TOWNSHIP OF BARNEGAT

COUNTY OF OCEAN, NEW JERSEY

AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2025

TOWNSHIP OF BARNEGAT- COUNTY OF OCEAN

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TOWNSHIP OF BARNEGAT
COUNTY OF OCEAN

PART I

INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Township Committee
Township of Barnegat
Barnegat, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the various funds and account group of the Township of Barnegat, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2025 and 2024, and the related statements of operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis and statement of expenditures – regulatory basis for the year ended December 31, 2025, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Township of Barnegat, as of December 31, 2025 and 2024, and the results of its operations and changes in fund balance – regulatory basis for the years then ended and the statements of revenues – regulatory basis, statements of expenditures – regulatory basis for the year ended December 31, 2025, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Barnegat, as of December 31, 2025 and 2024, or the results of its operations and changes in fund balance for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Barnegat 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.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Township of Barnegat, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey 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 generally accepted auditing standards, *Government Auditing Standards*, and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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(s) 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 Township of Barnegat'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 Township of Barnegat'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Barnegat's basic financial statements. The accompanying supplemental schedules presented for the various funds and letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is also presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2026, on our consideration of the Township of Barnegat'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 Township of Barnegat's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Barnegat's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
May 12, 2026

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INDEPENDENT AUDITOR'S 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*

Honorable Mayor and Members
of the Township Council
Township of Barnegat
Barnegat, New Jersey 08005

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements-regulatory basis of the Township of Barnegat, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated May 12, 2026. Our report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township'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 the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township'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. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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 Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Register Municipal Accountant
RMA No. 581

Lakewood, New Jersey
May 12, 2026

BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND — **Exhibit A**

STATEMENT OF ASSETS, LIABILITIES, — **Sheet 1 of 2**

RESERVES AND FUND BALANCE - REGULATORY BASIS

DECEMBER 31, 2025 AND 2024

	Ref.	2025	2024
Assets			
Cash	A-4	$ 22,480,087.45	$ 22,093,024.74
Cash - Change Fund	A-4	850.00	850.00
		22,480,937.45	22,093,874.74
Due from State of New Jersey (P.L. 1971, Ch. 20)	A-4, 6	9,307.32	6,849.49
		22,490,244.77	22,100,724.23
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	A-5	744,708.88	699,276.13
Tax Title Liens Receivable	A-6	1,333,668.46	1,336,585.37
Property Acquired for Taxes	A	2,427,340.00	2,427,340.00
Revenue Accounts Receivable	A-7	8,296.87	8,849.99
Interfund Receivables	A-13		
Other Trust Fund		6,695.56	9,049.20
General Capital Fund		2,829.83	7,010.57
Payroll Fund		38,733.43	25,554.57
		4,562,273.03	4,513,665.83
		27,052,517.80	26,614,390.06
Grant Fund			
Interfund Receivables			
Due from Current Fund	A-14	185,186.95	337,251.26
Grants Receivable	A-15	565,859.97	402,555.26
		751,046.92	739,806.52
		$ 27,803,564.72	$ 27,354,196.58

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A

Sheet 2 of 2

STATEMENT OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS

DECEMBER 31, 2025 AND 2024

	Ref.	2025	2024
Liabilities, Reserves and Fund Balance			
Appropriation Reserves	A-3,8	$ 2,658,572.84	$ 1,870,757.85
Reserve for Encumbrances	A-3,8	607,596.10	958,835.09
Tax Overpayments	A-4,5	174,537.67	172,244.93
Prepaid Taxes	A-4,5	790,672.95	686,382.06
Revenue Reserves:			
Sale of Municipal Assets	A	15.00	15.00
County Taxes Payable	A-9	138,759.96	91,672.79
School Taxes Payable	A-11	1,548,239.03	904,084.03
Spending Reserves:			
Hurricane Damage	A-12	92,946.30	92,946.30
Revaluation	A-12	22,505.83	22,505.83
Due to State of N.J. DCA Fees	A-4	22,909.00	11,679.00
Due to State of N.J. Marriage License Fees	A-4	650.00	625.00
Interfunds:			
Water-Sewer Utility Operating Fund	A-4	-	4,256.02
Grant Fund	A-14	185,186.95	337,251.26
Accounts Payable	A-8	2,354.40	7,433.46
		6,244,946.03	5,160,688.62
Reserve for Receivables and Other Assets	A	4,562,273.03	4,513,665.83
Fund Balance	A-1	16,245,298.74	16,940,035.61
		27,052,517.80	26,614,390.06
Grant Fund			
Appropriated Reserves	A-16	664,284.39	236,636.15
Reserve for Encumbrances	A-16	12,551.45	327,601.70
Unappropriated Reserves	A-17	74,211.08	175,568.67
		751,046.92	739,806.52
		$ 27,803,564.72	$ 27,354,196.58

There were deferred school taxes of $6,474,126.01 and $6,474,126.01 on December 31, 2025 and 2024, respectively (Schedule A-11).

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

Exhibit A-1

CURRENT FUND

Sheet 1 of 2

STATEMENT OF OPERATIONS AND

CHANGE IN FUND BALANCE - REGULATORY BASIS

FOR THE YEARS ENDED DECEMEBER 31, 2025 AND 2024

	Ref.	Year 2025	Year 2024
Revenue and Other Income Realized			
Fund Balance Utilized	A-2	$ 3,980,000.00	$ 3,875,000.00
Miscellaneous Revenue Anticipated	A-2	5,228,716.20	4,918,311.84
Receipts from Delinquent Taxes	A-2	639,618.41	590,975.60
Receipts from Current Taxes	A-2	83,900,865.79	80,263,189.65
Non-Budget Revenues	A-2	326,617.38	303,583.23
Other Credits to Income:			
Cancellation of Payable/Net Grants	A-4	126.51	-
Interfunds Returned		13,192.48	-
Unexpended Balance of Appropriation Reserves	A-8	1,496,760.67	1,636,801.75
Total Income		95,585,897.44	91,587,862.07
Expenditures			
Budget Appropriations within Caps:			
Operations:			
Salaries and Wages		13,679,600.00	13,421,100.00
Other Expenses		11,395,133.50	10,762,033.00
Deferred Charges and Statutory Expenditures		4,479,675.00	4,215,150.00
Budget Appropriations excluded from Caps:			
Operations:			
Salaries and Wages		71,093.17	536,250.00
Other Expenses		1,475,176.16	693,564.24
Capital Improvements		1,470,000.00	2,030,000.00
Municipal Debt Service		2,299,975.14	1,860,667.77
Deferred Charges		83,500.00	150,000.00
	A-3	34,954,152.97	33,668,765.01
Prior Year Senior Citizen Deductions Disallowed	A-5	3,250.00	4,513.70
Interfund Advance		6,644.48	5,349.10
County Taxes	A-9	15,448,811.56	14,090,478.78
Local Open Space Tax	A-10	272,775.31	270,708.59
Local District School Taxes	A-11	41,615,000.00	40,019,898.00
Total Expenditures		92,300,634.31	88,059,713.18

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-1

STATEMENT OF OPERATIONS AND

Sheet 2 of 2

CHANGE IN FUND BALANCE - REGULATORY BASIS

FOR THE YEARS ENDED DECEMEBER 31, 2025 AND 2024

	Ref.		Year 2025		Year 2024
Excess/(Deficit) in Revenue		$	3,285,263.13	$	3,528,148.89
Statutory Excess to Fund Balance			3,285,263.13		3,528,148.89
Fund Balance January 1	A		16,940,035.61		17,286,886.72
			20,225,298.74		20,815,035.61
Decreased by:					
Certain Items Utilized as Anticipated Revenue:					
Fund Balance Anticipated	A-1		3,980,000.00		3,875,000.00
Fund Balance December 31	A	$	16,245,298.74	$	16,940,035.61

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 1 of 3

FOR THE YEAR ENDED DECEMBER 31, 2025

	Ref.	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated		$ 3,980,000.00	$ -	$ 3,980,000.00	$ -
Miscellaneous Revenues					
Licenses					
Alcoholic Beverages		20,000.00	-	21,816.00	1,816.00
Fees and Permits		200,000.00	-	255,683.75	55,683.75
Fines and Costs					
Municipal Court		145,000.00	-	106,456.75	(38,543.25)
Interest and Costs on Taxes		124,000.00	-	211,023.98	87,023.98
Municipal Service Fee		82,000.00	-	83,110.66	1,110.66
Interest on Investments and Deposits		864,000.00	-	933,961.35	69,961.35
Cable Television Franchise Fees		115,495.27	-	115,495.27	-
Rentals and Leases		15,000.00	-	22,126.43	7,126.43
Uniform Construction Code		675,000.00	-	1,050,351.00	375,351.00
State Aid:					
Energy Receipts Tax		1,033,669.00	-	1,033,668.75	(0.25)
Garden State Trust Fund		33,796.00	-	33,796.00	-
Special Items of Revenue:					
Federal and State Revenues Off-Set with Appropriations:					
Alcohol Education and Rehabilitation Fund		-	4,539.31	4,539.31	-
Body Armor Fund-State		4,057.46	-	4,057.46	-
Clean Communities Program		-	68,510.64	68,510.64	-
Drunk Driving Enforcement Fund		-	36,772.67	36,772.67	-
Cops in Shops		-	2,880.00	2,880.00	-
Handicapped Recreation Opportunities Grant		20,000.00	-	20,000.00	-
Recycling Tonnage Grant		-	22,059.67	22,059.67	-
Emergency Management Assistance Grant		10,000.00	-	10,000.00	-
Ocean County Recycling Grant			17,146.37	17,146.37	-
NJ Transportation Authority Act - First Street		308,818.00	-	308,818.00	-
Opioid Reserve		-	171,511.21	171,511.21	-
CDBG - Handicap Recreation Ramps		-	40,000.00	40,000.00	-
2023 Staffing for Adequate Fire & Emerg.		68,740.00	-	68,740.00	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-2

STATEMENT OF REVENUES - REGULATORY BASIS

Sheet 2 of 3

FOR THE YEAR ENDED DECEMBER 31, 2025

	Ref.	Anticipated Budget	Special N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Special Items of Revenue (Continued):					
Other Special Items:					
	A-7				
Township of Ocean - UCC Inspections	A-7	47,750.00	-	27,174.93	(20,575.07)
Township of Plumsted - Chief Financial Officer	A-7	72,000.00	-	61,500.00	(10,500.00)
General Capital Fund Balance	A-7	300,000.00	-	300,000.00	-
Payment in Lieu of Taxes - Affordable Housing	A-7	185,000.00	-	197,516.00	12,516.00
Total Miscellaneous Revenues	A-1	4,324,325.73	363,419.87	5,228,716.20	540,970.60
Receipts from Delinquent Taxes	A-1,2	625,000.00	-	639,618.41	14,618.41
Subtotal General Revenues		8,929,325.73	363,419.87	9,848,334.61	555,589.01
Amount to be Raised by Taxes for Support of Municipal Budget	A-2	26,779,332.54	-	27,682,179.23	902,846.69
Total General Revenues		35,708,658.27	363,419.87	37,530,513.84	1,458,435.70
Non-Budget Revenues	A-2,4	-	-	326,617.38	326,617.38
		$ 35,708,658.27	$ 363,419.87	$ 37,857,131.22	$ 1,785,053.08
	Ref.	A-3	A-3		

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND — **Exhibit A-2**

STATEMENT OF REVENUES - REGULATORY BASIS — **Sheet 3 of 3**

FOR THE YEAR ENDED DECEMBER 31, 2025

	Ref.		
Analysis of Realized Revenues			
Allocation of Current Tax Collections:			
Revenue from Collections	A-1,5	$	83,900,865.79
Allocated to:			
School, County Taxes and Municipal Open Space	A-10,11,12		57,336,586.87
Balance for Support of Municipal Budget Appropriations			26,564,278.92
Add: Appropriation "Reserve for Uncollected Taxes"	A-3		1,117,900.31
Amount for Support of Municipal Budget Appropriations	A-2	$	27,682,179.23
Receipts from Delinquent Taxes:			
Delinquent Tax Collections	A-5	$	561,904.59
Tax Title Lien Collections	A-6		77,713.82
	A-2	$	639,618.41
Analysis of Non-Budget Revenue			
Miscellaneous Revenue not Anticipated:			
Licenses		$	10,575.00
Tax Collector			14,295.61
Sale of Property			9,658.32
Engineering Fees			43,231.25
Drainage/Pool Inspections			62,450.00
Engineering Fees mrna finance			8,385.00
Outside Police Admin Fees			53,625.00
Plumsted/Jackson Twp shared service			22,500.00
Senior and Vet Administration Fee			5,619.60
Insurance Reimbursements			31,622.42
Miscellaneous			59,058.99
			5,596.19
	A-1,2	$	326,617.38

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
OPERATIONS WITHIN CAPS					
General Government Functions					
Administrative and Executive					
Salaries and Wages:					
Administrative and Executive	$ 170,000.00	$ 170,000.00	$ 162,178.90	$ 7,821.10	$ -
Planning and Zoning	161,000.00	161,000.00	159,086.95	1,913.05	-
Contractual Compensation Buyback	995,000.00	995,000.00	939,708.03	55,291.97	-
Other Expenses	115,000.00	115,000.00	105,145.75	9,854.25	-
Mayor and Committee					
Salaries and Wages	30,000.00	30,000.00	29,250.00	750.00	-
Municipal Clerk's Office					
Salaries and Wages	172,500.00	147,500.00	134,951.12	12,548.88	-
Other Expenses	61,800.00	61,800.00	56,769.59	5,030.41	-
Financial Administration					
Salaries and Wages	222,000.00	222,000.00	208,623.81	13,376.19	-
Other Expenses	120,000.00	95,000.00	63,497.17	31,502.83	-
Audit Services					
Other Expenses	57,500.00	52,500.00	43,650.00	8,850.00	-
Assessment of Taxes					
Salaries and Wages	220,000.00	220,000.00	218,108.93	1,891.07	-
Other Expenses	22,000.00	22,000.00	14,713.55	7,286.45	-
Economic Development					
Salaries and Wages	400.00	400.00	-	400.00	-
Other Expenses	200.00	200.00	-	200.00	-
Collection of Taxes					
Salaries and Wages	116,000.00	116,000.00	111,502.07	4,497.93	-
Other Expenses	51,500.00	51,500.00	29,916.10	21,583.90	-
Legal Services and Costs					
Other Expenses	370,000.00	370,000.00	239,858.64	130,141.36	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Historic Preservation					
Salaries and Wages	$ 250.00	$ 250.00	$ -	$ 250.00	$ -
Engineering Services and Costs					
Salaries and Wages	120,000.00	120,000.00	113,179.70	6,820.30	-
Other Expenses	134,500.00	134,500.00	57,703.63	76,796.37	-
Information Technology/Data Processing					
Salaries and Wages	140,000.00	140,000.00	130,638.18	9,361.82	-
Other Expenses	50,000.00	50,000.00	33,670.87	16,329.13	-
Land Use Administration					
Planning Board					
Other Expenses	19,000.00	19,000.00	13,760.43	5,239.57	-
Zoning Board of Adjustment					
Other Expenses	13,500.00	13,500.00	2,380.11	11,119.89	-
Rent Leveling Board					
Salaries and Wages	500.00	500.00	-	500.00	-
Other Expenses	500.00	500.00	-	500.00	-
Insurance					
General Liability	398,000.00	398,000.00	397,211.60	788.40	-
Workers' Compensation	319,200.00	319,200.00	319,131.60	68.40	-
Employee Group Insurance	2,691,208.50	2,691,208.50	2,662,713.13	28,495.37	-
Health Benefit Waiver Costs	35,000.00	35,000.00	20,916.67	14,083.33	-
Public Safety Functions					
Homeland Security					
Emergency Management					
Other Expenses	1,000.00	1,000.00	-	1,000.00	-
Police Department					
Salaries and Wages	8,780,000.00	8,805,000.00	8,727,629.09	77,370.91	-
Other Expenses	360,250.00	385,250.00	342,943.82	42,306.18	-
Municipal Court					
Salaries and Wages	285,000.00	285,000.00	258,952.14	26,047.86	-
Other Expenses	22,000.00	22,000.00	12,734.44	9,265.56	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

