 30, 2024			
			Investment Maturity (In Years)			
			Less Than 1	1-5	6-10	More Than 10
<b>Investments Valued at Amortized Cost:</b>						
NJ Cash Management Fund		\$ 7,144,993	\$ 7,144,993	\$ -	\$ -	\$ -
<b>Total Investments</b>		<b>\$ 7,144,993</b>	<b>\$ 7,144,993</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

As of June 30, 2025 and June 30, 2024, **CHAMP** had the following investments, maturities, and credit ratings. Securities with a split rating are classified according to the lower of the two ratings:

Types of Investments, as of June 30, 2025	Fair Value/ Amortized Cost	Percentage	S&P/ Moody's					
			AAA	AA+/AA/AA-	A+/A/A-	BBB+	A-1+/A-1	
			Aaa	Aa1/Aa2/Aa3	A1/A2/A3	Baa1	P1	Unrated
State of NJ Cash Management Funds	\$ 7,402,780	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,402,780
<b>Total</b>	<b>\$ 7,402,780</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,402,780</b>

Types of Investments, as of June 30, 2024	Fair Value/ Amortized Cost	Percentage	S&P/ Moody's					
			AAA	AA+/AA/AA-	A+/A/A-	BBB+	A-1+/A-1	
			Aaa	Aa1/Aa2/Aa3	A1/A2/A3	Baa1	P1	Unrated
State of NJ Cash Management Funds	\$ 7,144,993	100%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,144,993
<b>Total</b>	<b>\$ 7,144,993</b>	<b>100%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,144,993</b>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 4. Loans Receivable and Commitment**

**Water Bank**

The Water Bank provides loans to Borrowers to finance allowable costs of clean water and safe drinking water projects. With few exceptions, short-term and direct loans are secured by either a direct or an indirect general obligation, full faith and credit pledge of a municipal or county government in the State.

The Water Bank's Direct Loan Program provides long-term loans for small projects, or to borrower's that are fiscally constrained or lack the administrative capability to participate in the I-Bank's Water Bank bond financing program, or other unique circumstances. The I-Bank funds these loans through cash on hand rather than through the issuance of bonds. Long-term direct loans are repayable, in most cases, over a period of 20 to 30 years, with some loans maturing over a shorter or longer period, and with interest rates of 1.91% to 5.30% per annum. As of June 30, 2025 and 2024, the balance of direct loans was \$5,738,892 and \$6,200,011, respectively. Included in this balance are amounts owed from borrowers primarily for contributions made by the I-Bank on their behalf for defeasances of \$72,275 and \$78,588 as of June 30, 2025 and 2024, respectively.

Loans under the Water Bank CFP and SAIL Loan Program are issued, with few exceptions, for a maximum of five fiscal years. With limited exceptions, for SFY2025 these loans were charged an interest rate ranging from 0.395% to 0.5% reflecting a blended rate based upon the I-Bank's Extended Commercial Paper (ECP) market rate and NJDEP funds at 0% interest. Additionally, in SFY2025 borrowers had the opportunity to earn an interest credit based on the pace of requisitions. These Water Bank CFP Loans will be converted into long-term loans to the I-Bank and the NJDEP through either the Bond Program or Direct Loan Program. As of June 30, 2025, and 2024, the balance for the loans described net of undisbursed reserve funds was \$790,272,463 and \$600,181,617 respectively. As of June 30, 2025, and 2024, the balance for the loans outstanding with a 0% interest rate was \$12,509,383 and \$12,611,961, respectively. Undisbursed reserve funds include funds deposited by a borrower and held by the I-Bank to secure future debt service payment obligations.

The Water Bank's outstanding direct, short-term and SAIL net loans receivable balance was \$796,011,355 and \$606,381,627 as of June 30, 2025 and 2024, respectively.

The Water Bank does not maintain an allowance for loan losses on its long-term direct loans, short-term loans and SAIL loans given the repayment history of the pool of direct loans borrowers. In addition, the short-term and SAIL loans are anticipated to be converted by the I-Bank to long-term financing through a combination of conduit debt issued by the I-Bank with the remaining balance assigned to NJDEP as a long-term loan. As a result, short-term loans are not subject to individual borrower repayment risk.

For the year ended June 30, 2025, one Water Bank borrower accounted for 34% of outstanding short-term and direct long-term loans representing a significant portion, defined as greater than 10% of the total loans receivable. For the year ended June 30, 2025, there was one borrower with loans of more than 10% of the total loans receivable.

The Water Bank is committed to fund short-term loans to borrowers of approximately \$1,717,007,307 million for remaining project engineering and construction costs that had not yet been requisitioned as of June 30, 2025.

**Transportation Bank**

The Transportation Bank provides loans to Borrowers to finance allowable costs of transportation projects. As of June 30, 2025 the balance of short-term Transportation Bank loans was \$12,132,668. As of June 30, 2024 the balance of short-term Transportation Bank loans was \$5,210,588.

Loans issued under the Transportation Bank CFP are made, with few exceptions, for up to five years. In SFY2025, these loans were charged a monthly interest rate that varied between 2.10% to 2.75% per year.

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 4. Loans Receivable and Commitment (Continued)**

Additionally, in SFY2025 borrowers had the opportunity to earn an interest credit based on the pace of requisitions. These loans will be converted into long-term loans through the Direct Loan Program or Bond Program when implemented.

For the year ended June 30, 2025, four Transportation Bank borrowers accounted for 55.6% of outstanding short-term and long-term direct loans, each representing a significant portion, defined as greater than 10%, of the total loans receivable. For the year ended June 30, 2025, there were four borrowers with loans of more than 10% of the total Transportation Bank loans receivable.

In SFY2025, the I-Bank closed three Transportation Bank long-term loans, totaling \$4,141,980 on June 16, 2025.

Total Transportation Bank short-term and long-term loans outstanding as of June 30, 2025 was \$66,323,089 and as of June 30, 2024 was \$58,099,885.

The Transportation Bank is also committed to fund short-term loans to borrowers of approximately \$15.92 million for remaining project engineering and construction costs that had not yet been requisitioned as of June 30, 2025.

**Water Bank and Transportation Bank** Annual maturities for loans receivable are as follows:

	Water		Transportation		Total
	SAIL and Short-Term	Direct Loans	Short-Term	Direct Loans	
Year ending June 30:					
2026	\$ 313,297,783	\$ 547,609	\$ 3,264,422	\$ 3,354,272	\$ 320,464,087
Less undispersed reserve funds	(80,000)	-			(80,000)
Current loans	313,217,783	547,609	3,264,422	3,354,272	320,384,087
2027	373,899,834	496,806	6,983,486	3,947,581	385,327,706
2028	68,793,601	483,425	950,956	3,401,420	73,629,402
2029	27,424,521	484,339	-	3,441,762	31,350,622
2030	6,936,724	479,553	933,804	3,487,948	11,838,030
2031 through 2035	-	1,306,218	-	17,566,201	18,872,419
2036 through 2040	-	552,053	-	13,298,923	13,850,976
2041 through 2045	-	605,908	-	5,444,479	6,050,387
2046 through 2050	-	532,516	-	247,835	780,351
2051 through 2055	-	250,466	-	-	250,466
Noncurrent loans	477,054,680	5,191,283	8,868,246	50,836,149	541,950,359
Loans receivable, net	\$ 790,272,463	\$ 5,738,892	\$ 12,132,668	\$ 54,190,422	\$ 862,334,446

**CHAMP**

The **CHAMP** Program had two loans outstanding which had not been drawn upon as of June 30, 2025 and no loans outstanding as of June 30, 2024.