Exhibit A-3

Sheet 3 of 8

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Aid to Volunteer Fire Companies					
Barnegat Fire Company No. 1	$ 90,000.00	$ 90,000.00	$ 90,000.00	$ -	$ -
Pinewood Estates Fire Company					
Fire Company Incentive Program	80,000.00	80,000.00	40,340.00	39,660.00	-
Fire Services Program	3,800.00	3,800.00	3,769.66	30.34	-
Other Expenses					
Aid to Volunteer Ambulance Companies	34,000.00	34,000.00	34,000.00	-	-
Ambulance Contracted Services	152,000.00	152,000.00	139,128.88	12,871.12	-
Occupational Safety and Health Act					
Other Expenses	14,000.00	14,000.00	14,000.00	-	-
Municipal Prosecutor					
Other Expenses	43,000.00	43,000.00	36,000.00	7,000.00	-
Public Defender					
Other Expenses	30,000.00	30,000.00	22,205.00	7,795.00	-
Public Works Functions					
Streets and Roads Maintenance					
Salaries and Wages	495,000.00	460,000.00	444,332.36	15,667.64	-
Other Expenses	142,650.00	142,650.00	102,971.92	39,678.08	-
Vehicle Maintenance					
Salaries and Wages	270,000.00	270,000.00	268,515.16	1,484.84	-
Other Expenses	192,500.00	192,500.00	176,426.70	16,073.30	-
Solid Waste Collection					
Salaries and Wages	330,000.00	350,000.00	350,000.00	-	-
Other Expenses	1,010,900.00	1,010,900.00	817,900.81	192,999.19	-
Contractual	1,481,000.00	1,481,000.00	1,225,295.80	255,704.20	-
Buildings and Grounds					
Salaries and Wages	414,000.00	434,000.00	434,000.00	-	-
Other Expenses	159,500.00	159,500.00	113,495.11	46,004.89	-
Shade Tree Commission					
Other Expenses	1,500.00	1,500.00	926.00	574.00	-
Condominium Services Act					
Other Expenses	184,150.00	184,150.00	64,787.25	119,362.75	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

Exhibit A-3

CURRENT FUND

Sheet 4 of 8

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Health and Human Services					
Environmental Services					
Salaries and Wages	$ 450.00	$ 450.00	$ -	$ 450.00	$ -
Other Expenses	400.00	400.00	-	400.00	-
Animal Control Services					
Salaries and Wages	5,000.00	5,000.00	2,295.75	2,704.25	-
Other Expenses	52,000.00	52,000.00	45,833.37	6,166.63	-
Park and Recreation Functions					
Recreation					
Salaries and Wages	35,000.00	35,000.00	16,023.86	18,976.14	-
Other Expenses	83,350.00	83,350.00	41,479.37	41,870.63	-
Docks and Beaches					
Salaries and Wages	37,500.00	37,500.00	32,749.03	4,750.97	-
Other Expenses	4,500.00	4,500.00	2,527.03	1,972.97	-
Other Common Operating Functions					
Celebration of Public Events					
Other Expenses	42,300.00	42,300.00	36,825.72	5,474.28	-
Accumulated Leave Compensation					
Salaries and Wages	240,000.00	240,000.00	240,000.00	-	-
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)					
Construction Official					
Salaries and Wages	695,000.00	695,000.00	689,476.26	5,523.74	-
Other Expenses	434,425.00	434,425.00	285,786.60	148,638.40	-
Construction/Code Enforcement	80,000.00	80,000.00	66,136.44	13,863.56	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

Exhibit A-3

Sheet 5 of 8

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Unclassified					
Utilities:					
Gasoline	$ 240,000.00	$ 240,000.00	$ 197,725.62	$ 42,274.38	$ -
Electricity	160,000.00	160,000.00	129,062.32	30,937.68	-
Telephone and Telegraph	93,000.00	93,000.00	81,835.21	11,164.79	-
Natural Gas	89,000.00	89,000.00	29,731.22	59,268.78	-
Street Lighting	435,000.00	435,000.00	380,867.10	54,132.90	-
Landfill Disposal Costs	965,000.00	965,000.00	818,800.71	146,199.29	-
Total Operations within Caps	25,074,733.50	25,074,733.50	23,085,776.28	1,988,957.22	-
Detail:					
Salaries and Wages	13,794,600.00	13,679,600.00	13,427,383.46	252,216.54	-
Other Expenses	11,280,133.50	11,395,133.50	9,658,392.82	1,736,740.68	-
Deferred Charges & Statutory Expenditures					
Statutory Expenditure Contributions to:					
Public Employee Retirement System	685,000.00	685,000.00	684,869.00	131.00	-
Social Security System	984,600.00	984,600.00	925,203.34	59,396.66	-
Police and Firemen's Retirement System of NJ	2,749,075.00	2,749,075.00	2,749,052.00	23.00	-
Unemployment Compensation Insurance	49,000.00	49,000.00	39,925.27	9,074.73	-
Defined Contribution Benefit Plan (DCRP)	12,000.00	12,000.00	6,371.76	5,628.24	-
Total Statutory Expenditures within Caps	4,479,675.00	4,479,675.00	4,405,421.37	74,253.63	-
Total Appropriations within Caps	29,554,408.50	29,554,408.50	27,491,197.65	2,063,210.85	-
OPERATIONS EXCLUDED FROM CAPS					
Contribution to:					
LOSAP	80,000.00	80,000.00	-	80,000.00	-
Recycling Tax					
Other Expenses	46,000.00	46,000.00	28,774.46	17,225.54	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

Exhibit A-3

CURRENT FUND

Sheet 6 of 8

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriated		Expended		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
Shared Service Agreements:					
Township of Ocean - Recreation Director					
Other Expenses	$ 72,500.00	$ 72,500.00	$ 52,290.93	$ 20,209.07	$ -
Township of Ocean - UCC Inspectors					
Salaries and Wages	47,750.00	47,750.00	14,884.10	32,865.90	-
Township of Stafford - Dispatch Services					
Other Expenses	428,484.00	428,484.00	428,484.00	-	-
Township of Plumsted - CFO					
Salaries and Wages	36,000.00	36,000.00	36,000.00	-	-
County of Ocean					
Other Expenses	55,000.00	55,000.00	-	55,000.00	-
Public and Private Programs Offset by Revenues					
State Body Armor Grant	4,057.46	4,057.46	4,057.46	-	-
Ocean County Recycling Program	-	17,146.37	17,146.37	-	-
Alcohol Education and Rehabilitation Program	-	4,539.31	4,539.31	-	-
Handicapped Recreation Opportunities Grant					
Grant Share	20,000.00	20,000.00	20,000.00	-	-
Local Share	4,000.00	4,000.00	4,000.00	-	-
Drunk Driving Enforcement Fund	-	36,772.67	36,772.67	-	-
Clean Communities Program	-	68,510.64	68,510.64	-	-
Opioid Reserve	-	171,511.21	171,511.21	-	-
CDBG - Handicap Recreation Ramps	-	40,000.00	40,000.00	-	-
Cops in Shops	-	2,880.00	2,880.00	-	-
NJ Transportation Authority Act - First Street	308,818.00	308,818.00	308,818.00	-	-
Emergency Management Assistance Grant	10,000.00	10,000.00	10,000.00	-	-
Recycling Tonnage Grant	-	22,059.67	22,059.67	-	-
Local Matching Funds for Grants	1,500.00	1,500.00	-	1,500.00	-
23 Staffing for Adequate Fire & Emerg. Response	68,740.00	68,740.00	68,740.00	-	-
Total Operations excluded from Caps	1,182,849.46	1,546,269.33	1,339,468.82	206,800.51	-
Detail:					
Salaries and Wages	97,750.00	137,402.67	50,884.10	20,209.07	-
Other Expenses	1,085,099.46	1,408,866.66	1,288,584.72	186,591.44	-

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriated		Expended		Unexpended
		Budget After Modification	Paid or Charged	Reserved	Balance Cancelled
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS					
Capital Improvement Fund	$ 50,000.00	$ 50,000.00	$ 50,000.00	$ -	$ -
Improvements to Roads & Walkways	185,000.00	185,000.00	104,810.50	80,189.50	-
Purchase of Fire Department Equipment	395,000.00	395,000.00	338,678.13	56,321.87	-
Purchase of Police Capital Equipment	355,000.00	355,000.00	325,823.37	29,176.63	-
Purchase/Repairs of Public Works Equipment	100,000.00	100,000.00	89,050.12	10,949.88	-
Improvements to Parks, Dock Lot, Playgrounds or Bike Path	30,000.00	30,000.00	-	30,000.00	-
Improvements to Municipal Bldgs & Grounds	150,000.00	150,000.00	56,749.95	93,250.05	-
Purchase of Township Vehicles	80,000.00	80,000.00	26,747.42	53,252.58	-
Purchase of Information Technology Equipment	125,000.00	125,000.00	89,579.03	35,420.97	-
Total Capital Improvements excluded from Caps	1,470,000.00	1,470,000.00	1,081,438.52	388,561.48	-
MUNICIPAL DEBT SERVICE EXCLUDED FROM CAPS					
Payment of Bond Principal	1,440,000.00	1,440,000.00	1,440,000.00	-	-
Interest on Bonds	860,000.00	860,000.00	859,975.14	-	24.86
Total Municipal Debt Service excluded from Caps	2,300,000.00	2,300,000.00	2,299,975.14	-	24.86
DEFERRED CHARGES EXCLUDED FROM CAPS					
Deferred Charges Unfunded	83,500.00	83,500.00	83,500.00	-	-
Total Deferred Charges excluded from Caps	83,500.00	83,500.00	83,500.00	-	-
Total General Appropriations excluded from Caps	5,036,349.46	5,399,769.33	4,804,382.48	595,361.99	24.86
Subtotal General Appropriations	34,590,757.96	34,954,177.83	32,295,580.13	2,658,572.84	24.86
Reserve for Uncollected Taxes	1,117,900.31	1,117,900.31	1,117,900.31	-	-
Total General Appropriations	$ 35,708,658.27	$ 36,072,078.14	$ 33,413,480.44	$ 2,658,572.84	$ 24.86

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

BOROUGH OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-3

STATEMENT OF EXPENDITURES - REGULATORY BASIS

Sheet 8 of 8

FOR THE YEAR ENDED DECEMBER 31, 2025

		Budget After Modification
Budget	$	35,708,658.27
Appropriation by 40A:4-87		363,419.87
	$	36,072,078.14

		Paid or Charged
Reserve for:		
Encumbrances	$	607,596.10
Uncollected Taxes		1,117,900.31
Disbursements		30,908,948.70
Interfund - Grant Fund		779,035.33
	$	33,413,480.44

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

TRUST FUNDS **Exhibit B**

STATEMENT OF ASSETS, LIABILITIES,

RESERVES AND FUND BALANCE - REGULATORY BASIS

DECEMBER 31, 2025 AND 2024

	Ref.	2025	2024
Assets			
Animal Control Trust Fund			
Cash	B-1	$ 914.00	$ 433.95
Other Trust			
Cash	B-1	9,626,233.46	9,596,332.16
		9,626,233.46	9,596,332.16
Length of Service Awards Program Fund (LOSAP)			
Funds Held by Trustee	B-6	1,037,105.85	1,032,757.69
		$ 10,664,253.31	$ 10,629,523.80
Liabilities and Reserves			
Animal Control Trust Fund			
Reserve for Animal Control Fund Expenditures	B-3	$ 914.00	$ 433.95
		914.00	433.95
Other Trust			
Miscellaneous Reserves	B-5	9,619,537.90	9,587,282.96
Due to Current Fund	B-4	6,695.56	9,049.20
		9,626,233.46	9,596,332.16
Length of Service Awards Program Fund (LOSAP)			
Reserve for Length of Service Awards Program (LOSAP)	B-6	1,037,105.85	1,032,757.69
		$ 10,664,253.31	$ 10,629,523.80

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND — **Exhibit C**

STATEMENT OF ASSETS, LIABILITIES

RESERVES AND FUND BALANCE- REGULATORY BASIS

DECEMBER 31, 2025 AND 2024

	Ref.		2025		2024
Assets					
Cash	C-2	$	1,486,893.34	$	3,213,682.63
Deferred Charges to Future Taxation:					
Funded	C-4		14,462,000.00		15,902,000.00
Unfunded	C-5		741,500.00		250,000.00
		$	16,690,393.34	$	19,365,682.63
Liabilities, Reserves and Fund Balance					
Improvement Authorizations:					
Funded	C-7	$	166,226.03	$	203,692.91
Unfunded	C-7		170,330.34		250,000.00
Reserve for Encumbrances	C-7		1,768,573.96		1,682,545.97
Serial Bonds	C-8		14,462,000.00		15,902,000.00
Due to Current Fund	C-6		2,829.83		7,010.57
Capital Improvement Fund	C-3		110,600.00		1,010,600.00
Fund Balance	C-1		9,833.18		309,833.18
		$	16,690,393.34	$	19,365,682.63

There were bonds and notes authorized but not issued on December 31, 2025 of $741,500, and $250,000 on December 31, 2024. (Schedule C-9)

STATEMENT OF FUND BALANCE

REGULATORY BASIS — **Exhibit C-1**

	Ref.		
Balance December 31, 2024	C	$	309,833.18
Decreased by:			
Utilized as Current Fund Revenue	C-2		300,000.00
Balance December 31, 2025	C	$	9,833.18

The accompanying Notes to Financial statements are an integral part of these statements.