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**Notes to Financial Statements**

**Note 5. Capital Assets**

The following is a summary of capital assets of the **Water Bank** at cost:

	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Capital assets being depreciated:				
Leasehold improvements	\$ 102,163	\$ -	\$ -	\$ 102,163
Office furniture	56,773	-	-	56,773
Computers and office equipment	106,934	-	-	106,934
Vehicles	24,458	-	-	24,458
	<u>290,328</u>	<u>-</u>	<u>-</u>	<u>290,328</u>
Less accumulated depreciation:				
Leasehold improvements	84,436	12,520	-	96,956
Office furniture	56,775	-	-	56,775
Computers and office equipment	103,232	3,701	-	106,933
Vehicles	4,484	4,892	-	9,376
	<u>248,927</u>	<u>21,113</u>	<u>-</u>	<u>270,040</u>
Capital assets (net)	<u>\$ 41,400</u>	<u>\$ (21,113)</u>	<u>\$ -</u>	<u>\$ 20,288</u>

	Balance at June 30, 2023	Additions	Disposals	Balance at June 30, 2024
Capital assets being depreciated:				
Leasehold improvements	\$ 80,750	\$ 21,413	\$ -	\$ 102,163
Office furniture	56,773	-	-	56,773
Computers and office equipment	106,934	-	-	106,934
Vehicles	30,830	24,458	(30,830)	24,458
	<u>275,287</u>	<u>45,871</u>	<u>(30,830)</u>	<u>290,328</u>
Leasehold improvements	74,788	9,648	-	84,436
Office furniture	56,775	-	-	56,775
Computers and office equipment	95,829	7,403	-	103,232
Vehicles	30,830	4,484	(30,830)	4,484
	<u>258,222</u>	<u>21,535</u>	<u>(30,830)</u>	<u>248,927</u>
Capital assets (net)	<u>\$ 17,065</u>	<u>\$ 24,336</u>	<u>\$ -</u>	<u>\$ 41,400</u>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 5. Capital Assets (Continued)**

The following is a summary of capital assets of the **Transportation Bank** at cost:

	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Capital assets being depreciated:				
Leasehold improvements	\$ 16,895	\$ -	\$ -	\$ 16,895
Computers and office equipment	21,738	-	-	21,738
Vehicles	16,772	-	-	16,772
	<u>55,405</u>	<u>-</u>	<u>-</u>	<u>55,405</u>
Less accumulated depreciation:				
Leasehold improvements	8,367	6,000	-	14,367
Computers and office equipment	19,564	2,174	-	21,738
Vehicles	3,075	3,354	-	6,429
	<u>31,006</u>	<u>11,528</u>	<u>-</u>	<u>42,534</u>
Capital assets (net)	<u>\$ 24,399</u>	<u>\$ (11,528)</u>	<u>\$ -</u>	<u>\$ 12,871</u>

	Balance at June 30, 2023	Additions	Disposals	Balance at June 30, 2024
Capital assets being depreciated:				
Leasehold improvements	\$ 7,307	\$ 9,588	\$ -	\$ 16,895
Computers and office equipment	21,738	-	-	21,738
Vehicles	-	16,772	-	16,772
	<u>29,045</u>	<u>26,360</u>	<u>-</u>	<u>55,405</u>
Less accumulated depreciation:				
Leasehold improvements	3,653	4,714	-	8,367
Computers and office equipment	15,217	4,347	-	19,564
Vehicles	-	3,075	-	3,075
	<u>18,870</u>	<u>12,136</u>	<u>-</u>	<u>31,006</u>
Capital assets (net)	<u>\$ 10,175</u>	<u>\$ 14,224</u>	<u>\$ -</u>	<u>\$ 24,399</u>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 5. Capital Assets (Continued)**

The following is a summary of capital assets of **CHAMP** at cost:

	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Capital assets being depreciated:				
Leasehold improvements	\$ 959	\$ -	\$ -	\$ 959
Computers and office equipment	-	-	-	-
Vehicles	1,677	-	-	1,677
	<u>2,636</u>	<u>-</u>	<u>-</u>	<u>2,636</u>
Less accumulated depreciation:				
Leasehold improvements	325	454	-	779
Computers and office equipment	-	-	-	-
Vehicles	307	335	-	642
	<u>632</u>	<u>789</u>	<u>-</u>	<u>1,422</u>
Capital assets (net)	<u>\$ 2,004</u>	<u>\$ (789)</u>	<u>\$ -</u>	<u>\$ 1,214</u>

	Balance at June 30, 2023	Additions	Disposals	Balance at June 30, 2024
Capital assets being depreciated:				
Leasehold improvements	\$ -	\$ 959	\$ -	\$ 959
Office furniture	-	-	-	-
Computers and office equipment	-	-	-	-
Vehicles	-	1,677	-	1,677
	<u>-</u>	<u>2,636</u>	<u>-</u>	<u>2,636</u>
Less accumulated depreciation:				
Leasehold improvements	-	325	-	325
Office furniture	-	-	-	-
Computers and office equipment	-	-	-	-
Vehicles	-	307	-	307
	<u>-</u>	<u>633</u>	<u>-</u>	<u>633</u>
Capital assets (net)	<u>\$ -</u>	<u>\$ 2,003</u>	<u>\$ -</u>	<u>\$ 2,004</u>

**Note 6. Notes Payable**

On July 1, 2021, the I-Bank issued an Offering Memorandum for Environmental Infrastructure Extendable Commercial Paper Notes (Series 2021A-1N) (ECP) in the aggregate outstanding principal amount not to exceed \$150,000,000 pursuant to an Indenture of Trust with Zions Bank, as Trustee, to assist with funding the short-term loan programs.

As of June 30, 2024, the I-Bank had \$25,000,000 of 2021A-1N outstanding with an interest rate of 3.75% and a maturity of July 17, 2024.

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**Notes to Financial Statements**

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**Note 6. Notes Payable (Continued)**

On July 17, 2024, The I-Bank issued \$25,000,000 of ECP with an interest rate of 3.70% and a maturity of October 15, 2024. The proceeds of the ECP was used to repay the \$25,000,000 of ECP which matured on July 17, 2024.

On October 15, 2024, The I-Bank issued \$25,000,000 of ECP with an interest rate of 3.40% and a maturity of January 13, 2025. The proceeds of the ECP was used to repay the \$25,000,000 of ECP which matured on October 15, 2024.

On January 13, 2025, The I-Bank issued \$25,000,000 of ECP with an interest rate of 2.95% and a maturity of March 26, 2025. The proceeds of the ECP was used to repay the \$25,000,000 of ECP which matured on January 13, 2025.

On March 26, 2025, The I-Bank issued \$25,000,000 of ECP with an interest rate of 2.95% and a maturity of June 24, 2025. The proceeds of the ECP was used to repay the \$25,000,000 of ECP which matured on March 26, 2025.

On June 24, 2025, The I-Bank issued \$25,000,000 of ECP with an interest rate of 3.02% and a maturity of September 18, 2025. The proceeds of the ECP was used to repay the \$25,000,000 of ECP which matured on June 24, 2025.

As of June 30, 2025 and 2024, the I-Bank had \$25,000,000 of 2021A-1N ECP outstanding.

**Note 7. Conduit Debt – Water Bank**

The I-Bank has issued Environmental Infrastructure Bonds to provide financing for allowable costs of acquiring, constructing, improving or installing wastewater treatment projects for wastewater treatment systems undertaken by local government units in the State of New Jersey and to provide financing for allowable costs of drinking water projects for drinking water systems undertaken by local government units, nonprofit entities and private entities in the State of New Jersey. The bonds have been classified as conduit debt.

These various conduit debt obligations issued under the name of the I-Bank (formerly known as the New Jersey Environmental Infrastructure Trust) are not included in the accompanying financial statements. Although the conduit debt obligations bear the name of the I-Bank pursuant to the I-Bank Act and the Bond Resolutions and Bond Indentures, the Bonds are special obligations of the I-Bank, are not secured by the I-Bank, and shall not in any way be a debt or liability of the State or of any political subdivision thereof, and shall not create or constitute any indebtedness, liability or obligation of the State or of any political subdivision thereof. The I-Bank has no taxing power, and the State of New Jersey is not liable for the bonds issued through the I-Bank. The principal and redemption premium, if any, and the interest on the Bonds shall be payable from and secured by the pledge of (i) in the case of the Series Financing Programs, the Series Trust Estate, including (A) the repayment of loans from the applicable underlying borrowers, and (B) the moneys and securities on deposit in the Master Program Trust Account to the extent set forth in the Master Program Trust Agreement, and (ii) in the case of a WIFIA Financing Program, the applicable WIFIA Program Trust Estate, including (A) the repayment of loans from the applicable underlying borrowers, (B) the moneys and securities on deposit in a WIFIA Master Program Trust Agreement and (C) the moneys and securities on deposit in the Master Program Trust Account to the extent set forth in the in the Master Program Trust Agreement. For each series of Bonds, the applicable Borrowers' principal and interest payment obligations match the principal and interest payment obligations of the I-Bank pursuant to such series of Bonds. The loan repayments of the Borrowers are made to a trustee appointed by the I-Bank to service and administer the arrangement.

The bond resolutions generally limit investments to obligations of the U.S. government or its agencies, investments in certain certificates of deposit of commercial banks that are members of the Federal Reserve System, investments in cash management pools that restrict investments to U.S. government securities,

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**Notes to Financial Statements**

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**Note 7. Conduit Debt – Water Bank (Continued)**

money market funds that invest in high-grade AAA-rated securities, and direct and general obligations of any state that meets the minimum requirements of the resolution.

Long-term Loans to borrowers in the SFY2025 program combine proceeds of the public bond sales, lent at market rate, proceeds of the WIFIA Bond lent at the WIFIA Loan rate and interest free funds from the State of New Jersey Department of Environmental Protection Clean Water State Revolving Fund and Drinking Water State Revolving Fund. In the spring 2025 Financing Program, Borrower's receiving a standard funding package of 50% I-Bank / 50% DEP Fund Loan financed eligible projects for 20 years at an all-in-cost of capital of 2.722%, and for 30 years at an all-in-cost of capital of 2.922%.

On December 20, 2022, the I-Bank entered into a loan agreement with the United States Environmental Protection Agency pursuant to the Water Infrastructure Finance and Innovation Act for \$500,000,000.

On May 15, 2025, the I-Bank issued \$56,660,000 of Environmental Infrastructure Bonds, Series 2025A-SW1 (Green Bonds) and \$127,212,974 of Environmental Infrastructure Bonds Series 2025C-SW1 (Taxable)(Green Bonds) to capitalize 65 projects.

The Series 2025C-SW1 Bonds were funded through draws on the WIFIA Loan closed on December 20, 2022.

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**Notes to Financial Statements**

**Note 7. Conduit Debt – Water Bank (Continued)**

At **June 30, 2025** and **2024**, the aggregate principal amount of conduit debt obligations outstanding totaled \$1,336,674,980 and \$1,241,018,326, respectively, as detailed in the following schedules:

Changes in conduit debt obligations of the Water Bank for the year ended June 30, 2025 were as follows:

	Balance at June 30, 2024	Issued	Retired	Balance at June 30, 2025	Amount Due Within One Year
<b>2012 Refunding Series:</b>					
Series A Bonds, maturing serially through 2026 at interest rate of 4.00%	\$ 42,820,000	\$ -	\$ 14,565,000	\$ 28,255,000	\$ 17,745,000
<b>2013 Series:</b>					
Series A Bonds, maturing serially through 2032 at interest rates from 3.00% to 3.00%	16,670,000	-	1,655,000	15,015,000	1,735,000
Series B Bonds, maturing serially through 2032 at interest rates from 3.00% to 3.25%	550,000	-	55,000	495,000	55,000
<b>2014 Series:</b>					
Series A Bonds, maturing serially through 2033 at interest rates from 3.00% to 3.25%	34,555,000	-	3,010,000	31,545,000	3,155,000
Series B Bonds, maturing serially through 2033 at interest rates from 3.00% to 4.00%	3,085,000	-	290,000	2,795,000	300,000
<b>2015 A-1 Series:</b>					
Series A Bonds, maturing serially through 2034 at interest rates from 4.00% to 5.00%	31,135,000	-	2,375,000	28,760,000	2,485,000
<b>2015 B Refunding Series (AMT):</b>					
Series B Bonds, maturing serially through 2025 at interest rates of 4.00%	1,120,000	-	880,000	240,000	240,000
<b>2015 A-2 Series:</b>					
Series A Green Bonds, maturing serially through 2035 at interest rates from 3.00% to 5.00%	6,690,000	-	490,000	6,200,000	525,000
<b>2015 A-R1 Refunding Series:</b>					
Series A Bonds, maturing serially through 2027 at interest rate of 5.00%	37,720,000	-	9,430,000	28,290,000	9,435,000
<b>2015 B-R2 Refunding Series (AMT):</b>					
Series B Bonds, maturing serially through 2026 at interest rate of 5.00%	4,325,000	-	1,370,000	2,955,000	1,440,000
<b>2016 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2045 at interest rates from 2.00% to 4.00%	17,375,000	-	1,135,000	16,240,000	1,170,000
<b>2016 A-R1 Refunding Series:</b>					
Series A Bonds, maturing serially through 2028 at interest rates from 4.50% to 5.00%	25,000,000	-	5,375,000	19,625,000	5,305,000
<b>2016 A-R2 Refunding Series:</b>					
Series A Bonds, maturing serially through 2030 at interest rates from 4.50% to 5.00%	41,265,000	-	6,120,000	35,145,000	6,370,000
<b>2016 A-2 Series:</b>					
Series A Green Bonds, maturing serially through 2046 at interest rates from 4.00% to 5.00%	5,565,000	-	325,000	5,240,000	340,000
<b>2017 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2046 at interest rates from 3.00% to 5.00%	25,940,000	-	1,125,000	24,815,000	1,170,000
<b>2017 A-2 Series:</b>					
Series A Green Bonds, maturing serially through 2047 at interest rates from 2.13% to 5.00%	15,040,000	-	815,000	14,225,000	855,000