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND **Exhibit D**

STATEMENT OF ASSETS, LIABILITIES,

RESERVES AND FUND BALANCE- REGULATORY BASIS **Sheet 1 of 2**

DECEMBER 31, 2025 AND 2024

	Ref.		2025		2024
Assets					
Operating Fund:					
Cash	D-5	$	7,021,996.85	$	6,863,675.24
Cash - Change Fund			200.00		200.00
Interfunds:					
Current Fund	D		-		4,256.02
Water-Sewer Utility Capital Fund	D-12		-		9,799.12
			7,022,196.85		6,877,930.38
Receivables with Full Reserves:					
Consumer Accounts Receivable	D-7		347,686.46		353,236.00
			347,686.46		353,236.00
Total Operating Fund			7,369,883.31		7,231,166.38
Capital Fund:					
Cash	D-5		4,392,825.28		4,618,741.45
Fixed Capital	D-8		23,555,734.98		23,555,734.98
Fixed Capital Authorized and Uncompleted	D-9		10,645,409.84		8,380,409.84
Due from:					
Water-Sewer Utility Operating Fund	D-13		16,975.59		-
Total Capital Fund			38,610,945.69		36,554,886.27
		$	45,980,829.00	$	43,786,052.65
Liabilities, Reserves and Fund Balance					
Operating Fund:					
Appropriation Reserves	D-4,10	$	450,175.58	$	416,165.27
Accounts Payable	D-10		54,990.00		81,873.20
Reserve for:					
Encumbrances	D-4,10		247,249.93		1,066,098.04
Software Upgrades	D		2,500.00		2,500.00
Water-Sewer Connection Fees	D		51.75		51.75
Due to Water-Sewer Capital Fund	D-12		16,975.59		-
Utility Overpayments	D-5,7		247,061.12		331,561.03
Accrued Interest on Bonds, Loans and Notes	D-11		27,694.10		29,562.60
			1,046,698.07		1,927,811.89
Reserve for Receivables			347,686.46		353,236.00
Operating Fund Balance	D-1		5,975,498.78		4,950,118.49
Total Operating Fund			7,369,883.31		7,231,166.38

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND **Exhibit D**

STATEMENT OF ASSETS, LIABILITIES

RESERVES AND FUND BALANCE- REGULATORY BASIS **Sheet 2 of 2**

DECEMBER 31, 2025 AND 2024

Liabilities, Reserves and Fund Balance (Continued)	**Ref.**	**2025**	**2024**
Capital Fund:			
Interfunds:			
Water-Sewer Utility Operating Fund	D-13	$ -	$ 9,799.12
Improvement Authorizations:			
Funded	D-14	3,718,723.22	3,321,928.20
Unfunded	D-14	5,200,000.00	3,500,000.00
Reserve for Encumbrances	D-14	264,255.00	989,633.50
Reserve for Amortization	D-15	20,957,050.94	20,743,812.66
Reserve for Deferred Amortization	D-16	5,393,240.00	4,828,240.00
Serial Bonds	D-17	831,000.00	966,000.00
NJ Environmental Infrastructure Trust Loan	D-18	190,578.39	209,422.58
USDA Loan	D-19	1,629,275.49	1,688,669.58
Reserve for Water Improvements	D-6	149,921.46	105,479.44
Reserve for Debt Service	D-6	40,268.26	40,268.26
Capital Improvement Fund	D-6	203,675.00	118,675.00
Fund Balance	D-2	32,957.93	32,957.93
Total Capital Fund		38,610,945.69	36,554,886.27
		$ 45,980,829.00	$ 43,786,052.65

There were bonds and notes authorized but not issued on December 31, 2025 of $5,200,000 (Schedule D-20) and $3,500,000 on December 31, 2024.

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND **Exhibit D-1**

STATEMENT OF OPERATIONS AND CHANGE IN FUND BALANCE

REGULATORY BASIS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Ref.	Year 2025	Year 2024
Revenue and Other Income Realized			
Fund Balance Utilized	D-3	$ 647,626.00	$ 581,323.00
Water-Sewer Rents	D-3	7,916,760.76	7,383,923.47
Miscellaneous Revenue Anticipated	D-3	746,764.87	729,955.09
American Rescue Plan funding (Ch 159)	D-3	-	2,475,934.66
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	D-10	334,560.43	134,223.31
Interfunds		-	2,424.67
Cancelation of Accrued Interest		1,913.39	2,310.86
Total Income		9,647,625.45	11,310,095.06
Expenditures			
Operating	D-4	6,209,600.00	5,888,500.00
Capital Improvements	D-4	1,115,000.00	3,490,934.66
Debt Service	D-4	307,764.28	347,816.27
Deferred Charges and Statutory Expenditures	D-4	340,250.00	330,000.00
Interfunds		2,004.88	-
Refund of Prior Year Revenue	D-4	-	2,505.08
Total Expenditures		7,974,619.16	10,059,756.01
Excess(Deficit) in Revenue		1,673,006.29	1,250,339.05
Fund Balance January 1	D	4,950,118.49	4,281,102.44
		4,950,118.49	4,281,102.44
Decreased by:			
Utilization by Utility Operating Budget	D-1	647,626.00	581,323.00
		647,626.00	581,323.00
Fund Balance December 31	D	$ 5,975,498.78	$ 4,950,118.49

STATEMENT OF WATER-SEWER UTILITY CAPITAL FUND BALANCE

REGULATORY BASIS **Exhibit D-2**

	Ref.	
Balance December 31, 2025 & 2024	D	$ 32,957.93

The accompanying Notes to Financial Statements are an integral part of these statements.

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND **Exhibit D-3**

STATEMENT OF REVENUES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER, 2025

	Ref.	Anticipated Budget	Realized	Excess or (Deficit)
Fund Balance Anticipated		$ 647,626.00	$ 647,626.00	$ -
Other Anticipated Revenues:				
User Fees	D-7	6,850,000.00	7,916,760.76	1,066,760.76
Miscellaneous	D-5	475,000.00	746,764.87	271,764.87
		7,325,000.00	8,663,525.63	1,338,525.63
		$ 7,972,626.00	$ 9,311,151.63	$ 1,338,525.63
	Ref.	D-4		

Analysis of Other Anticipated Revenues

Connection Fees	$ 364,222.00
Interest on Delinquent Users	35,672.97
Interest Earned	281,837.02
Meter Purchase/Replacement	42,520.00
Miscellaneous	22,512.88
	$ 746,764.87
Due from Water Sewer Capital	$ 83,802.03
Cash Receipts	662,962.84
	$ 746,764.87

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER OPERATING UTILITY FUND **Exhibit D-4**

STATEMENT OF EXPENDITURES - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Ref.	Appropriated: Budget	Appropriated: Budget After Modification	Expended: Paid or Charged	Expended: Reserved	Unexpended Balance Cancelled
Operating:						
Salaries and Wages		$ 1,840,000.00	$ 1,860,000.00	$ 1,854,240.44	$ 5,759.56	$ -
Other Expenses		1,945,000.00	1,925,000.00	1,661,454.44	263,545.56	-
OCUA Charges		2,168,300.00	2,168,300.00	2,168,295.96	4.04	-
Maintenance of Water Towers		114,250.00	114,250.00	84,797.12	29,452.88	-
Due Stafford Twp. - Paramount Homes		142,050.00	142,050.00	139,870.22	2,179.78	-
Capital Improvements						
Capital Improvement Fund		650,000.00	650,000.00	650,000.00	-	-
Capital Outlay		465,000.00	465,000.00	352,538.34	112,461.66	-
Debt Service:						
Payment of Bond Principal		135,000.00	135,000.00	135,000.00	-	-
Interest on Bonds		20,375.00	20,375.00	20,375.00	-	-
Interest on Notes		1.00	1.00	1.00	-	-
U.S.D.A. Loan - Principal		59,400.00	59,400.00	59,394.09	-	5.91
U.S.D.A. Loan - Interest		71,175.00	71,175.00	71,175.00	-	-
NJ Environmental Infrastructure Trust Loan - Principal		18,850.00	18,850.00	18,844.19	-	5.81
NJ Environmental Infrastructure Trust Loan - Interest		2,975.00	2,975.00	2,975.00	-	-
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System		155,000.00	155,000.00	155,000.00	-	-
Social Security System		180,250.00	180,250.00	143,477.90	36,772.10	-
Unemployment Compensation Insurance		5,000.00	5,000.00	5,000.00	-	-
		$ 7,972,626.00	$ 7,972,626.00	$ 7,522,438.70	$ 450,175.58	$ 11.72
	Ref.		D-1,3		D	D-1
Reserve for Encumbrances	D			$ 247,249.93		
Disbursements	D-5			7,180,662.77		
Accrued Interest on Bonds, Loans and Notes	D-11			94,526.00		
				$ 7,522,438.70		

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

PAYROLL FUND **Exhibit G**

STATEMENT OF ASSETS AND LIABILITIES

REGULATORY BASIS

DECEMBER 31, 2025 AND 2024

	2025	2024
Assets		
Cash	$ 81,874.52	$ 139,264.72
	$ 81,874.52	$ 139,264.72
Liabilities		
Interfund Payable- Current Fund	$ 38,733.43	$ 25,554.57
Payroll Deductions Payable	43,141.09	113,710.15
	$ 81,874.52	$ 139,264.72

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

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL FIXED ASSETS ACCOUNT GROUP **Exhibit H**

STATEMENT OF ASSETS AND LIABILITIES

REGULATORY BASIS

DECEMBER 31, 2025 AND 2024

	2025	2024
Assets		
General Fixed Assets:		
Land & Land Improvements	$ 2,522,557.36	$ 2,308,257.36
Building & Building Improvements	21,254,288.67	20,187,351.64
Furniture, Fixtures and Equipment	14,859,411.99	13,726,557.09
	$ 38,636,258.02	$ 36,222,166.09
Liabilities		
Investment in General Fixed Assets	$ 38,636,258.02	$ 36,222,166.09

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

TOWNSHIP OF BARNEGAT
COUNTY OF OCEAN

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the Township of Barnegat, County of Ocean, New Jersey (the "Township"), include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Township as required by N.J.S. 40A:5-5. The financial statements of the Township do not include the operations of the Board of Education, first aid organization or volunteer fire companies which are subject to separate audits.

The Governmental Accounting Standards Board ("GASB") Statement 14, as amended by GASB Statements 39, 61, 80, 90 and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Township are not presented in accordance with GAAP (as discussed below). Therefore, the Township had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90 and 97.

B. Descriptions of Funds

The GASB is the recognized standard-setting body for establishing governmental generally accepted accounting and financial reporting principles.

The accounting policies of the Township conform to the accounting principles applicable to municipalities which have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differ from the fund structure required by generally accepted accounting principles ("GAAP"):

Current Fund - revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

Animal Control Trust Fund - animal control license revenues and expenditures.

Other Trust Fund - sundry deposits held for satisfactory completion of specific work; receipts and disbursements for dedicated purposes.

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

Water-Sewer Utility Operating Fund - revenues and expenditures necessary to operate a municipally-owned water supply and sewer collection systems from user fees.

Water-Sewer Utility Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of water and sewer capital facilities, other than those acquired through the Water-Sewer Utility Operating Fund, including the status of bonds and notes authorized for said purposes.

Payroll Fund - receipt and disbursement for payroll costs and payroll taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Descriptions of Funds (Continued)

General Fixed Assets Account Group - used to account for fixed assets used in general government operations.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from GAAP applicable to local governmental units. The more significant differences are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

Property Taxes and Other Revenues - property taxes and other revenues are recognized on a cash basis. Receivables for property taxes and other items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. GAAP requires such revenue to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Grant Revenues - Federal and State grants, entitlement or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. Federal and State grant revenues received for purposes of capital projects financed by capital ordinances are recognized when received. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

Expenditures - unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless cancelled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

Encumbrances - contractual orders at December 31 are reported as expenditures through the establishment of a reserve for encumbrances. Encumbrances do not constitute expenditures under GAAP.

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

Deferred Charges - the regulatory basis of accounting utilized by the Township requires that certain expenditures be deferred, and raised as items of appropriation in budgets of succeeding years. These deferred charges include the two general categories, overexpenditures and emergency appropriations. Overexpenditures occur when expenditures recorded as “paid or charged” exceed available appropriation balances. Emergency appropriations occur when, subsequent to the adoption of a balanced budget, the governing body authorizes the establishment of additional appropriations based on unforeseen circumstances or for other special purposes as defined by statute. Overexpenditures and emergency appropriations are deducted from total expenditures in the calculation of operating results and are established as assets for Deferred Charges on the respective balance sheets. GAAP does not permit the deferral of overexpenditures to succeeding budgets. In addition, GAAP does not recognize expenditures based on the authorization of an appropriation. Instead, the authorization of special purpose expenditures, such as the preparation of tax maps or revaluation of assessable real property, would represent the designation of fund balance. The status of deferred charges at December 31, 2025 is set forth in Note 11.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Compensated Absences - expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount which would normally be liquidated with expendable available financial resources be recorded as an expenditure in the Current Fund and the remaining obligations be recorded as a long-term obligation. The expenditures in the Water Utility Operating Fund would be on a full accrual basis. The compensated absence liability at December 31, 2025 is set forth in Note 7.

Property Acquired for Taxes - is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded at its market value.

Sale of Municipal Assets - Cash proceeds from the sale of Township owned property may be reserved until utilized as an item of anticipated revenue in a subsequent year budget. Year end balances of such proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of sales contracts become legally enforceable.

Interfunds - advances in the Current Fund are reported as interfund receivables with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. GAAP does not require the establishment of an offsetting reserve.

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

various balance sheets. GAAP requires that the cost of inventories be reflected on the balance sheet until utilized and expended.

General Fixed Assets - In accordance with the New Jersey Administrative Code, which differs in certain respects from GAAP, the Township has developed a fixed assets accounting and reporting system.

The Township has established a fixed asset threshold of $2,000. Fixed assets used in governmental operations (general fixed assets) are required to be accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

GAAP does not require utilization of a general fixed asset account group.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

Depreciation is not recorded in the General Fixed Assets Account Group.

Expenditures for construction in progress are required to be recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital have not been accounted for separately.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Utility Fixed Assets - Accounting for utility fund "fixed capital" remains unchanged.

Property and equipment purchased by the Water Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the costs of acquisitions of property, equipment and improvements.

Property and equipment of the Water Utility Fund are not depreciated. Principal payments for Water Utility debt are recorded as expenditures in the Water Utility Statement of Operations.

D. Financial Statements

The GASB Codification requires the financial statements of a governmental unit to be presented in accordance with GAAP. The Township presents its financial statements in accordance with another comprehensive basis of accounting as promulgated by the Division which differs from the financial statements required by GAAP. In addition, the Division requires the financial statements to be referenced to the supplementary schedules. This practice differs from GAAP.

E. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the Division in accordance with applicable statutes.

F. Subsequent Events

The Township has evaluated subsequent events through May 12, 2026 the date the financial statements were made available to be issued, see Note 18.

G. Recent Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts accounting statements (Statements) to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP). The municipalities in the State of New Jersey do not prepare their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Recent Accounting Pronouncements (continued)

Accounting Pronouncements Adopted in Current Year

The following GASB Statements became effective for the fiscal year ended December 31, 2025:

- Statement No. 102, *Certain Risk Disclosures.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Management has determined the implementation of this Statement did not have a significant impact on the Township's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 103, *Financial Reporting Model Improvements.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
- Statement No. 105, *Subsequent Events.* The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

Management has not yet determined the potential impact these Statements will have on the Township's financial statements.

NOTE 2. CASH AND CASH EQUIVALENTS

A. Deposits

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

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (continued)

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

> The market value of the collateral must equal five percent of the average daily balance of public funds; or
>
> If the public funds deposited exceed 75 percent of the funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than $25,000,000.00.

At year-end the carrying amount of the Township's deposits was $45,090,824.90 and the bank balance amount was $45,346,952.86. Of this amount $750,472.33 was covered by federal depository insurance and a collateral pool under New Jersey’s Governmental Unit Deposit Protection Act covered $38,912,221.28. An amount of $5,684,259.25 was on deposit in the name of various developers for escrow and is insured by federal depository insurance or uninsured depending on the deposits of the individual developer in the depository.

B. Investments

Under the regulatory basis of accounting, investments are measured at cost in the Township’s financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2025, the Township had no investments held at Level 2 or 3.

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

Following is a description of the valuation methodologies used for investments measured at fair value.

Mutual Funds: Valued at quoted market prices which represent the net asset value ("NAV") shares held by the Township at year-end.