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Notes to Financial Statements**

**Note 7. Conduit Debt – Water Bank (Continued)**

	Balance at June 30, 2024	Issued	Retired	Balance at June 30, 2025	Amount Due Within One Year
<b>2017 A-R1 Series:</b>					
Series A Green Bonds, maturing serially through 2029 at interest rate of 4.00%	16,855,000	-	3,590,000	13,265,000	2,610,000
<b>2017 A-R2 Series:</b>					
Series A Green Bonds, maturing serially through 2029 at interest rate of 4.00%	40,940,000	-	7,975,000	32,965,000	6,610,000
<b>2017 B-1 Series (AMT):</b>					
Series B Bonds, maturing serially through 2047 through 2047 at interest rate from 3.00% to 5.00%	3,455,000	-	95,000	3,360,000	100,000
<b>2018 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2047 at interest rate from 3.00% to 5.00%	17,195,000	-	905,000	16,290,000	945,000
<b>2018 B-1 Series (AMT):</b>					
Series B Green Bonds, maturing serially through 2047 at interest rate from 3.00% to 5.00%	13,585,000	-	350,000	13,235,000	365,000
<b>2018 A-2 Series:</b>					
Series A Green Bonds, maturing serially through 2048 at interest rate from 4.00% to 5.00%	15,115,000	-	435,000	14,680,000	460,000
<b>2019 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2048 at interest rate from 2.00% to 5.00%	11,435,000	-	505,000	10,930,000	535,000
<b>2019 B-R1 Refunding Series:</b>					
Series B Green Bonds, maturing serially through 2030 at interest rate of 4.00%	3,005,000	-	425,000	2,580,000	440,000
<b>2019 C-R1 Refunding Series (Federally Taxable):</b>					
Series C Green Bonds, maturing serially through 2029 at interest rates from 2.65% to 5.00%	2,415,000	-	360,000	2,055,000	375,000
<b>2020 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2049 at interest rates from 2.13% to 5.00%	31,085,000	-	1,175,000	29,910,000	1,245,000
<b>2020 A-R1 Refunding Series:</b>					
Series A Green Bonds, maturing serially through 2024 at interest rate of 3.00%	8,470,000	-	8,470,000	-	-
<b>2020 C-R1 Refunding Series (Federally Taxable):</b>					
Series C Green Bonds, maturing serially through 2031 at interest rates from 3.00% to 4.00%	33,590,000	-	3,835,000	29,755,000	3,960,000
<b>2020 C-R2 Refunding Series (Federally Taxable):</b>					
Series C Green Bonds, maturing serially through 2031 at interest rates from 3.00% to 4.00%	12,660,000	-	1,400,000	11,260,000	1,465,000
<b>2021 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2050 at interest rates from 2.00% to 5.00%	114,745,000	-	4,125,000	110,620,000	4,295,000
<b>2021 A-2 Series:</b>					
Series A Green Bonds, maturing serially through 2051 at interest rates from 2.00% to 5.00%	27,825,000	-	700,000	27,125,000	735,000
<b>2022 A-1 Series:</b>					
Series A Green Bonds, maturing serially through 2051 at interest rates from 3.25% to 5.00%	50,720,000	-	1,270,000	49,450,000	1,330,000

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 7. Conduit Debt – Water Bank (Continued)**

	Balance at June 30, 2024	Issued	Retired	Balance at June 30, 2025	Amount Due Within One Year
<b>2022 I - W1 Series (Federally Taxable):</b>					
Series I - W1 Green Bonds, maturing serially through 2027 at interest rates from 2.87% to 2.98%	5,341,380	-	1,381,320	3,960,060	1,334,220
<b>2022 C - W1 Series (Federally Taxable):</b>					
Series C - W1 WIFIA Green Bonds, maturing serially 2028 through 2056, at an interest rate of 3.03%	56,365,400	-	-	56,365,400	-
<b>2022 A-2 Series:</b>					
Series A - Green Bonds, maturing serially through 2057 at an interest rate of 5.00%	86,530,000	-	2,205,000	84,325,000	2,300,000
<b>2023 A - W1 Series:</b>					
Series A - W1 Green Bonds, maturing serially through 2035, at interest rate of 5.00%	51,620,000	-	-	51,620,000	3,645,000
<b>2023 C - W1 Series (Federally Taxable):</b>					
Series C - W1 WIFIA Green Bonds, maturing serially 2028 through 2056, at an interest rate of 3.03%	130,296,555	-	-	130,296,555	-
<b>2024 A - W1 Series:</b>					
Series A - W1 Green Bonds, maturing serially through 2049, at interest rate of 5.00%	75,840,000	-	-	75,840,000	1,710,000
<b>2024 C - W1 Series (Federally Taxable):</b>					
Series C - W1 WIFIA Green Bonds, maturing serially 2028 through 2056, at an interest rate of 3.03%	34,661,645	-	-	34,661,645	-
<b>2025 A - SW1 Series:</b>					
Series A - W1 Green Bonds, maturing serially through 2038, at interest rate of 5.00%	-	56,660,000	-	56,660,000	-
<b>2025 C - SW1 Series (Federally Taxable):</b>					
Series C - W1 SWIFIA Green Bonds, maturing serially 2029 through 2057, at an interest rate of 3.71%	-	127,212,974	-	127,212,974	-
Total of bonds payable covered by Master Program Trust Account	1,152,604,980	183,872,974	88,216,320	1,248,261,634	86,784,220
<b>2005 BCIA/ENCAP Golf Holdings</b>					
Variable rate bond series maturing through 2025, with weekly interest rate calculations	88,413,346	-	-	88,413,346	88,413,346
Total bonds payable	<u>\$ 1,241,018,326</u>	<u>\$ 183,872,974</u>	<u>\$ 88,216,320</u>	<u>\$ 1,336,674,980</u>	<u>\$ 175,197,566</u>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 7. Conduit Debt – Water Bank (Continued)**

**Annual debt service requirements to maturity for Conduit debt obligations are as follows:**

	Principal	Interest	Total
Years ending June 30:			
2026	\$ 175,197,566	\$ 44,360,132	\$ 219,557,698
2027	84,306,720	42,105,334	126,412,054
2028	74,687,758	38,639,840	113,327,598
2029	66,160,591	35,702,668	101,863,259
2030	62,732,018	33,102,264	95,834,282
2031 through 2035	234,751,376	135,408,217	370,159,593
2036 through 2040	185,205,796	96,324,940	281,530,736
2041 through 2045	175,659,339	64,212,456	239,871,795
2046 through 2050	155,833,441	34,511,417	190,344,858
2051 through 2055	110,731,697	9,762,141	120,493,838
2056 through 2058	11,408,678	374,530	11,783,208
	<u>\$ 1,336,674,980</u>	<u>\$ 534,503,939</u>	<u>\$ 1,871,178,919</u>

**Current and Advance refunding:** When conditions have warranted, the I-Bank has sold various series of bonds to provide for the refunding of previously issued obligations. The proceeds received from the sale of the refunding bonds for current refundings were used to redeem the applicable outstanding bonds and for advance refunding were deposited in an irrevocable escrow fund held by an escrow agent, in an amount that, when combined with interest earnings thereon, will equal no less than the sum of the outstanding principal amount of the bonds, the interest to accrue thereon and include the first optional redemption date thereof, and the premium required to redeem the bonds outstanding on such date. These transactions defeased the outstanding bond issuances with a resulting reduction in annual debt service during the remaining term of the issuances. The principal and interest savings are passed along to each applicable borrower in the form of a credit against the original debt service of the borrower. There are no defeased bonds due to refundings as of June 30, 2025.