The Township's fair value, hierarchy level and maturities of its investments at December 31, 2025 was as followed:

	Carrying Value	Fair Value as of December 31, 2025 Level 1	Total
Investment Type			
Mutual Funds	$ 787,610.62	$ 787,610.62	$ 787,610.62
	$ 787,610.62	$ 787,610.62	$ 787,610.62
Fund			
Trust Fund - LOSAP	$ 787,610.62	$ 787,610.62	$ 787,610.62
	$ 787,610.62	$ 787,610.62	$ 787,610.62

Investments at Contract Value - The Township held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling $249,495.23 as of December 31, 2025. Lincoln maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Township is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Township's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Township at December 31, 2025 was as followed:

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

Trust Fund - LOSAP (Fair Value)	$ 787,610.62
Trust Fund - LOSAP (Contract Value)	249,495.23
Total Trust Fund - LOSAP	$ 1,037,105.85

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

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Township's investment policies place no limit in the amount the Township may invest in any one issuer. More than 74% of the Township's investments are in mutual funds and these investments represent 75.94% of the Township's total investments.

C. Cash Management Plan

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

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

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

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

D. Credit Risk Categories

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

Depository Account		
Insured:		
FDIC	$	750,472.33
GUDPA		38,912,221.28
Uninsured		5,684,259.25
	$	45,346,952.86

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk.

During the year, the Township had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Township.

NOTE 3. DISAGGREGATED RECEIVABLE AND PAYABLE BALANCES

There are no significant components of receivable and payable balances reported in the financial statements.

NOTE 4. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The following interfund balances remained on the balance sheets at December 31, 2025:

Fund		Interfund Receivable		Interfund Payable
Current Fund	$	48,258.82	$	185,186.95
Grant Fund		185,186.95		-
General Capital		-		2,829.83
Trust Fund		-		6,695.56
Water-Sewer Utility Operating Fund		7,794.24		-
Water-Sewer Utility Capital Fund		-		7,794.24
Payroll Fund		-		38,733.43
	$	241,240.01	$	241,240.01

NOTE 4. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund balances remaining at year-end were primarily caused by the Grant Fund not having a separate bank account and temporary short-term advances between funds.

The summary of interfunds transfers were as follows:

Fund	Transfer In	Transfer Out
Current Fund	$ 1,131,788.30	$ 820,124.50
Grant Fund	510,373.03	666,437.33
General Capital	196,470.95	367,151.69
Trust Fund	95,845.64	98,199.28
Water-Sewer Utility Operating Fund	88,058.05	731,797.15
Water-Sewer Utility Capital Fund	731,797.15	83,802.03
Payroll Fund	13,178.86	-
	$ 2,767,511.98	$ 2,767,511.98

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

NOTE 5. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2025.

	Balance December 31, 2024	Additions	Deletions	Balance December 31, 2025
General Fixed Asset Account Group				
Land	$ 2,308,257.36	$ 230,000.00	$ (15,700.00)	$ 2,522,557.36
Building	20,187,351.64	1,066,937.03	-	21,254,288.67
Furniture, Fixtures, and Equipment	13,726,557.09	1,700,930.07	(568,075.17)	14,859,411.99
Water-Sewer Utility Fund				
Fixed Capital	20,751,898.44	-	-	20,751,898.44
Fixed Capital Authorized and Uncompleted	8,380,409.84	2,265,000.00	-	10,645,409.84
	$ 65,354,474.37	$ 5,262,867.10	$ (583,775.17)	$ 70,033,566.30

NOTE 6. DEBT

The Local Bond Law governs the issuance of bonds and notes to finance general municipal capital expenditures. Bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes are issued to temporarily finance capital projects, prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid. A second legal installment must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance and so on. Tax anticipation notes are issued if the cash on hand is not sufficient to carry on normal operations of the municipality at any time during the year. Such notes are authorized by a resolution adopted by the governing body.

On August 16, 2016, the Township issued $9,907,000 in tax exempt general improvement serial bonds with proceeds utilized to fund various capital improvement projects.

On May 15, 2024, the Township issued $12,605,000 in tax exempt general improvement serial bonds with proceeds paying off existing notes of $10,600,000 and additional funding for the Construction of a New Town Hall.

A. Long-Term Debt

The Township's long-term debt as of December 31, 2025 is summarized as follows:

General Capital Fund

1.00% to 3.00% General Improvement (Tax-Exempt) Bonds issued for $9,907,000 on Aug. 16, 2016, installment maturities on Aug. 1, 2018 to Aug. 1, 2027	$ 2,197,000.00
4.00% to 5.00% General Improvement (Tax-Exempt) Bonds issued for $12,605,000 on May. 22, 2025, installment maturities on May 15, 2025 to May 15, 2044	12,265,000.00
	$ 14,462,000.00

NOTE 6. DEBT (CONTINUED)

A. Long-Term Debt (Continued)

The bonds mature serially in installments to the year 2045. Debt service requirements during the next twenty fiscal years are as follows:

Year	Principal	Interest
2026	$ 1,440,000.00	$ 560,490.00
2027	1,482,000.00	520,365.00
2028	680,000.00	471,800.00
2029	680,000.00	437,800.00
2030	680,000.00	403,800.00
2031-2035	3,400,000.00	1,563,400.00
2036-2040	3,400,000.00	880,000.00
2041-2045	2,700,000.00	216,000.00
	$ 14,462,000.00	$ 5,053,655.00

Water-Sewer Utility Capital Fund

1.00% to 3.00% General Improvement (Tax-Exempt) Bonds issued for $1,856,000 on Aug. 16, 2016, installment maturities on Aug. 1, 2018 to Aug. 1, 2027	
	$ 831,000.00

The bonds mature serially to the year 2031. Aggregate debt service requirements during the life of the bonds are as follows:

Year	Principal	Interest
2026	$ 135,000.00	$ 17,655.00
2027	140,000.00	14,955.00
2028	140,000.00	12,155.00
2029	140,000.00	9,355.00
2030	140,000.00	6,380.00
2031	136,000.00	3,230.00
	$ 831,000.00	$ 63,730.00

NOTE 6. DEBT (CONTINUED)

A. Long-Term Debt (Continued)

Loans

New Jersey Environmental Infrastructure Trust

The Township, during 2018, entered into a loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2018 New Jersey Environmental Infrastructure Trust Financing Program. The Trust Loan Agreement of $202,045.00 is to be repaid over a twenty year period at interest rates ranging from 3.00% to 5.00% for the $100,000.00 Trust Loan portion, and 0% for the $102,045.00 Fund Loan portion. The proceeds of the loans were to fund the acquisition of a Jet Vac Truck. As of December 31, 2025, the balances were $60,000.00 and $57,076.09 respectively.

The Township, during 2015, entered into a loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2015 New Jersey Environmental Infrastructure Trust Financing Program. The Trust Loan Agreement of $204,662.00 is to be repaid over a nineteen year period at interest rates ranging from 2.00% to 3.00% for the $52,862.00 Trust Loan portion, and 0% for the $151,800.00 Fund Loan portion. The proceeds of the loans were to fund the acquisition of an emergency generator for well water #4. During 2016, principal forgiveness resulted in reductions of the 2015 Trust Loan of $2,514.00 and the Fund Loan by $44,086.00. As of December 31, 2025, the balances were $25,443.00 and $48,059.30 respectively.

U.S.D.A. Loan

The Township, in 2004, closed on a $2,500,000.00 Rural Development Loan with the United States Department of Agriculture. The loan is to be repaid over forty years at an annual interest rate of 4.25%. The proceeds of the loan were utilized to refund existing outstanding bond anticipation notes for the Windward Sewer Project. As of December 31, 2025, the balance was $1,629,275.49.

Schedule of annual debt service for principal and interest for the New Jersey Environmental Trust Loans, the Pinelands Infrastructure Trust Loan and the U.S.D.A. Loan over the next five years and five year increments thereafter are as follows:

Year	Principal	Interest
2026	$ 80,853.35	$ 71,261.28
2027	83,586.99	68,377.66
2028	86,443.91	65,370.48
2029	89,426.01	62,238.82
2030	92,536.43	58,978.08
2031-2035	496,522.55	241,126.08
2036-2040	529,131.77	139,144.62
2041-2043	361,352.87	27,222.76
	$ 1,819,853.88	$ 733,719.78

NOTE 6. DEBT (CONTINUED)

B. Short-Term Debt

The Township had no bond anticipation notes outstanding in the General Capital Fund at December 31, 2025.

C. Bonds and Notes Authorized but not Issued

At December 31, 2025, the Township had authorized but not issues bonds and notes as follows:

	2025
General Capital Fund	$ 741,500.00
Water/Sewer Utility Capital Fund	5,200,000.00
Total	$ 5,941,500.00

D. Borrowing Power

New Jersey statutes limit the debt of a municipality to 3.5% of the average of the last three preceding years equalized valuations of the taxable real estate and improvements. The Township's statutory net debt at December 31, 2025 was .338%. The Township's remaining borrowing power is $142,407,397.70.

The summary of municipal debt for the last three years and the calculation of statutory net debt is presented in the Supplementary Data section of this report.

During 2025, the following changes occurred in the outstanding debt of the Township:

	December 31, 2024	Accrued/ Increases	Retired/ Decreases	December 31, 2025	Due Within One Year
General Capital Fund:					
Serial Bonds	$ 15,902,000.00	$ -	$ (1,440,000.00)	$ 14,462,000.00	$ 1,440,000.00
Authorized but not Issued	2,500,000.00	75,000.00	(83,500.00)	741,500.00	-
Water-Sewer Utility Fund Debt:					
Serial Bonds	966,000.00	-	(135,000.00)	831,000.00	135,000.00
Loan Payable	1,898,092.16	-	(78,238.28)	1,819,853.88	80,853.35
Authorized but Not Issued	3,500,000.00	1,700,000.00	-	5,200,000.00	-
Other:					
Compensated Absences	2,912,911.66	796,272.18	(326,126.84)	3,383,057.00	-
Total	$ 27,929,003.82	$ 3,146,272.18	$ (2,146,365.12)	$ 27,178,910.88	$ 1,655,853.35

NOTE 7. ACCRUED SICK AND VACATION BENEFITS

GASB Statement No. 101, *Compensated Absences,* requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation, sick pay and compensation time. The Township permits certain employees, within limits, to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absence amount is not reported as a liability in the accompanying financial statements.

Under current policies and in accordance with N.J.S.A. 40A:9-10.2, unused sick leave is paid at an agreed upon rate upon separation of employment. Excess unused sick leave above the statutory cap is not paid out upon separation and lapses unless used. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at $3,383,057 at December 31, 2025.

This estimate includes leave that is expected to be paid upon separation from service, and sick leave and compensation time to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

NOTE 8. FUND BALANCES APPROPRIATED

The fund balances at December 31 which have been appropriated and included as anticipated revenue in the municipal budget for the year ending December 31 of the succeeding years are as follows:

	2026	2025
Current Fund	$4,750,000.00	$3,980,000.00
Water-Sewer Utility Fund	791,449.00	647,626.00

NOTE 9. TAXES COLLECTED IN ADVANCE

Taxes collected in advance set forth as cash liabilities in the financial statements, are as follows:

	2025
Prepaid Taxes	$790,672.95

NOTE 10. ASSESSMENT AND COLLECTION OF PROPERTY TAXES

New Jersey statutes require that taxable valuation of real property be prepared by the Township Tax Assessor as of October 1 in each year and filed with the County Board of Taxation (the "Board") by January 10 of the following year. Upon the filing of certified adopted budgets by the Township, Local School District and County, the tax rate is struck by the Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 3, with a completed duplicate of the tax rolls to be delivered to the Township Tax Collector (the "Collector") on or before May 13th.

Tax bills are prepared then mailed by the Collector of the Township annually and set forth the final tax for the tax year. The bill contains a credit for preliminary amounts billed previously with the balance payable in equal installments on August 1st and November 1st of the tax year. In addition, the property owner receives a preliminary bill for the succeeding year based on one half of the prior year's tax. The preliminary payments are due and payable on February 1st and May 1st. The N.J. Statutes allow a grace period of 10 days for each payment period and the Township granted this option to taxpayers. Taxes become delinquent if not paid on the installment dates and become subject to interest penalties of 8% or 18% of the amount delinquent. If taxes are delinquent on or after April 1st of the succeeding year, the delinquent amount is subject to "Tax Sale" which places a tax lien on the property allowing the holder to enforce the tax lien by collection or foreclosure. New Jersey property tax laws establish a tax lien on real estate as of January 1st of the current tax year even though the amount due is not known.

NOTE 11. DEFERRED CHARGES TO FUTURE TAXATION FUNDED AND UNFUNDED

Upon the authorization of capital projects, the Township establishes deferred charges for the cost of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to the New Jersey Statutes Annotated 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for the particular year in the current budget. As funds are raised, the deferred charges are reduced.

NOTE 12. PENSION OBLIGATIONS

A. Public Employees' Retirement System (PERS)

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the Public Employees' Retirement System (PERS) for year ended June 30, 2025. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2024.

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at http://www.state.nj.us/treasury/pensions/annual-reports.shtml.

The vesting and benefit provisions are set by *N.J.S.A. 43:15A*. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

A. Public Employees' Retirement System (PERS) (continued):

The following represents the membership tiers for PERS:

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

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

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2024, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Township's contractually required contribution to PERS plan was $820,593.

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

A. Public Employees' Retirement System (PERS) (continued):

Components of Net Pension Liability - At December 31, 2024, the Township's proportionate share of the PERS net pension liability was $8,194,376. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The Township's proportion measured as of June 30, 2024, was 0.0603057731% which was an increase of 0.001415169% from its proportion measured as of June 30, 2023.

Balances at December 31, 2024 and December 31, 2023

	12/31/2024	12/31/2023
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	$ 508,024	$ 533,743
Deferred Inflows of Resources	588,534	706,436
Net Pension Liability	8,194,376	8,529,914
Township's portion of the Plan's total Net Pension Liability	0.06031%	0.05889%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2024, the Township's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2024 measurement date is $392,873. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed $820,593 to the plan in 2024.

At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 164,148	$ 21,816
Changes of Assumptions	10,180	93,233
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	379,951
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	333,696	93,534
	$ 508,024	$ 588,534

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

A. Public Employees' Retirement System (PERS) (continued):

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending December 31,	Amount
2025	$ (299,881)
2026	317,237
2027	(106,847)
2028	(41,379)
2029	50,359
	$ (80,510)

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001.

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the Township as of December 31, 2024. At December 31, 2024, the State's proportionate share of the PERS expense, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was $26,419.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

A. Public Employees' Retirement System (PERS) (continued):

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%

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.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022.

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

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

A. Public Employees' Retirement System (PERS) (continued):

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	100.00%	

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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	$ 10,979,964	$ 8,194,376	$ 5,951,531

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS)

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for pension obligations for the year ended June 30, 2025. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2024.

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

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier	Definition
1	Members who were enrolled prior to May 22, 2010.
2	Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
3	Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1 % for each year if creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PFRS, its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PFRS, the participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PFRS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS) (continued):

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2024, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Township's contractually required contributions to PFRS plan was $2,709,849.

Net Pension Liability and Pension Expense - At December 31, 2024 the Township's proportionate share of the PFRS net pension liability was $20,230,428. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The Township's proportion of the net pension liability was based on the Township's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The Township's proportion measured as of June 30, 2024 was 0.195906%, which was an increase of 0.00344965% from its proportion measured as of June 30, 2023.

Balances at December 31, 2024 and December 31, 2023

	12/31/2024	12/31/2023
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	$ 3,234,795	$ 4,523,549
Deferred Inflows of Resources	1,827,279	3,008,314
Net Pension Liability	20,230,428	21,264,084
Township's portion of the Plan's total net pension Liability	0.19591%	0.19246%

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS) (continued):

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2024, the Township's proportionate share of the PFRS expense/(credit), calculated by the plan as of the June 30, 2024 measurement date was $1,784,292. This expense/(credit) is not recognized by the Township because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Township contributed $2,709,849 to the plan in 2024.