Additionally, in certain circumstances when excess bond proceeds exist in project fund accounts or prepayments occur, bonds related to each specific borrower are defeased.

Defeased bonds outstanding at June 30, 2025, are comprised of the following:

	Principal Amount Outstanding June 30, 2025
Individual borrower defeasances:	
2007 Series A	\$ 1,785,000
2010 Series A	1,160,000
2010 Series B	340,000
2015 Series A-1	305,000
2017 Series A-2	240,000
	<u>\$ 3,830,000</u>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 7. Conduit Debt – Water Bank (Continued)**

**Reserve for arbitrage rebate:** The Tax Reform Act of 1986 placed restrictions on the investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings, which are above the arbitrage bond yield, are required to be rebated to the United States Treasury Department within sixty days of the end of every fifth bond year and at bond maturity. A bond year is defined, at the option of the issuing entity, as either the date of the first anniversary of bond settlement or the issuing entity's year-end.

The I-Bank has various issues of bonds subject to rebate calculations required to be made at least once every five years. The I-Bank prepares annual rebate calculations for purposes of determining any contingent liability for rebate. As of June 30, 2025, it was determined there was no rebate due as a result of these calculations. However, as of June 30, 2025 a contingent liability exists for eight series of bonds in the amount of \$505,119.

The liability will be covered by excess earnings from the bond series and contributions from the DEP. The amount of contingent liability for rebate may change as a result of future events.

**Loans receivable from borrowers of conduit debt:** The I-Bank provides loans to Borrowers to finance allowable costs of clean water and safe drinking water projects. The various I-Bank loans are grouped into pools and funded with the proceeds of I-Bank bonds or other obligations, which are considered conduit debt. Loan repayments are required at such times and in such amounts as will pay the debt service on the bonds as it becomes due. These loans, most of which are secured by the full faith and credit of a local governmental unit, are repayable in most cases over a period of 20 or 30 years, with some loans maturing over a shorter or longer period, and with coupon rates of 2.0% to 5.5% per annum.

Each borrower issues to the I-Bank a bond, note or other obligation in a principal amount equal to the principal amount of the loan in favor of the I-Bank which secures the borrowers' repayment obligation. The I-Bank then assigns these obligations to the Trustee. These obligations bear interest at the same rates and are callable at the same times and prices, as the corresponding I-Bank bonds, net of refunding costs. As these loans relate to the conduit debt, they are not reported on the statement of net position for the Water Bank.

**Bond Related Stewardship, compliance and accountability:**

**Compliance with finance related legal and contractual provisions:** The I-Bank is subject to the provisions and restrictions of the Bond Resolution or Supplemental Bond Resolution adopted for each conduit debt bond issue.

Management reviews bond compliance issues continually, and reports to the Audit Committee of the Board quarterly to review its compliance-related performance during the period as well as to provide notice to the Committee of the upcoming compliance schedule. Management of the I-Bank is unaware of any material violations of finance related legal and contractual provisions and has no knowledge of any material default in the fulfillment of any of the terms, covenants or provisions of its bond resolutions or indentures, unless otherwise described herein.

**Debt service reserve requirement:** Pursuant to the various bond resolutions and supplemental bond resolutions issued and accounted for as conduit debt, certain invested reserves are required to be maintained with the Trustee in a designated Debt Service Reserve Fund. This requirement is intended to fund potential deficiencies in principal and interest required to be paid in succeeding years. As of the September 1, 2024 calculation date, the cumulative debt service reserve requirement, as adjusted for refunding and defeasance was \$18,875,200. As of this same date, the aggregate market value of the securities held in the each of the individual Debt Service Reserve Funds was \$24,057,606. In addition, as of June 30, 2025, each Series Debt Service Reserve Fund was in compliance with the debt service reserve

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 7. Conduit Debt – Water Bank (Continued)**

requirements in accordance with the respective bond resolutions and supplemental bond resolutions. The balances are not recorded in these financial statements. The market value as of June 30, 2025 and 2024 in all of the debt service reserve fund accounts was \$23,742,585 and \$33,563,732, respectively.

**Statement of Funds and Accounts Held by the Trustee:** Pursuant to the various bond resolutions and supplemental bond resolutions for bonds issued and accounted for as conduit debt, a Trustee is appointed to maintain all funds and accounts. The balances, consisting of such items as debt service reserve funds, unspent project account funds, early principal and interest payment receipts, etc., are not recorded in these financial statements. As of June 30, 2025 and 2024, the total cash and investments market value for conduit debt was \$44,413,932 and \$53,072,169, respectively.

**Statement of revenue, administrative fees and state administrative fees:** Pursuant to the various bond resolutions and supplemental bond resolutions for bonds issued and accounted for as conduit debt, the I-Bank is required to track the revenues, administrative fees and state administrative fees collected from all borrowers. The revenues include principal and interest payments made by borrowers. The balances are not recorded in these financial statements. For the fiscal year ending June 30, 2025 and 2024, the total revenues, administrative fees and state administrative fees collected for conduit debt was \$283,867,772 and \$274,674,453, respectively.

**Note 8. Public Employee Retirement System**

The I-Bank's Statute established the I-Bank as a State Entity. As a result, I-Bank employees are able to participate in various state benefit plans, including PERS (which includes the pension and noncontributory life insurance programs), and the NJ State Health Benefit Program (SHBP). From July 1, 2021 – April 22, 2022, I-Bank personnel were employees of the DEP, State of New Jersey. During this period, the I-Bank submitted quarterly reimbursements to the State for salary and fringe benefits, including pension and health benefits.

Effective April 23, 2022, I-Bank personnel became direct employees of the I-Bank and the State of New Jersey, Division of Pensions and Benefits (NJDPB) recognized the I-Bank as a Local Employer. The I-Bank took on the direct payment of all fringe benefits, including employer SHBP submitted monthly, with the exception of continuing to reimburse the State for pension liabilities through June 30, 2022.

During the fiscal year ended June 30, 2025, the I-Bank, in agreement with the State of New Jersey, began recording amounts related to pension benefits even though its formal participation in the pension plan began in the fiscal year ended June 30, 2023.

**Description of Plan**

The State of New Jersey, Division of Pension and Benefits (the Division) was created and exists pursuant to N.J.S.A. 52:18A to oversee and administer the pension trust and other postemployment benefit plans sponsored by the State of New Jersey (the State). According to the State of New Jersey Administrative Code, all obligations of the Systems will be assumed by the State of New Jersey should the plans terminate. Each defined benefit pension plan's designated purpose is to provide retirement, death and disability benefits to its members. The authority to amend the provision of the plan rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for the Public Employees Retirement System (PERS), once a Target Funded Ratio (TFR) is met, that will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation or final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committee will also have the authority to reactivate the cost-of-living adjustment (COLA) on pensions.