At December 31, 2024, the Township had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 1,274,501	$ 692,577
Changes of Assumptions	31,980	594,134
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	158,340
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	1,928,314	382,228
	$ 3,234,795	$ 1,827,279

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PFRS that will be recognized in future periods:

Year Ending December 31,	Amount
2025	$ (670,699)
2026	1,438,310
2027	25,828
2028	177,619
2029	426,289
Thereafter	10,169
	$ 1,407,516

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS) (continued):

Special Funding Situation – Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the state is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L, 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Township is $3,988,386 as of December 31, 2024. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The State's proportion of the net pension liability associated with the Township was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2024 was 0.19590581%, which was an increase of 0.00344945% from its proportion measured as of June 30, 2024, which is the same proportion as the Township's. At December 31, 2024, the Township's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	$ 20,230,428
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	3,988,386
	$ 24,218,814

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS) (continued):

At December 31, 2024, the State's proportionate share of the PFRS expense, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was $458,832.

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through	All future years
	3.25 - 16.25%
	Based on Years of Service
Investment Rate of Return	7.00%

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 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. For healthy annuitants, post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted 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. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 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.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022.

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

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS) (continued):

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap Equit	9.50%	6.70%
Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Emerging Markets Large-Cap Equity	6.00%	9.60%
Emerging Markets Small-Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%
	100.00%	

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 local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Township's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Township's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

B. Police and Firemen's Retirement System (PFRS) (continued):

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Township's Proportionate Share of the Net Pension Liability	$ 28,904,781	$ 20,230,428	$ 13,006,593
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	5,698,516	3,988,386	2,564,222
	$ 34,603,297	$ 24,218,814	$ 15,570,815

Related Party Investments - The Division of Pensions and Benefits does not invest in securities issued by the Township.

C. Defined Contribution Retirement Plan (DCRP)

Plan Description - DCRP was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least $5,000 annually.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least $5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local educations employees.

NOTE 12. PENSION OBLIGATIONS (CONTINUED)

C. Defined Contribution Retirement Plan (DCRP) (CONTINUTED)

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the Township.

For the year ended December 31, 2025, employee contributions totaled $187,h12.40, and the Township recognized an expense for payments made to the Defined Contribution Retirement program in the amount of $6,371.76.

NOTE 13. RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Township is a member of the Ocean County Municipal Joint Insurance Fund, and the Municipal Excess Liability Fund, public entity risk pools currently operating as a common risk management and insurance programs for municipalities within the state. The Township pays an actuarially determined annual assessment to Ocean County Municipal Joint Insurance Fund for its insurance coverage and that of the Municipal Excess Liability Fund. Supplemental assessments may be levied to supplement the funds. The Township has not been notified on any supplemental assessments.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

NOTE 14. CONTINGENT LIABILITIES

State and Federal Financial Assistance

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the financial assistance agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2025, the Township estimates that no material liabilities will result from such audits.

Major Tax Assessments

Taxpayers in 2025 with assessments in excess of 1% of the total assessed valuation were as follows:

Owner	Assessed Value	% of Value
Atlantic Heights LLC	$ 30,892,800.00	1.30%

NOTE 14. CONTINGENT LIABILITIES (CONTINUED)

Pending Litigation

There are actions which have been instituted against the Township which are either in the discovery stage or whose final outcome cannot be determined at the present time. In the opinion of the administration, the amount of ultimate liability with respect to these actions will not materially affect the financial position of the Township.

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

The Township officials believe that negligence and other types of liability suits, of which the Township is aware, appear to be within the stated policy limits and would be deferred by the respective carriers.

NOTE 15. LENGTH OF SERVICE AWARD PROGRAM ("LOSAP")

The Township's length of service awards program ("LOSAP") is reported in the Township's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents the of the Township come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of $100.00 and a maximum contribution of $2,091.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Township elected to contribute $2,091.00 for the year ended December 31, 2025 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2025, the Township contributed a total of $66,040.75 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Participant Accounts - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the Township's creditors until distributed as benefit payments, are not available for funding the operations of the Township. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Lincoln Financial Group ("Plan Administrator"), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

NOTE 15. LENGTH OF SERVICE AWARD PROGRAM ("LOSAP") (CONTINUED)

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of qualifying service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2025 payouts of $137,518.81 were made to vested participants.

Forfeited Accounts – During the year ended December 31, 2025, no accounts were forfeited.

Plan Information - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

NOTE 16. TAX ABATEMENTS

The Township of Barnegat is authorized by the New Jersey Housing and Mortgage Financing Act Law of 1983, N.J.S.A. 55:14K-1 et seq. (hereinafter "HMFA Law"), and resolutions of the Committee as dated in the table shown below, to enter into property tax abatement agreements for the purpose of attracting affordable housing. The exemption of the projects from real property taxation subject to this law shall not extend beyond the date on which the Agency Mortgage is paid in full, which according to the HMFA Law, may not exceed fifty (50) years. All the units in the project qualify as low or moderate income units under the Fair Housing Act, NJSA, 52:270-301 et seq. the regulations of the council on Affordable Housing, NJAC5:94: et seq. and NJAC 5:95 et seq. and the Uniform Housing Affordability Controls, NJAC 5:94 et seq. Tax abatements may be granted to any affordable housing, as deemed appropriate by the Township.

For the year ended December 31, 2025, the Township abated property taxes totaling $566,972.95 under this program.

Date	Receipient	Purpose	Amount Abated
3/16/2009	Whispering Hills	Affordable Housing	$ 117,924.75
5/23/2011	Laurel Oaks I	Affordable Housing	152,562.26
3/5/2012	Laurel Oaks II	Affordable Housing	52,235.27
3/3/2008	Patriot Cove	Affordable Housing	100,690.78
12/15/2014	Barnegat Senior Apts	Affordable Housing	143,559.90
			$ 566,972.95

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for other postemployment benefit (OPEB) plans for the year ended June 30, 2025. The New Jersey Division of Pension and Benefits will post these reports on their website as they are made available. The footnote below includes the most current information made publicly available, which had a reporting date of June 30, 2024.

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is 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.state.nj.us/treasury/pensions/financial-reports.shtml.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating 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 negotiations agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52:14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L, 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED):

Basis of Presentation

The schedule of employer and nonemployer allocations and the schedule of OPEB amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of its participating employers or the State as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of the participating employers or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the Plan to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB (benefit) expense. The special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2024 were $4,833,833,875 and $12,914,432,673 respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers 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. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Special Funding Situation

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net OPEB liability that is associated with the local participating employer.

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED):

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each employer are provided as each employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the OPEB expense allocated to the State of New Jersey under the special funding situation and include their proportionate share of the collective net OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is $17,319,990 as of December 31, 2024. The OPEB liability was measured as of June 30, 2024. The total OPEB liability used to calculate the OPEB liability was determined using update procedures to roll forward the total OPEB liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The State's proportion of the OPEB liability associated with the Township was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating members, actuarially determined. The State's proportion measured as of June 30, 2024 was 0.355162%, which was a decrease of 0.00038% from its proportion measured as of June 30, 2023, which is the same proportion as the Township's. At December 31, 2024, the Township's and the State of New Jersey's proportionate share of the OPEB liability were as follows:

State of New Jersey's Proportionate Share of OPEB Liability Associated with the Township	$	17,319,990.00

At December 31, 2024, the State's proportionate share of the OPEB (credit)/expense, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was ($1,678,014).

NOTE 18. SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2025 and May 12, 2026, the date that the financial statements, were available for issuance, for possible disclosure and recognition in the financial statements.

TOWNSHIP OF BARNEGAT

COUNTY OF OCEAN

PART II

SUPPLEMENTARY DATA

SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2025

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COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	2025	2024	2023
Tax Rate	$ 3.083	$ 2.977	$ 2.911
Apportionment of Tax Rate			
Municipal	0.983	0.972	0.961
County	0.563	0.517	0.483
Local School District	1.527	1.478	1.457
Municipal Open Space	0.010	0.010	0.010
Assessed Valuation			
2025	$ 2,724,679,100		
2024		$ 2,707,085,900	
2023			$ 2,659,511,900

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future levies.

		Currently	
Year	Tax Levy	Cash Collections	Percentage of Collection
2025	$ 84,763,057	$ 83,900,866	98.98%
2024	81,122,128	80,263,190	98.94%
2023	78,549,911	77,694,866	98.91%

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

Year Ended December 31	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2025	$ 1,333,668	$ 744,709	$ 2,078,377	2.45%
2024	1,336,585	699,276	2,035,862	2.51%
2023	1,439,838	657,839	2,097,677	2.67%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties in the year of acquisition, is summarized as follows:

Year	Amount
2025	$ 2,427,340
2024	2,427,340
2023	2,427,340

COMPARISON OF WATER-SEWER UTILITY RENTS

Year	Rents	Delinquents	Cash Collections
2025	$ 7,911,211	$ 347,686	$ 7,916,761
2024	7,632,076	353,236	7,578,688
2023	6,894,755	299,849	6,965,983

COMPARATIVE SCHEDULE OF FUND BALANCES

Year Current Fund	Balance December 31	Utilized in Budget of Succeeding Year
2025	$ 16,245,299	$ 4,750,000
2024	16,940,036	3,980,000
2023	17,286,887	3,875,000
2022	17,089,196	2,995,000
2021	14,803,919	1,500,000

Water-Sewer Utility Operating Fund

2025	$ 6,000,269	$ 791,449
2024	4,950,118	647,626
2023	4,281,102	581,323
2022	3,911,506	561,131
2021	3,064,314	553,556

SUMMARY OF MUNICIPAL DEBT

	Year 2025	Year 2024	Year 2023
Issued			
General			
Bonds, Notes and Loans	$ 14,462,000	$ 15,902,000	$ 15,137,000
Water Sewer Utility			
Bonds, Notes and Loans	2,650,854	2,864,092	3,110,825
Net Debt Issued	17,112,854	18,766,092	18,247,825
Authorized but not Issued			
General			
Bonds, Notes and Loans	741,500	250,000	2,800,000
Water Sewer Utility			
Bonds, Notes and Loans	5,200,000	3,500,000	-
Total Authorized but not Issued	5,941,500	3,750,000	2,800,000
Deductions			
Water Sewer Utility Self Liquidating	7,850,854	6,364,092	3,110,825
Net Bonds and Notes Issued and Authorized but not Issued	$ 15,203,500	$ 16,152,000	$ 17,937,000

SUMMARY OF STATUTORY DEBT CONDITION - ANNUAL DEBT STATEMENT

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a Statutory Net Debt of .402%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 17,180,000	$ 17,180,000	$ -
Water-Sewer Utility Debt	7,850,854	7,850,854	-
General Debt	15,203,500	-	15,203,500
	$ 40,234,354	$ 25,030,854	$ 15,203,500

Net Debt $15,203,500 divided by Equalized Valuation basis per N.J.S.A. 40A:2-6 as amended $4,015,840,609 = .402%.

BORROWING POWER UNDER N.J.S.A. 40A:2-6

3.5% of Equalized Valuation Basis (Municipal)	$ 157,610,898
Net Debt	15,203,500
Remaining Borrowing Power	$ 142,407,398

CALCULATION OF "SELF-LIQUIDATING PURPOSE" WATER-SEWER UTILITY PER N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year		$ 8,663,526
Deductions:		
Operating and Maintenance Cost	$ 7,664,850	
Debt Service per Water Account	307,764	
Total Deductions		7,972,614
Excess in Revenues		$ 690,912

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TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2025:

Name	Position	Amount of Bond
Alfonso Cirulli	Mayor	
Albert Bille	Deputy Mayor	
Pasquale "Pat" Pipi	Committeeman	
Joseph Marte	Committeeman	
Jake Townsend	Committeeman	
Martin Lisella	Administrator	
Thomas Lombarski	Chief Financial Officer	$ 1,000,000
Donna Manno	Municipal Clerk	
Andrea Christianson	Deputy Municipal Clerk	
Crystal Brinson	Tax Collector,	
	Water-Sewer Collector	1,000,000
Crystal Brinson	Tax Search Officer	
Lauren Romano	Court Administrator	1,000,000
Benjamin Mabie	Judge	1,000,000
Kristen Peel	Tax Assessor	
Christopher Dasti	Township Attorney	
Christopher Dasti	Water/Sewer Attorney	
Gluck, Walrath	Bonding Attorney	
Engineering Pool	Township Engineer	
Engineering Pool	Water-Sewer Engineer	

All employees not covered by specific bonds listed above are covered by a Public Employee Dishonesty Bond by the Ocean County Municipal Joint Insurance Fund.

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CURRENT FUND

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TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND **Exhibit A-4**

SCHEDULE OF CASH - TREASURER

Balance December 31, 2024		$ 22,093,024.74
Increased by Receipts:		
Taxes Receivable	$ 83,492,950.35	
Revenue Accounts Receivable	4,288,329.90	
Miscellaneous Revenue not Anticipated	326,617.38	
Prepaid Taxes	790,672.95	
Tax Overpayments	5,590.74	
State of New Jersey (Ch. 20, P.L. 1971)	280,980.14	
Tax Title Liens	77,713.82	
Due to State of NJ DCA	52,972.00	
Due to State of NJ Marriage Licenses	2,375.00	
Interfunds:		
Grant Fund	510,373.03	
Other Funds	165,350.97	
		89,993,926.28
		112,086,951.02
Decreased by Disbursements:		
2025 Budget Appropriations	30,908,948.70	
Appropriation Reserves	1,332,327.87	
County Taxes Payable	15,401,724.39	
Local School District Tax	40,970,845.00	
Local Open Space Tax	272,775.31	
Due to State of NJ DCA	41,742.00	
Due to State of NJ Marriage Licenses	2,350.00	
Accounts Payable	5,456.95	
Interfunds:		
Due Water Sewer Operating	4,256.02	
Grant Fund	666,437.33	
		89,606,863.57
Balance December 31, 2025		$ 22,480,087.45

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

Exhibit A-5

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2024	2025 Levy	Collections 2024	Collections 2025	Due from State	Transferred to Tax Title Liens	Cancelled	Balance Dec. 31, 2025
2012	$ 35.61	$ -	$ -	$ -	$ -	$ -	$ -	$ 35.61
2015	1,565.78	-	-	-	-	-	-	1,565.78
2016	1,616.84	-	-	-	-	-	-	1,616.84
2017	1,650.67	-	-	-	-	-	-	1,650.67
2018	1,678.34	-	-	-	-	-	-	1,678.34
2019	1,691.25	-	-	-	-	-	-	1,691.25
2020	1,722.53	-	-	-	-	-	-	1,722.53
2021	1,724.47	-	-	-	-	-	-	1,724.47
2022	6,831.05	-	-	-	-	-	-	6,831.05
2023	40,169.15	-	-	40.00	-	-	-	40,129.15
2024	640,590.44	-	-	561,864.59	(3,500.00)	3,030.58	18,957.39	60,237.88
	699,276.13	-	-	561,904.59	(3,500.00)	3,030.58	18,957.39	118,883.57
2024	-	84,763,057.13	686,382.06	82,931,045.76	283,437.97	71,061.26	165,304.77	625,825.31
	$ 699,276.13	$ 84,763,057.13	$ 686,382.06	$ 83,492,950.35	$ 279,937.97	$ 74,091.84	$ 184,262.16	$ 744,708.88
Receipts				$ 83,492,950.35				

Analysis of 2025 Property Tax Yield and Tax Levy

Tax Yield:			
General Purpose Tax		$ 84,001,862.61	
Added and Omitted Taxes		761,194.52	
			$ 84,763,057.13
Tax Levy:			
Local District School Tax (Abstract)		$ 41,615,000.00	
County Taxes:			
County Tax (Abstract)	$ 12,739,335.94		
County Library Tax (Abstract)	1,274,713.90		
County Health Tax (Abstract)	754,024.67		
County Open Space Tax (Abstract)	541,977.09		
Due County for Added and Omitted Taxes	138,759.96		
Total County Taxes		15,448,811.56	
Local Open Space Tax	272,775.31		
Local Tax for Municipal Purposes	26,779,332.54		
Add: Additional Tax Levied	647,137.72		
		27,699,245.57	
			$ 84,763,057.13

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND **Exhibit A-6**

SCHEDULE OF TAX TITLE LIENS

Balance December 31, 2024			$	1,336,585.37
Increased by:				
Transfers from Taxes Receivable	$	74,091.84		
Interest and Costs Accrued at Tax Sale		705.07		
				74,796.91
				1,411,382.28
Decreased by:				
Receipts				77,713.82
Balance December 31, 2025			$	1,333,668.46

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-7

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2024	Accrued in 2025	Collections	Balance Dec. 31, 2025
Licenses				
Alcoholic Beverages	$ -	$ 21,816.00	$ 21,816.00	$ -
Fees and Permits	-	255,683.75	255,683.75	-
Fines and Costs				
Municipal Court	8,849.99	105,903.63	106,456.75	8,296.87
Interest and Costs on Taxes	-	211,023.98	211,023.98	-
Municipal Service Fee	-	83,110.66	83,110.66	-
Interest on Investments and Deposits	-	933,961.35	933,961.35	-
Cable Television Franchise Fees	-	115,495.27	115,495.27	-
Rentals and Leases	-	22,126.43	22,126.43	-
Uniform Construction Code	-	1,050,351.00	1,050,351.00	-
State Aid:				
Energy Receipts Tax	-	1,033,668.75	1,033,668.75	-
Garden State Trust Fund	-	33,796.00	33,796.00	-
Other Special Items:				
Township of Ocean - UCC Inspections	-	27,174.93	27,174.93	-
Township of Ocean - Construction Official	-	61,500.00	61,500.00	-
Payment in Lieu of Taxes - Affordable Housing	-	197,516.00	197,516.00	-
General Capital Fund Balance	-	300,000.00	300,000.00	-
	$ 8,849.99	$ 4,453,127.75	$ 4,453,680.87	$ 8,296.87
Receipts			$ 4,288,329.90	
Other Interfunds			165,350.97	
			$ 4,453,680.87	

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

Exhibit A-8

Sheet 1 of 4

	Balance Dec. 31, 2024	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
OPERATIONS WITHIN CAPS					
Administrative and Executive					
Salaries and Wages					
Administrative and Executive	$ 8,296.85	$ -	$ 8,296.85	$ -	$ 8,296.85
Planning and Zoning	9,342.09	-	9,342.09	-	9,342.09
Construction/Code Enforcement	27,791.34	-	27,791.34	-	27,791.34
Contractual Compensation Buyback	620.98	-	620.98	-	620.98
Other Expenses	18,374.46	8,009.79	26,384.25	11,149.17	15,235.08
Mayor and Committee					
Salaries and Wages	1,237.50	-	1,237.50	-	1,237.50
Municipal Clerk's Office					
Salaries and Wages	9,573.68	-	9,573.68	-	9,573.68
Other Expenses	1,568.77	13,968.00	15,536.77	15,536.77	-
Financial Administration					
Salaries and Wages	18,214.98	-	18,214.98	517.05	17,697.93
Other Expenses	14,531.13	4.53	14,535.66	1,191.33	13,344.33
Audit Services					
Other Expenses	5,205.00	-	5,205.00	-	5,205.00
Collection of Taxes					
Salaries and Wages	1,933.36	-	1,933.36	75.12	1,858.24
Other Expenses	11,792.65	6,701.80	18,494.45	6,701.81	11,792.64
Assessment of Taxes					
Salaries and Wages	3,212.78	-	3,212.78	-	3,212.78
Other Expenses	10,038.83	578.50	10,617.33	6,505.18	4,112.15
Legal Services and Costs					
Other Expenses	15,996.92	19,916.74	35,913.66	24,181.95	11,731.71
Historic Preservation					
Salaries and Wages	250.00	-	250.00	-	250.00
Engineering Services and Costs					
Salaries and Wages	14,305.44	-	14,305.44	-	14,305.44
Other Expenses	32,580.71	-	32,580.71	9,671.94	22,908.77
Information Technology/Data Processing					
Salaries and Wages	3,064.74	-	3,064.74	-	3,064.74
Other Expenses	20,844.51	947.19	21,791.70	947.19	20,844.51
Economic Development					
Salaries and Wages	400.00	-	400.00	-	400.00
Other Expenses	200.00	-	200.00	-	200.00

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

Exhibit A-8

Sheet 2 of 4

	Balance Dec. 31, 2024	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Planning Board					
Salaries and Wages					
Other Expenses	$ 3,933.59	$ 928.77	$ 4,862.36	$ 1,551.06	$ 3,311.30
Zoning Board of Adjustment					
Other Expenses	6,801.71	903.04	7,704.75	192.02	7,512.73
Rent Leveling Board					
Salaries and Wages	500.00	-	500.00	-	500.00
Other Expenses	500.00	-	500.00	-	500.00
Insurance					
General Liability	594.40	-	594.40	-	594.40
Worker's Compensation	198.40	-	198.40	-	198.40
Employee Group Insurance	66,601.65	90.00	61,691.65	7,113.71	54,577.94
Health Benefit Waiver	20,832.82	-	20,832.82	6,250.00	14,582.82
Homeland Security					
Other Expenses	1,000.00	-	1,000.00	-	1,000.00
Police Department					
Salaries and Wages	132,704.39	-	112,704.39	16,891.86	95,812.53
Other Expenses	11,187.93	38,062.30	64,250.23	64,243.56	6.67
Municipal Court					
Salaries and Wages	26,969.71	1,620.00	28,589.71	320.00	28,269.71
Other Expenses	5,783.40	543.00	6,326.40	718.78	5,607.62
Fire Company Incentive Program	75,000.00	-	75,000.00	45,620.00	29,380.00
Supplemental Fire Services Program					
Other Expenses	485.86	-	485.86	46.27	439.59
Occupational Safety and Health Act					
Other Expenses	1,215.20	-	1,215.20	-	1,215.20
Municipal Prosecutor					
Other Expenses	9,650.00	6,500.00	16,150.00	7,500.00	8,650.00
Public Defender					
Other Expenses	4,600.00	141.00	4,741.00	700.00	4,041.00
Streets and Roads Maintenance					
Salaries and Wages	17,798.20		17,798.20	8,561.29	9,236.91
Other Expenses	34,056.49	3,508.94	37,565.43	5,342.06	32,223.37
Vehicle Maintenance					
Salaries and Wages	5,729.31	-	10,729.31	5,729.31	5,000.00
Other Expenses	12,366.46	27,497.48	39,863.94	11,503.14	28,360.80

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

Exhibit A-8

Sheet 3 of 4

	Balance Dec. 31, 2024	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Solid Waste Collection					
Salaries and Wages	$ 456.03	$ -	$ 5,456.03	$ 456.03	$ 5,000.00
Other Expenses	15,377.00	160,599.20	165,976.20	132,195.08	33,781.12
Contractual	146,566.78	119,594.88	266,161.66	240,489.81	25,671.85
Buildings and Grounds					
Salaries and Wages	5,341.11	-	10,341.11	5,341.11	5,000.00
Other Expenses	61,034.59	17,137.19	78,171.78	30,056.59	48,115.19
Shade Tree Commission					
Other Expenses	266.85	-	266.85	-	266.85
Ambulance Contracted Services	6,547.08	12,648.08	19,195.16	12,648.08	6,547.08
Condominium Services Act					
Other Expenses	135,135.62	-	135,135.62	91,739.56	43,396.06
Environmental Services					
Salaries and Wages	400.00	-	400.00	-	400.00
Other Expenses	400.00	-	400.00	-	400.00
Animal Control Services					
Salaries and Wages	3,270.64	-	3,270.64	-	3,270.64
Other Expenses	4,823.55	3,330.70	8,154.25	6,666.66	1,487.59
Recreation					
Salaries and Wages	8,469.83	-	8,469.83	(6,836.32)	15,306.15
Other Expenses	47,262.41	676.46	27,938.87	(1,976.31)	29,915.18
Docks and Beaches					
Salaries and Wages	378.84	-	378.84	-	378.84
Other Expenses	3,823.80	-	3,823.80	1,579.04	2,244.76
Celebration of Public Events					
Other Expenses	10,751.23	-	10,751.23	328.59	10,422.64
Construction Official					
Salaries and Wages	4,034.70	-	4,034.70	2,875.77	1,158.93
Other Expenses	24,104.44	2,992.14	27,096.58	2,548.64	24,547.94
Utilities:					
Gasoline	59,938.87	31,464.68	91,403.55	(26,064.90)	117,468.45
Electricity	27,770.48	14,348.84	42,119.32	22,035.48	20,083.84
Telephone and Telegraph	-	16,201.75	21,201.75	18,561.91	2,639.84
Natural Gas	2,461.42	33,827.80	36,289.22	8,050.02	28,239.20
Street Lighting	40,000.00	58,819.34	118,819.34	103,585.37	15,233.97
Landfill Disposal Costs	61,218.92	105,639.40	166,858.32	143,570.58	23,287.74
Total Operations within Caps	1,337,720.43	707,201.54	2,044,921.97	1,046,611.36	998,310.61

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

SCHEDULE OF APPROPRIATION RESERVES

Exhibit A-8

Sheet 4 of 4

	Balance Dec. 31, 2024	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
STATUTORY EXPENDITURES WITHIN CAPS					
Contribution to:					
PERS Employee Contributions	$ 726.00	$ -	$ 726.00	$ -	$ 726.00
Social Security System	5,024.24	-	5,024.24	5,024.24	-
Defined Contribution Benefit Plan	2,439.73	-	2,439.73	-	2,439.73
Unemployment Compensation Insurance	3,514.62	-	3,514.62	(5,000.00)	8,514.62
PFRS Employee Contributions	35.00	-	35.00	-	35.00
Total Statutory Expenditures within Caps	11,739.59	-	11,739.59	24.24	11,715.35
Total Appropriations within Caps	1,349,460.02	707,201.54	2,056,661.56	1,046,635.60	1,010,025.96
OPERATIONS EXCLUDED FROM CAPS					
LOSAP	72,250.00	-	72,250.00	66,040.75	6,209.25
Recycling Tax	12,310.00	4,727.40	17,037.40	5,454.81	11,582.59
Shared Service Agreements:					
Township of Ocean - Construction Code					
Other Expenses	33,850.92	-	33,850.92	-	33,850.92
Township of Ocean - Recreation Director					
Other Expenses	16,240.42	3,282.37	19,522.79	4,733.09	14,789.70
Township of Ocean - UCC Inspectors					
Salaries and Wages	7,779.20	-	7,779.20	-	7,779.20
Township of Stafford - Dispatch Services					
Other Expenses	-	246.25	246.25	-	246.25
Township of Ocean - BT Construction Code					
Salaries and Wages	3,452.93	-	3,452.93	-	3,452.93
Local Matching Funds for Grants	1,500.00	-	1,500.00	-	1,500.00
CAPITAL IMPROVEMENTS EXCLUDED FROM CAPS					
Improvements to Roads & Walkways	109,399.94	67,827.21	177,227.15	28,528.42	148,698.73
Purchase of Fire Department Equipment	8,936.72	-	8,936.72	-	8,936.72
Purchase of Police Capital Equipment	14,016.50	-	14,016.50	-	14,016.50
Improvements to Parks, Playgrounds or Bike Path	3,582.74	-	3,582.74	-	3,582.74
Purchase/Repairs of Public Works Equipment	13,838.54	96,795.00	110,633.54	96,995.02	13,638.52
Improvements to Municipal Buildings & Grounds	172,915.22	4,760.32	177,675.54	13,449.58	164,225.96
Purchase of Info Technology Equipment	20,134.71	70,995.00	91,129.71	70,995.00	20,134.71
Demolition/Clean Up of Twp Park Bldg	31,089.99	3,000.00	34,089.99	-	34,089.99
Total Operations excluded from Caps	521,297.83	251,633.55	772,931.38	286,196.67	486,734.71
Total General Appropriations	$ 1,870,757.85	$ 958,835.09	$ 2,829,592.94	$ 1,332,832.27	$ 1,496,760.67
Disbursed				$ 1,332,327.87	
Accounts Payable				504.40	
				$ 1,332,832.27	

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-9

SCHEDULE OF COUNTY TAXES PAYABLE

Balance December 31, 2024		$ 91,672.79
2025 Tax Levy:		
County Tax (Abstract)	$ 12,739,335.94	
County Library Tax (Abstract)	1,274,713.90	
County Health Tax (Abstract)	754,024.67	
County Open Space Tax (Abstract)	541,977.09	
Due County for Added and Omitted Taxes	138,759.96	
		15,448,811.56
		15,540,484.35
Decreased by:		
Disbursements		15,401,724.39
Balance December 31, 2025		$ 138,759.96

SCHEDULE OF MUNICIPAL OPEN SPACE TAX

Exhibit A-10

Balance December 31, 2024	$ -
Increased by:	
Levy Calendar Year 2025	272,775.31
Decreased by:	
Disbursements	272,775.31
Balance December 31, 2025	$ -

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND **Exhibit A-11**

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Balance December 31, 2024:		
School Tax Payable	$ 904,084.03	
School Tax Deferred	6,474,126.01	
		$ 7,378,210.04
Increased by:		
Levy for School Year July 1, 2025		
to June 30, 2026		41,615,000.00
		48,993,210.04
Decreased by:		
Disbursements		40,970,845.00
Balance December 31, 2025:		
School Tax Payable	1,548,239.03	
School Tax Deferred	6,474,126.01	
		$ 8,022,365.04

2025 Liability for Local School District Tax

Levy for School Year July 1, 2025	
to June 30, 2026	$ 41,615,000.00
Add:	
School Tax Deferred - December 31, 2024	6,474,126.01
	48,089,126.01
Less:	
School Tax Deferred - December 31, 2025	6,474,126.01
Amount Charged to 2025 Operations	$ 41,615,000.00

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND **Exhibit A-12**

SCHEDULE OF SPENDING RESERVES

		Total (Memo Only)		Hurricane Damage		Revaluation
Balance December 31, 2025 & 2024	$	115,452.13	$	92,946.30	$	22,505.83

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-13

SCHEDULE OF INTERFUNDS

	Total (Memo Only)	Other Trust Fund	General Capital Fund	Payroll Fund
Balance December 31, 2024 - (Due From)/Due To	$ (41,614.34)	$ (9,049.20)	$ (7,010.57)	$ (25,554.57)
Increased by:				
Receipts	165,350.97	98,199.28	67,151.69	-
Total Increases and Balances	123,736.63	89,150.08	60,141.12	(25,554.57)
Decreased by:				
Interest on Deposit	171,995.45	95,845.64	62,970.95	13,178.86
Total Decreases	171,995.45	95,845.64	62,970.95	13,178.86
Balance December 31, 2025 - (Due From)/Due To	$ (48,258.82)	$ (6,695.56)	$ (2,829.83)	$ (38,733.43)