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**Notes to Financial Statements**

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**Note 8. Public Employee Retirement System (Continued)**

However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the plans. This report may be accessed via the Division of Pensions and Benefits website, at [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions), or may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

**Public Employees' Retirement System**

The Public Employees' Retirement System is a cost-sharing, multiple employer defined benefit pension plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the PERS Plan are as follows:

**Plan Membership and Contributing Employers** – Substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency are enrolled in PERS, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or other jurisdiction's pension fund.

The I-Bank's membership and contributing employees of the defined benefit pension plans consisted of the following at June 30, 2025:

	<u>2025</u>
Retired Plan Members or Beneficiaries Currently Receiving Benefits	2
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	<u>26</u>
Total	<u>28</u>

For SFY2025, the I-Bank's covered payroll for all employees was \$3,064,436. Covered payroll refers to pensionable compensation, rather than total compensation, paid by the I-Bank to active employees covered by the Plan.

**Specific Contribution Requirements and Benefit Provisions** – The contribution policy is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. The member contribution rate was 7.50% in State fiscal year 2025. Employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability.

The annual employer contributions include funding for basic retirement allowances and noncontributory death benefits. The I-Bank's contributions are due and payable on April 1st in the second fiscal period subsequent to the plan year for which the contributions requirements were calculated.

It is assumed that the Local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution. This contribution has been included in the projections. In subsequent years, it is assumed that the State will contribute 100% of their actuarially determined contribution and NCGIPF contribution.

In accordance with Chapter 98, P.L. 2017, PERS receives 21.02% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis.

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**Notes to Financial Statements**

**Note 8. Public Employee Retirement System (Continued)**

The I-Bank's payments to PERS during the year ending June 30, 2025 was \$409,559.

The I-Bank's recognizes liabilities to PERS and records expenses for same in the fiscal period that bills become due.

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

The following represents the membership tiers for PERS:

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

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

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At June 30, 2025, the PERS reported a net pension liability of \$43,115,494,090 for its Non-State Employer Member Group, which was measured as of June 30, 2024. The proportionate share of the net pension liability for the Non-State Employer Member Group that is attributable to the I-Bank was \$4,089,783 or 0.00949%.

The following presents a summary of the proportionate share of the collective deferred outflows of resources and deferred inflows of resources attributable to the I-Bank for the year ended June 30, 2025:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 81,926	\$ 10,888
Changes of Assumptions	5,081	46,532
Net Difference Between Projected and Actual Investment		
Earnings on Pension Plan Investments	-	189,632
Changes in Proportion	3,140,052	-
Contributions Subsequent to the Measurement Date	409,559	-
<b>Total</b>	<b>\$ 3,636,618</b>	<b>\$ 247,052</b>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 8. Public Employee Retirement System (Continued)**

The \$409,559 of deferred outflows of resources resulting from the I-Bank's contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in fiscal year 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amortization
2026	\$ 448,150
2027	756,152
2028	544,493
2029	577,168
2030	622,954
2031	31,090
Total	<u>\$ 2,980,007</u>

**Actuarial Assumptions** – The collective pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, as of June 30, 2024:

Salary Increases	2.75 - 6.55%
Investment Rate of Return	7%
Asset Valuation Method	Actuarial value with smoothing, market value disclosed
Actuarial Cost Method	Projected unit credit

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis.

Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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**Notes to Financial Statements**

**Note 8. Public Employee Retirement System (Continued)**

**Actuarial Assumptions** – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30 2025 are summarized in the following tables:

2024		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

**Discount Rate** – The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**Sensitivity of Net Pension Liability** – the following presents the I-Bank's proportionate share of the net pension liability calculated using the discount rates as disclosed above as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

<u>June 30, 2025</u>	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PERS	\$ 5,434,316	\$ 4,089,783	\$ 2,943,592

**Plan Fiduciary Net Position** – The plan fiduciary net position for PERS, including the State of New Jersey, at June 30, 2024 was \$37,740,650,902. The portion of the Plan Fiduciary Net Position that was allocable to the Local (Non-State) Group at June 30, 2024 was \$29,413,070,105.

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

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**Note 9. Other Postemployment Benefit (OPEB)**

During the fiscal year ended June 30, 2025, the I-Bank, in agreement with the State of New Jersey, began recording amounts related to other postemployment benefits, despite its participation in and contributions to the OPEB plan having commenced during the fiscal year ended June 30, 2024.

**POSTRETIREMENT HEALTH CARE BENEFITS**

The I-Bank provides healthcare to its employees and retirees through its participation in the State Health Benefits Program (SHBP) (Local Government), a cost sharing multiple employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan.

For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Plan Description and Benefits**

The Plan provides medical and prescription drug coverage to retirees and their dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiation's agreement.

**Contributions**

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The I-Bank was billed by the Plan and paid \$55,376 and \$20,004 for the years ended June 30, 2025 and 2024, respectively.

**Actuarial Assumptions**

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in.

**Discount Rate**

The discount rate for the OPEB plan was 3.93 percent. The source is the Bond Buyer GO 20-Bond Municipal Index, which includes tax-exempt general obligation municipal bonds with an average rating of

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 9. Other Postemployment Benefit (OPEB) (Continued)**

AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Rates of Mortality**

Pre-retirement and healthy post-retirement mortality rate were based on Pub-2010 Healthy "Safety" for PERS and Healthy "General" for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Post-retirement mortality rates were based on the Pub-2010 "Safety" for PFRS, "General" for PERS classification headcount-weighted mortality tables with fully generational mortality improvement projection from the central year using Scale MP-2021. Disability mortality rates were based on the PUB-2010 Disabled "Safety" for PFRS and Disabled "General" for PERS classification headcount-weighted mortality table with fully generational mortality improvement projections for the central year using Scale MP-2021.

**Healthcare Trend Assumptions**

The trend rate for pre-Medicare medical benefits is initially 7.50 percent and decreases to a 4.5 percent long-term trend rate after nine years. For the post-65 medical benefits PPO, the trend is increasing to 22.62% in Fiscal Year 2027 and decreases to 4.50% in fiscal year 2034.

For HMO, the trend is increasing to 23.58% in fiscal Year 2027, decreasing to 4.50 percent in fiscal Year 2034. For prescription drug benefits, the initial trend rate is 12.75 percent and decreases to 4.50 percent long-term trend rate in after nine years.

Actuarial assumptions used in the July 1, 2023 valuation were based on the results of the PERS experience study prepared for July 1, 2018 to June 30, 2021.

**OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB**

At June 30, 2025 the I-Bank and State's proportionate share of the net OPEB liability were as follows:

I-Bank's Proportionate Share of Net OPEB Liability	0.0295%
State of New Jersey's Proportionate Share of Net OPEB Liability Associated with the I-Bank	\$ 5,276,019

The I-Bank's proportion of the net OPEB liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2023 through June 30, 2024. For the June 30, 2024 measurement date, the I-Bank's proportion was 0.029466%.

For the year ended June 30, 2025, the I-Bank's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2024 measurement date was \$575,002.

The following presents a summary of the I-Bank's proportionate share of the collective deferred outflows of resources and deferred inflows of resources attributable to the I-Bank for the year ended June 30, 2025:

	Deferred Outflows	Deferred Inflows
Differences Between Expected and Actual Experience	\$ 267,193	\$ 893,939
Changes of Assumptions	882,050	875,786
Net Difference Between Projected and Actual Investment		
Earnings on Pension Plan Investments	-	2,388
Changes in Proportion	5,323,887	-
Contributions Subsequent to the Measurement Date	-	-
<b>Total</b>	<b>\$ 6,473,130</b>	<b>\$ 1,772,113</b>

**New Jersey Infrastructure Bank  
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**Notes to Financial Statements**

**Note 9. Other Postemployment Benefit (OPEB) (Continued)**

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

Year Ending June 30,	Amortization
2026	\$ 343,573
2027	532,177
2028	650,261
2029	544,131
2030	591,538
Thereafter	2,039,338
Total	<u>\$ 4,701,017</u>

**Sensitivity of the net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability as of June 30, 2025, calculated using a discount rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used.

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
I-Bank's Proportionate Share of Net OPEB Liability	\$ 6,145,993	\$ 5,276,019	\$ 4,579,246

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

The following presents the net OPEB liability as of June 30, 2025, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1% lower or 1% higher than the current rate.

	1% Decrease	Healthcare cost trend rate	1% Increase
I-Bank's Proportionate Share of Net OPEB Liability	\$ 4,462,435	\$ 5,276,019	\$ 6,322,059

**Note 10. Other Matter - Water Bank**

An Event of Default (EOD) currently exists separate and apart from the Master Program Trust Account under the terms of the I-Bank's Series 2005 Indenture (the Indenture) pursuant to which the I-Bank issued its Environmental Infrastructure Revenue Bonds (Bergen County Improvement Authority-EnCap Golf Holdings, LLC Project), Series 2005, specifically with regard to the Bergen County Improvement Authority (BCIA) - EnCap Golf Holdings, LLC (EnCap) project (hereinafter referred to as the NJEIT-BCIA Bonds). Such EOD created a corresponding EOD under the Loan Agreement among BCIA, the I-Bank and EnCap (NJEIT-BCIA Loan Agreement) pursuant to which the I-Bank loaned the proceeds of the NJEIT-BCIA Bonds to BCIA and thereupon BCIA loaned such proceeds to EnCap for EnCap's Meadowlands remediation project.

As a precondition of BCIA's loan application to the I-Bank for funding for the EnCap project and to protect bondholders from any repayment default risk by EnCap, the I-Bank required that EnCap procure a bank Letter of Credit (LOC Provider) in order to fully secure the debt service repayments of principal and interest owed on the NJEIT-BCIA Bonds.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Notes to Financial Statements**

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**Note 10. Other Matter - Water Bank (Continued)**

Subsequent to the issuance of the NJEIT-BCIA Bonds, EnCap failed to satisfy various reimbursement obligations to the LOC Provider, which in turn triggered the above referenced EODs under the terms of the Indenture and the corresponding NJEIT-BCIA Loan Agreement. In response to the occurrence of the EOD under the Indenture, the LOC Provider exercised remedies to which it was entitled. On September 28, 2007, the LOC Provider directed a mandatory tender of the NJEIT-BCIA Bonds, which mandatory tender was funded by a draw on the LOC. As a result of the tender, all holders of the publicly issued NJEIT-BCIA Bonds (then outstanding in the principal amount of \$88,413,346) were paid in full; the LOC is no longer outstanding; and the LOC Provider became the 100% holder of the NJEIT-BCIA Bonds, which are without recourse to the I-Bank.

In the aftermath of the above referenced EOD's, EnCap filed bankruptcy pursuant to Chapter 11 under the United States Bankruptcy Code on May 8, 2008. On February 3, 2009, an order dismissing the bankruptcy case was entered by the Bankruptcy Court and a Final Decree indicating that the case had been fully administered was entered on March 30, 2009.

On August 13, 2010, in accordance with the Agreement of Removal, Appointment and Acceptance, by and among The Bank of New York-Mellon (the Prior Trustee), the LOC Provider and American Home Assurance Company (American Home), American Home replaced the Prior Trustee as Trustee with respect to the NJEIT-BCIA Bonds pursuant to the Indenture. In addition, in accordance with the Assigned Assets Sale and Assignment Agreement, by and among the LOC Provider and American Home, American Home acquired all of the NJEIT-BCIA Bonds from the LOC Provider. As of the date of this report, American Home continues to hold the NJEIT-BCIA Bonds.

The collateral that secures the NJEIT-BCIA Bonds held by American Home does not secure any of the annual financing programs of the I-Bank. Therefore, the events described above with respect to the NJEIT-BCIA Bonds and EnCap have no impact on any of the annual financing programs of the I-Bank including the principal and interest payments of any of the I-Bank's outstanding publicly issued bonds relating to such annual financing programs.

**Note 11. Subsequent Event**

Management has evaluated subsequent events and transactions that occurred after the balance sheet date, but before September 30, 2025, the date the financial statements were available to be issued. The following items were determined by management to require disclosure in the financial statements:

In August 2025, the I-Bank received a bill from the Public Employees' Retirement System for Retroactive Salary Increases which were attributable to the first quarter of SFY2023. These Retroactive Salary Increases were specifically mandated by the last negotiated and signed CWA Union Agreement. The bill for \$3,026.75 was for the employer's share, or 17.11%, of the retroactive salary increases

On September 18, 2025, the I-Bank issued \$25,000,000 of ECP with an interest rate of 2.73% and a maturity of November 17, 2025. The proceeds of the ECP was used to repay the \$25,000,000 of ECP which matured on September 18, 2025.

Subsequent to year-end, the I-Bank has closed a total of 15 new short-term Water Bank loans and increased allowable funding under 6 existing Water Bank loans with a combined total of \$175,055,301, closed a total of 4 new short-term Transportation Bank loans totaling \$18,869,000 and zero CHAMP loans closed.

**New Jersey Infrastructure Bank  
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**Master Program Trust Agreement Schedule (Unaudited)**

**Master Program Trust Agreement:** The New Jersey Environmental Infrastructure Financing Program the Water Bank) adopted the Master Program Trust Agreement in 1995. Under the agreement, repayments of NJ DEP loans are deposited with US Bank and held in the Master Program Trust Account to provide coverage for all outstanding I-Bank Loans. The funds are held for a period of two semi-annual bond payments plus one day (i.e. 6 months and 1 day), after which time the funds are transferred to the SRF repayment fund at the State. The balance in the Master Program Trust Account as of June 30, 2025 and June 30, 2024 was \$38,572,153 and \$37,045,188. This balance is not an asset of the I-Bank and therefore is not reflected in the I-Bank's financial statements; however, it is available to pay debt service on the I-Bank Bonds in the event of a default by any program Borrowers.