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND **Exhibit A-14**

SCHEDULE OF INTERFUND

GRANT FUND

Balance December 31, 2024 - Due To (from)		$ (337,251.26)
Increased by:		
Receipts:		
Grant Accounts Receivable Deposits	$ (436,161.95)	
Grants Unappropriated Receipts	(74,211.08)	
Transferred from 2025 Budget Appropriations	(779,035.33)	
		(1,289,408.36)
		(1,626,659.62)
Decreased by:		
Grant Fund Disbursements	666,437.33	
Transferred from 2025 Anticipated Revenue	775,035.33	
Appropriated Reserves Cancelled (Net)	0.01	
		1,441,472.67
Balance December 31, 2025 - Due To (from)		$ (185,186.95)

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-15

SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

GRANT FUND

Grant	Balance Dec. 31, 2024	2025 Budget Revenue	Decreases	Balance Dec. 31, 2025
Alcohol Education and Rehabilitation	$ -	$ 4,539.31	$ 4,539.31	$ $ -
Clean Communities Program	-	68,510.64	68,510.64	-
Body Worn Camera	34,239.00	-	34,239.00	-
Emergency Management Assistance Grant	-	10,000.00	10,000.00	-
Cops In Shops	-	2,880.00	2,880.00	-
Handicapped Recreation Opportunities Grant	-	20,000.00	20,000.00	-
Ocean County Recycling Program	-	17,146.37	17,146.37	-
CDBG- Handicap Ramp Recreation Grant	-	40,000.00	-	40,000.00
New Jersey Department of Transportation:				
2022 Spruce Circle North	71,289.69	-	70,545.54	744.15
2023 Spruce Circle South	146,342.54	-	112,947.39	33,395.15
2024 Pennsylvania Ave.	67,390.00	-	-	67,390.00
2025 First Street	-	308,818.00	-	308,818.00
Recycling Tonnage Grant	-	22,059.67	22,059.67	-
Bulletproof Vest Partnership	8,294.03	-	8,294.03	-
Drunk Driving Enforcement Fund	-	36,772.67	-	36,772.67
Body Armor Replacement Fund	-	4,057.46	4,057.46	-
Stormwater Assistance Grant	10,000.00	-	-	10,000.00
American Rescue Firefighter Grant	65,000.00	-	65,000.00	-
Opioid Reserve	-	171,511.21	171,511.21	-
2023 Staffing for Adequate Fire & Emerg Response	-	68,740.00	-	68,740.00
	$ 402,555.26	$ 775,035.33	$ 611,730.62	$ $ 565,859.97

Cash Receipts	$ 436,161.95
Grants Unappropriated	175,568.67
	$ 611,730.62

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-16

SCHEDULE OF APPROPRIATED RESERVES

GRANT FUND

Grant	Balance Dec. 31, 2024	Transfer from 2025 Budget Appropriation	Prior Year Encumbrances	Expended	Balance Dec. 31, 2025
Alcohol Education and Rehabilitation	$ 12,111.25	$ 4,539.31	$ -	$ (100.00)	$ 16,750.56
Body Worn Camera	71,474.30	-	-	68,383.52	3,090.78
Body Armor Replacement Fund	13.00	4,057.46	-	4,070.46	-
Clean Communities Program	43,015.22	68,510.64	(0.01)	58,842.13	52,683.72
Cops In Shops	-	2,880.00	-	2,880.00	-
Drunk Driving Enforcement Fund	1,479.62	36,772.67	-	4,665.22	33,587.07
Bulletproof Vest Partnership	-	-	5,569.41	5,569.41	-
Handicapped Recreation Opportunities					
Grant Share	1,440.00	20,000.00	-	20,000.00	1,440.00
Local Share	-	4,000.00	-	4,000.00	-
Ocean County Recycling Program	-	17,146.37	-	17,146.37	-
New Jersey Department of Transportation:					
2023 Spruce Circle South	47,463.66	-	-	-	47,463.66
2024 Pennsylvania Ave.	-	-	269,560.00	269,560.00	-
2025 First St.	-	308,818.00	-	-	308,818.00
Emergency Management Assistance Grant					
Grant	-	10,000.00	-	10,000.00	-
Opioid Reserve	25,563.18	171,511.21	44,450.00	70,763.79	170,760.60
Ocean County Tourism Program					
Local Share	910.00	-	-	-	910.00
Recycling Tonnage Grant	33,165.92	22,059.67	-	55,225.59	-
2023 Staffing for Adequate Fire & Emerg Response	-	68,740.00	-	39,960.00	28,780.00
CDBG- Handicap Ramp Recreation Grant	-	40,000.00	-	40,000.00	-
Stormwater Assistance Grant	-	-	8,022.29	8,022.29	-
	$ 236,636.15	$ 779,035.33	$ 327,601.69	$ 678,988.78	$ 664,284.39

Disbursed in Current Fund	$ 666,437.33
Reserve for Encumbrances	12,551.45
	$ 678,988.78

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

CURRENT FUND

Exhibit A-17

SCHEDULE OF UNAPPROPRIATED RESERVES

GRANT FUND

Grant	Balance Dec. 31, 2024	Received 2025	Appropriated in 2025	Balance Dec. 31, 2025
Bulletproof Vest Partners	$ -	$ 1,273.81	$ -	$ 1,273.81
Opioid Settlement Funds	171,511.21	70,777.75	171,511.21	70,777.75
Cops Grant	-	2,159.52	-	2,159.52
Body Armor-SFY24	4,057.46	-	4,057.46	-
	$ 175,568.67	$ 74,211.08	$ 175,568.67	$ 74,211.08

TRUST FUND

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TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

TRUST FUNDS

Exhibit B-1

SCHEDULE OF CASH - TREASURER

	Animal Control Trust		Other Trust	
Balance December 31, 2024		$ 433.95		$ 9,596,332.16
Increased by Receipts:				
Due to State of New Jersey	$ 1,212.00		$ -	
Animal License Fees	9,985.87		-	
Interfund - Due to Current Fund	-		95,845.64	
Miscellaneous Reserves	-		4,095,799.76	
		11,197.87		4,191,645.40
		11,631.82		13,787,977.56
Decreased by Disbursements:				
Due State of New Jersey	1,212.00		-	
Animal Control Fund Expenditures	9,505.82		-	
Interfund - Current Fund	-		98,199.28	
Miscellaneous Reserves	-		4,063,544.82	
		10,717.82		4,161,744.10
Balance December 31, 2025		$ 914.00		$ 9,626,233.46

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

ANIMAL CONTROL TRUST FUND

Exhibit B-2

SCHEDULE OF DUE STATE OF NEW JERSEY

Balance December 31, 2024	$ -
Increased by:	
2025 Animal License Fees	1,212.00
	1,212.00
Decreased by:	
Fees Paid to State	1,212.00
Balance December 31, 2025	$ -

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

Exhibit B-3

Balance December 31, 2024		$ 433.95
Increased by:		
2025 Animal License Fees:		
Dog License Fees	$ 9,902.40	
Miscellaneous	83.47	
		9,985.87
		10,419.82
Decreased by:		
Expenditures Under R.S. 4:19-15.11		9,505.82
Balance December 31, 2025		$ 914.00

Animal License Fees Collected

Year	Amount
2024	$ 10,554.00
2023	10,781.40
	$ 21,335.40

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

OTHER TRUST FUND

Exhibit B-4

SCHEDULE OF INTERFUND - CURRENT FUND

Balance December 31, 2024 - Due to	$	9,049.20
Increased by:		
Receipts		95,845.64
		104,894.84
Decreased by:		
Disbursements		98,199.28
Balance December 31, 2025 - Due to	$	6,695.56

TOWNSHIP OF BARNEGAT - COUNTY OF OCEA

OTHER TRUST FUND **Exhibit B-5**

SCHEDULE OF MISCELLANEOUS RESERVES

	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Affordable Housing	$ 451,212.28	$ 57,451.60	$ 64,750.75	$ 443,913.13
Escrow Deposits	5,359,086.76	1,409,789.91	1,097,395.90	5,671,480.77
Municipal Alliance	745.11	-	-	745.11
Open Space	439,476.20	295,775.31	368,766.93	366,484.58
Parking Offenses Adjudication Act	230.61	2.00	-	232.61
Premiums Received at Tax Sale	695,158.00	603,800.00	602,700.00	696,258.00
Public Defender	2,069.50	6,509.00	5,825.00	2,753.50
Recreation Program Trust	105,095.99	49,628.00	27,108.72	127,615.27
Sick Leave Trust	10,586.38	240,000.00	232,789.97	17,796.41
Special Law Enforcement	515,417.26	104,999.05	193,260.81	427,155.50
Third Party Tax Title Lien Redemption	9,009.99	867,929.89	865,482.13	11,457.75
Tax Map Assessment	74,881.95	4,200.00	2,996.25	76,085.70
Recreation Assessment	66,799.87	-	-	66,799.87
Drainage Assessment	1,396,528.87	143,400.00	263,828.12	1,276,100.75
Water Tap Assessment - Inspections	15,425.00	1,000.00	-	16,425.00
Bulkhead Inspections	12,389.00	3,800.00	5,600.00	10,589.00
Tree Planting	53,906.08	-	4,300.00	49,606.08
Street Openings	151,469.00	9,650.00	12,850.00	148,269.00
Outside Police Special Duty	21,959.29	282,295.00	282,295.00	21,959.29
Curbing and Road Inspections	35,660.75	2,100.00	1,000.00	36,760.75
Sidewalk Assessment	59,762.34	11,970.00	-	71,732.34
Fire Safety Penalties	5,412.73	1,500.00	-	6,912.73
Reserve for Storm & Snow Removal	105,000.00	-	32,595.24	72,404.76
	$ 9,587,282.96	$ 4,095,799.76	$ 4,063,544.82	$ 9,619,537.90

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

LENGTH OF SERVICE AWARDS PROGRAM

SCHEDULE OF RESERVE FOR LENGTH OF SERVICE AWARDS PROGRAM (LOSAP)

Exhibit B-6

Balance December 31, 2024		$ 1,032,757.69
Increased by:		
Deposits	$ 58,548.00	
Gain on Accounts	85,768.97	
		144,316.97
		1,177,074.66
Decreased by:		
Withdrawals	137,518.81	
Account Charge	2,450.00	
		139,968.81
Balance December 31, 2025		$ 1,037,105.85

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GENERAL CAPITAL FUND

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TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-2

SCHEDULE OF CASH - TREASURER

Balance December 31, 2024			$	3,213,682.63
Increased by:				
2025 Budget Approppriations:				
Capital Improvement Fund	$	50,000.00		
Deferred Charges Unfunded - Budget Appropriation		83,500.00		
Interfund - Current Fund		62,970.95		
				196,470.95
				3,410,153.58
Decreased by Disbursements:				
Improvement Authorizations		1,556,108.55		
Anticipated as 2025 Current Fund Revenue:				
Capital Fund Balance		300,000.00		
Interfund - Current Fund		67,151.69		
				1,923,260.24
Balance December 31, 2025			$	1,486,893.34

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

Exhibit C-3

GENERAL CAPITAL FUND

ANALYSIS OF CAPITAL CASH

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	Receipts: Budget Appropriation	Receipts: Miscellaneous	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2025
Fund Balance		$ 309,833.18	$ -	$ -	$ -	$ 300,000.00	$ -	$ -	$ 9,833.18
Capital Improvement Fund		1,010,600.00	50,000.00	-	-	-	950,000.00	-	110,600.00
Interfunds:									
Current Fund		7,010.57	-	62,970.95	-	67,151.69	-	-	2,829.83
Reserve for Encumbrances		1,682,545.97	-	-	-	-	1,682,545.97	1,768,573.96	1,768,573.96
Improvement Authorizations:									
01-28	Construction of Bicycle Path	8,456.00	-	-	-	-	-	-	8,456.00
13-06	Various Capital Improvements	345.04	-	-	-	-	-	-	345.04
15-07	Various Capital Improvements	141,100.92	-	-	11,417.00	-	-	-	129,683.92
17-27/18-29	New Town Hall/Public Works Bldg	49,399.590	83,500.00	-	1,069,487.40	-	748,127.82	1,682,545.97	(2,169.66)
20-10	Purchase of Fire Truck	4,391.36	-	-	-	-	-	-	4,391.36
25-16	Various Township Vehicles	-	-	-	375,204.15	-	451,446.14	850,000.00	23,349.71
25-17	Various Telecommunications	-	-	-	100,000.00	-	569,000.00	100,000.00	(569,000.00)
		$ 3,213,682.63	$ 133,500.00	$ 62,970.95	$ 1,556,108.55	$ 367,151.69	$ 4,401,119.93	$ 4,401,119.93	$ 1,486,893.34

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND **Exhibit C-4**

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance December 31, 2024	$	15,902,000.00
Decreased by:		
2025 Budget Appropriations:		
Serial Bonds		1,440,000.00
Balance December 31, 2025	$	14,462,000.00

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-5

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

						Analysis of Balance Dec. 31, 2025	
Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Budget Appropriation	2025 Authorizations	Balance Dec. 31, 2025	Expended	Unexpended Balance
17-27	New Town Hall/Public Works Bldg	$ 250,000.00	$ 83,500.00	$ -	$ 166,500.00	$ 2,169.66	$ 164,330.34
25-17	Various Telecommunications	-	-	575,000.00	575,000.00	569,000.00	6,000.00
		$ 250,000.00	$ 83,500.00	$ 575,000.00	$ 741,500.00	$ 571,169.66	$ 170,330.34

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-6

SCHEDULE OF INTERFUND - CURRENT FUND

Balance December 31, 2024 - (Due From)/To	$	7,010.57
Increased by:		
Interest Earned Due Current Fund		62,970.95
		69,981.52
Decreased by:		
Disbursements		67,151.69
Balance December 31, 2025 - (Due From)/To	$	2,829.83

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

Exhibit C-7

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2024 Funded	Balance Dec. 31, 2024 Unfunded	2025 Authorizations	Reserve for Encumbrances	Paid or Charged	Balance Dec. 31, 2025 Funded	Balance Dec. 31, 2025 Unfunded
01-28	Construction of Bicycle Path	7/02/2001	$ 200,000.00	$ 8,456.00	$ -	$ -	$ -	$ -	$ 8,456.00	$ -
13-06	Various Capital Improvements	6/06/2013	720,000.00	345.04	-	-	-	-	345.04	-
15-07	Various Capital Improvements	7/20/2015	5,550,000.00	141,100.92	-	-	-	11,417.00	129,683.92	-
17-27/18-29/ /20-16/22-8	Construction of New Town Hall & Public Works Bldg	12/05/2017	16,500,000.00	49,399.59	250,000.00	-	1,682,545.97	1,817,615.22	-	164,330.34
20-10	Purchase of Fire Truck	8/04/2020	525,000.00	4,391.36	-	-	-	-	4,391.36	-
25-16	Various Twp. Vehicles	4/01/2025	850,000.00	-	-	850,000.00	-	826,650.29	23,349.71	-
25-17	Various Telecommunications	7/01/2025	675,000.00	-	-	675,000.00	-	669,000.00	-	6,000.00
				$ 203,692.91	$ 250,000.00	$ 1,525,000.00	$ 1,682,545.97	$ 3,324,682.51	$ 166,226.03	$ 170,330.34

Deferred Charges Unfunded	$ 575,000.00
Capital Improvement Fund	950,000.00
	$ 1,525,000.00

Reserve for Encumbrances	Cash Disbursements	$ 1,556,108.55
Disbursements	Encumbrances Payable	1,768,573.96
		$ 3,324,682.51