Years ending June 30:	Aggregate of Coverage Receiving Trust Loan Repayments: Principal <sup>1</sup>	Aggregate of Coverage Receiving Trust Loan Repayments: Interest <sup>1</sup>	Aggregate of Coverage Providing Fund Loan Repayments	Total Funds Available to Secure and Provide Coverage for all Coverage Receiving Financing Program Debt Service	Total Debt Service for all Coverage Receiving Financing Programs <sup>1</sup>	Ratio of all Coverage Providing Funds to all Coverage Receiving Debt Service
2026	\$ 86,784,220	\$ 44,360,132	\$ 144,154,169	\$ 275,298,521	\$ 131,144,352	2.10
2027	84,306,720	42,105,334	132,910,433	259,322,487	126,412,054	2.05
2028	74,687,758	38,639,840	117,690,079	231,017,677	113,327,598	2.04
2029	66,160,591	35,702,668	106,248,920	208,112,179	101,863,259	2.04
2030	62,732,018	33,102,264	94,729,642	190,563,924	95,834,282	1.99
2031	53,625,153	30,796,670	85,152,466	169,574,289	84,421,823	2.01
2032	50,308,520	28,799,813	78,504,189	157,612,523	79,108,334	1.99
2033	45,501,076	26,978,766	70,285,233	142,765,075	72,479,842	1.97
2034	44,022,692	25,247,478	64,369,596	133,639,766	69,270,170	1.93
2035	41,293,936	23,585,489	57,647,001	122,526,427	64,879,425	1.89
2036	39,389,214	22,008,782	51,404,021	112,802,018	61,397,996	1.84
2037	36,729,598	20,581,096	47,128,159	104,438,853	57,310,694	1.82
2038	36,417,515	19,248,227	44,704,128	100,369,870	55,665,742	1.8
2039	35,769,067	17,894,037	43,160,278	96,823,382	53,663,104	1.8
2040	36,900,402	16,592,798	41,540,835	95,034,035	53,493,200	1.78
2041	36,357,987	15,337,739	39,063,773	90,759,499	51,695,726	1.76
2042	35,181,762	14,093,149	35,761,679	85,036,590	49,274,911	1.73
2043	35,021,388	12,844,678	34,171,062	82,037,128	47,866,066	1.71
2044	35,541,374	11,585,902	33,006,733	80,134,010	47,127,276	1.7
2045	33,556,828	10,350,988	31,703,302	75,611,117	43,907,816	1.72
2046	31,119,311	9,186,346	29,562,314	69,867,971	40,305,657	1.73
2047	31,875,783	8,045,470	28,417,519	68,338,772	39,921,253	1.71
2048	32,000,165	6,879,060	26,012,061	64,891,285	38,879,225	1.67
2049	30,382,722	5,738,590	23,641,401	59,762,713	36,121,312	1.65
2050	30,455,461	4,661,951	21,884,049	57,001,460	35,117,412	1.62
2051	30,135,371	3,636,355	17,427,458	51,199,184	33,771,726	1.52
2052	27,230,608	2,661,568	12,571,676	42,463,852	29,892,176	1.42
2053	21,878,575	1,799,685	8,941,229	32,619,489	23,678,260	1.38
2054	19,110,252	1,096,137	7,205,821	27,412,210	20,206,389	1.36
2055	12,376,891	568,396	4,994,088	17,939,375	12,945,287	1.39
2056	5,496,301	270,625	3,090,503	8,857,429	5,766,926	1.54
2057	5,661,218	98,409	2,114,950	7,874,576	5,759,627	1.37
2058	251,157	5,497	118,512	375,166	256,654	1.46
Total <sup>2</sup>	\$ 1,248,261,634	\$ 534,503,939	\$ 1,539,317,279	\$ 3,322,082,852	\$ 1,782,765,574	

<sup>1</sup> Trust Bond debt service net of savings credits derived from the prior refunding of certain series of Trust Bonds.

<sup>2</sup> Totals may not add due to rounding.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Required Supplemental Information**

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**SCHEDULE OF THE I-BANK'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
State of New Jersey Public Employees' Retirement System  
Last Ten Fiscal Years**

	<u>2025</u>
I-Bank's proportion of the net pension liability	0.0300984%
I-Bank's proportionate share of the net pension liability	\$ 4,089,783
I-Bank's covered employee payroll	\$ 3,064,436
I-Bank's proportionate share of the net pension liability as a percentage of its covered employee payroll	133.46%
Plan fiduciary net position as a percentage of the total pension liability	0.682192579

This schedule is intended to show information for ten years. The additional years will be displayed as they become available.

**SCHEDULE OF I-BANK CONTRIBUTIONS TO THE PENSION PLAN  
State of New Jersey Public Employees' Retirement System  
Last Ten Fiscal Years**

	<u>2025</u>
Contractually required contribution	\$ 409,559
Contributions in relation to the contractually required contribution	409,559
Contribution deficiency (excess)	\$ -
I-Bank's covered-employee payroll	\$ 3,064,436
Contributions as a percentage of covered-employee payroll	13.36%

This schedule is intended to show information for ten years. The additional years will be displayed as they become available.

**New Jersey Infrastructure Bank  
(A Component Unit of the State of New Jersey)**

**Required Supplemental Information**

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**SCHEDULE OF THE I-BANK'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
State Health Benefit Local Government Retireed Employees Plan**

Last Ten Fiscal Years

	<u>2025</u>
I-Bank's proportion of the net OPEB liability	0.029466000%
I-Bank's proportionate share of the net OPEB liability	\$ 5,276,019
I-Bank's covered employee payroll	\$ 3,064,436
I-Bank's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	172.17%
Plan fiduciary net position as a percentage of the total OPEB liability	-0.89%

This schedule is intended to show information for ten years. The additional years will be displayed as they become available.



**INDEPENDENT AUDITORS' 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***

Board of Directors  
New Jersey Infrastructure Bank  
f/k/a New Jersey Environmental Infrastructure Bank  
Lawrence Township, New Jersey

We have audited, in accordance with the 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, the financial statements of the business-type activities and each major fund of the New Jersey Infrastructure Bank (the I-Bank), a component unit of the State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the I-Bank's basic financial statements, and have issued our report thereon dated September 30, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered I-Bank's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of I-Bank's internal control. Accordingly, we do not express an opinion on the effectiveness of I-Bank'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 a 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 or a significant deficiency. However, material weaknesses or significant deficiencies may exist that have not been identified.

Board of Directors  
New Jersey Infrastructure Bank

**Report on Compliance and Other Matters**

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

***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.



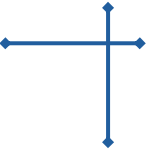
**CliftonLarsonAllen LLP**

Baltimore, Maryland  
September 30, 2025



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## 2026 I-BANK BOARD MEETINGS

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In accordance with N.J.S.A 10:4-18 of the Open Public Meetings Law, public notice is hereby given that the New Jersey Infrastructure Bank Board of Directors holds monthly public meetings on the second Thursday of the month. Meetings are held in-person at the I-Bank's offices located at 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey, or as otherwise amended and publicly noticed, as well as remotely via Microsoft Teams. Registration is required to attend remotely.

All meetings are open to the public and scheduled to occur at 10:00 am. Dates, location and times are subject to change.

## CONTACT US

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