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL SERIAL BONDS

Exhibit C-8

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding Dec. 31, 2025 Date	Maturities of Bonds Outstanding Dec. 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Decreased	Balance Dec. 31, 2025
General Improvements (tax-exempt)	8/16/2016	$ 9,907,000.00	8/01/26	$ 1,100,000.00	2.00%	$ 3,297,000.00	$ 1,100,000.00	$ 2,197,000.00
			8/11/27	1,097,000.00	2.00%			
General Improvements (tax-exempt)	5/22/2024	12,605,000.00	5/15/26	340,000.00	5.00%	12,605,000.00	340,000.00	12,265,000.00
			5/15/27	385,000.00	5.00%			
			5/15/28	680,000.00	5.00%			
			5/15/29	680,000.00	5.00%			
			5/15/30	680,000.00	5.00%			
			5/15/31	680,000.00	5.00%			
			5/15/32	680,000.00	4.00%			
			5/15/33	680,000.00	4.00%			
			5/15/34	680,000.00	4.00%			
			5/15/35	680,000.00	4.00%			
			5/15/36	680,000.00	4.00%			
			5/15/37	680,000.00	4.00%			
			5/15/38	680,000.00	4.00%			
			5/15/39	680,000.00	4.00%			
			5/15/40	680,000.00	4.00%			
			5/15/41	675,000.00	4.00%			
			5/15/42	675,000.00	4.00%			
			5/15/43	675,000.00	4.00%			
			5/15/44	675,000.00	4.00%			
						$ 15,902,000.00	$ 1,440,000.00	$ 14,462,000.00

Exhibit C-9

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Authorized	Paydown per Budget Approp	Balance Dec. 31, 2025
17-27	New Town Hall/Public Works Bldg	$ 250,000.00	$ -	$ 83,500.00	$ 166,500.00
25-17	Various Telecommunications	-	575,000.00	-	575,000.00
		$ 250,000.00	$ 575,000.00	$ 83,500.00	$ 741,500.00

WATER-SEWER UTILITY FUND

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TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY FUND

Exhibit D-5

SCHEDULE OF WATER-SEWER UTILITY CASH

	Operating		Capital	
Balance December 31, 2024		$ 6,863,675.24		$ 4,618,741.45
Increased by Receipts:				
Consumer Accounts Receivable	$ 7,585,199.73		$ -	
Miscellaneous Revenue	638,193.01		-	
Consumer Overpayments/Prepayments	247,061.12		-	
Capital Improvement Fund	-		650,000.00	
Reserve for Water Improvements	-		44,442.02	
Due from Current Fund	4,256.02		-	
Interfund - Due from Water/Sewer Capital	108,571.86		81,797.15	
		8,583,281.74		776,239.17
		15,446,956.98		5,394,980.62
Decreased by Disbursements:				
2024 Budget Appropriations	7,180,662.77		-	
Appropriation Reserves	1,105,269.27		-	
Refunds	-		-	
Accounts Payable	44,546.98		-	
Accrued Interest on Bonds, Loans and Notes	94,481.11		-	
Due to Water/Sewer Operating Fund	-		108,571.86	
Improvement Authorizations	-		893,583.48	
		8,424,960.13		1,002,155.34
Balance December 31, 2025		$ 7,021,996.85		$ 4,392,825.28

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-6

ANALYSIS OF CASH

		Balance Dec. 31, 2024	Receipts Miscellaneous	Disbursements Improvement Authorizations	Disbursements Miscellaneous	Transfers From	Transfers To	Balance Dec. 31, 2025
Fund Balance		$ 32,957.93	$ -	$ -	$ -	$ -	$ -	$ 32,957.93
Capital Improvement Fund		118,675.00	650,000.00	-	-	565,000.00	-	203,675.00
Reserve for Encumbrances		989,633.50	-	-	-	989,633.50	264,255.00	264,255.00
Interfunds:								
Water-Sewer Utility Operating Fund		9,799.12	81,797.15	-	108,571.86	-	-	(16,975.59)
Reserve for Water Improvements		105,479.44	44,442.02	-	-	-	-	149,921.46
Reserve for Debt Service		40,268.26	-	-	-	-	-	40,268.26
Improvement Authorizations:								
Ordinance Number	**Improvement Description**							
04-29/03-13	Various Water and Sewer Improvements	18,666.64	-	11,652.00	-	-	-	7,014.64
04-28, 05-35	Route 9 Extension of the Sanitary Sewer System	420.22	-	-	-	-	-	420.22
13-08	Various Water and Sewer Improvements	1,484.00	-	-	-	-	-	1,484.00
14-34	Various Water and Sewer Improvements	205.62	-	-	-	-	-	205.62
22-19	Purchase of Water Meters	22,053.00	-	-	-	-	-	22,053.00
22-20	Various Sanitary Sewer Improvements	764,650.00	-	96,910.31	-	91,655.00	7,242.50	583,327.19
24-26	Various Sanitary Sewer Improvements	209.00	-	785,021.17	-	172,600.00	982,391.00	24,978.83
24-27/25-23	Construction of New Water Tower	2,514,239.72	-	-	-	-	-	2,514,239.72
25-24	Various Sanitary Sewer Improvements	-	-	-	-	-	565,000.00	565,000.00
		$ 4,618,741.45	$ 776,239.17	$ 893,583.48	$ 108,571.86	$ 1,818,888.50	$ 1,818,888.50	$ 4,392,825.28

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

Exhibit D-7

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2024			$	353,236.00
Increased by:				
2025 Water-Sewer Rents				7,911,211.22
				8,264,447.22
Decreased by:				
Collections	$	7,585,199.73		
Overpayments/Prepaids Applied		331,561.03		
				7,916,760.76
Balance December 31, 2025			$	347,686.46
		Analysis of Balance		
		Consumer Accounts Receivable	$	347,686.46

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Exhibit D-8

		Balance Dec. 31, 2025 & 2024
Various Water-Sewer Improvements	$	21,564,840.54
Equipment		989,568.13
Meters		964,355.81
Vehicles		36,970.50
	$	23,555,734.98

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

Exhibit D-9

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED

AND UNCOMPLETED

Improvement Description	Ordinance Number	Ordinance Amount	Balance Dec. 31, 2024	2025 Authorizations	Balance Dec. 31, 2025
Route 9 Extension of the Sanitary Sewer System	04-28, 05-35	$ 2,800,000.00	$ 97,120.22	$ -	$ 97,120.22
Various Water and Sewer Improvements	13-08	680,000.00	1,484.00	-	1,484.00
Various Water and Sewer Improvements	14-34	1,210,000.00	6,805.62	-	6,805.62
Purchase of Water Meters	22-19	250,000.00	250,000.00	-	250,000.00
Sanitary Sewer Improvements	22-20	250,000.00	900,000.00	-	900,000.00
Various Water and Sewer Improvements	24-26	1,075,000.00	1,075,000.00	-	1,075,000.00
Construction of New Water Tower	24-27	6,050,000.00	6,050,000.00	1,700,000.00	7,750,000.00
Various Sanitary Sewer Improvements	25-24	565,000.00	-	565,000.00	565,000.00
			$ 8,380,409.84	$ 2,265,000.00	$ 10,645,409.84

Exhibit D-10

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

	Balance Dec. 31, 2024	Reserve for Encumbrances	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	$ 24,598.68	$ -	$ 39,598.68	$ 25,599.12	$ 13,999.56
Other Expenses	199,052.48	194,494.58	378,547.06	232,571.43	145,975.63
OCUA Charges	814.17	-	814.17	-	814.17
Maintenance of Water Towers	27,425.47	-	27,425.47	27,191.51	233.96
Due to Stafford Twp.-Paramount Homes	36,484.98	-	36,484.98	-	36,484.98
Capital Improvements:					
Capital Outlay	83,061.25	104,821.80	187,883.05	88,625.80	99,257.25
American Rescue Plan Funding	-	766,781.66	766,781.66	766,781.66	-
Statutory Expenditures:					
Contributions to:					
Social Security System	39,728.24	-	39,728.24	6,933.36	32,794.88
Unemployment Compensation Insurance	5,000.00	-	5,000.00	-	5,000.00
	$ 416,165.27	$ 1,066,098.04	$ 1,482,263.31	$ 1,147,702.88	$ 334,560.43

Transfer to Accounts Payable	$ 17,663.78
Interfund-Water/Sewer Capital	24,769.83
Disbursed	1,105,269.27
	$ 1,147,702.88

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY OPERATING FUND **Exhibit D-11**

SCHEDULE OF ACCRUED INTEREST ON

BONDS, NOTES AND LOANS

Balance December 31, 2024		$ 29,562.60
Increased by:		
2025 Budget Appropriations		94,526.00
		124,088.60
Decreased by:		
Canceled	$ 1,913.39	
Disbursements	94,481.11	
		96,394.50
Balance December 31, 2025		$ 27,694.10

SCHEDULE OF INTERFUNDS

Exhibit D-12

	Totals (Memo Only)	Water-Sewer Capital Fund
Balance December 31, 2024 - (Due From)/To	$ (9,799.12)	$ (9,799.12)
Increased by:		
Interest on Deposits	81,797.15	81,797.15
Total Increases and Balance	91,596.27	91,596.27
Decreased by:		
Reclass of Expenditures-Ord #24-26	24,769.83	24,769.83
Receipts	83,802.03	83,802.03
Total Decrease	108,571.86	108,571.86
Balance December 31, 2025 - (Due From)/To	$ 16,975.59	$ 16,975.59

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-13

SCHEDULE OF INTERFUNDS

		Totals (Memo Only)		Water-Sewer Operating Fund
Balance December 31, 2024 - (Due From)/To	$	9,799.12	$	9,799.12
Increased by:				
Interest Earned Due Water/Sewer Operating		81,797.15		81,797.15
Total Increases and Balance		91,596.27		91,596.27
Decreased by:				
Disbursements		83,802.03		83,802.03
Reclass of Expenditures-Ord #24-26		24,769.83		24,769.83
Balance December 31, 2025- (Due From)/To	$	(16,975.59)	$	(16,975.59)

Exhibit D-14

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance Dec. 31, 2024 Funded	Balance Dec. 31, 2024 Unfunded	2025 Authorizations	Prior Year Encumbrances	Paid or Charged	Balance Dec. 31, 2025 Funded	Balance Dec. 31, 2025 Unfunded
04-29/03-13	Various Water and Sewer Improvements	5/19/2003	$ 313,000.00	$ 18,666.64	$ -	$ -	$ -	$ 11,652.00	$ 7,014.64	$ -
04-28, 05-35	Route 9 Extension of the Sanitary Sewer System	6/21/2004	2,400,000.00							
		6/06/2005	400,000.00	420.22	-	-	-	-	420.22	-
13-08	Various Water and Sewer Improvements	6/03/2013	680,000.00	1,484.00	-	-	-	-	1,484.00	-
14-34	Various Water and Sewer Improvements	12/15/2014	1,210,000.00	205.62	-	-	-	-	205.62	-
2022-19	Purchase of Water Meters	9/06/2022	250,000.00	22,053.00	-	-	-	-	22,053.00	-
2022-20	Sanitary Sewer Improvements	9/06/2022	900,000.00	764,650.00	-	-	7,242.50	188,565.31	583,327.19	-
2024-9, 26	Various Water and Sewer Improvements	11/07/2024	1,075,000.00	209.00	-	-	982,391.00	957,621.17	24,978.83	-
2024-10,27	Construction of New Water Tower	11/07/2024	6,050,000.00	2,514,239.72	3,500,000.00	1,700,000.00	-	-	2,514,239.72	5,200,000.00
2025-24	Various Sanitary Sewer Improvements	12/02/2025	565,000.00	-	-	565,000.00	-	-	565,000.00	-
				$ 3,321,928.20	$ 3,500,000.00	$ 2,265,000.00	$ 989,633.50	$ 1,157,838.48	$ 3,718,723.22	$ 5,200,000.00

Bonds & Notes Authorized, Not Issued	$ 1,700,000.00
Capital Improvement Fund	565,000.00
	$ 2,265,000.00

Cash Disbursed	$ 868,813.65
Encumbrances Payable	264,255.00
Accrued Interest on Loan — Interfund-Water/Sewer Operating	24,769.83
	$ 1,157,838.48

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-15

SCHEDULE OF RESERVE FOR AMORTIZATION

Balance December 31, 2024			$	20,743,812.66
Increased by:				
Debt Paid by Operating Budget:				
Serial Bonds	$	135,000.00		
Loans - USDA		59,394.09		
Loans - EIT		18,844.19		
				213,238.28
Balance December 31, 2025			$	20,957,050.94

SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Exhibit D-16

	Ordinance Number		Balance Dec. 31, 2025
Various Water and Sewer Improvements	13-08	$	34,000.00
Various Water and Sewer Improvements	04-29/03-13		19,240.00
Purchase of Water Meters	22-19		250,000.00
Sanitary Sewer Improvements	22-20		900,000.00
Various Water and Sewer Improvements	24-9, 26		1,075,000.00
Construction of Water Tower	24-10,27		2,550,000.00
Various Sanitary Sewer Improvements	25-24		565,000.00
		$	5,393,240.00

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-17

SCHEDULE OF WATER UTILITY SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding Dec. 31, 2025 Date	Maturities of Bonds Outstanding Dec. 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Decrease	Balance Dec. 31, 2025
Water/Sewer Improvements	8/16/2016	$ 1,856,000.00	8/01/26	$ 135,000.00	2.00%	$ 966,000.00	$ 135,000.00	$ 831,000.00
(tax-exempt)			8/01/27	140,000.00	2.00%			
			8/01/28	140,000.00	2.00%			
			8/01/29	140,000.00	2.13%			
			8/01/30	140,000.00	2.25%			
			8/01/31	136,000.00	2.38%			
						$ 966,000.00	$ 135,000.00	$ 831,000.00

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-18

SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE TRUST LOAN PAYABLE

Sheet 1 of 2

Purpose	Date of Issue	Original Issue	Maturities of Loans Outstanding Dec. 31, 2025 Date	Maturities of Loans Outstanding Dec. 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Payments	Balance Dec. 31, 2025
NJ Fund Loan	2015	$ 151,800.00	2025 to 2034	Sheet 2	0.00%	$ 54,024.77	$ 5,965.47	$ 48,059.30
NJ Trust Loan	2015	52,862.00	2025 to 2034	Sheet 2	2.00% to 3.00%	28,133.00	2,690.00	25,443.00
NJ Fund Loan	2017	102,045.00	2025 to 2036	Sheet 2	0.00%	62,264.81	5,188.72	57,076.09
NJ Trust Loan	2017	100,000.00	2025 to 2036	Sheet 2	3.00% to 5.00%	65,000.00	5,000.00	60,000.00
						$ 209,422.58	$ 18,844.19	$ 190,578.39

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-18
Sheet 2 of 2

SCHEDULE OF NJ ENVIRONMENTAL INFRASTRUCTURE

TRUST LOAN PAYABLE

Due	Principal	Interest
February 2026	$ 3,718.06	$ 1,328.22
August 2026	15,190.13	1,328.22
February 2027	3,718.06	1,216.73
August 2027	15,263.13	1,216.73
February 2028	3,718.06	1,100.60
August 2028	15,345.13	1,100.60
February 2029	3,718.06	981.82
August 2029	15,433.13	981.82
February 2030	3,718.06	860.66
August 2030	15,525.13	860.66
February 2031	3,718.06	737.01
August 2031	15,623.13	737.01
February 2032	3,718.06	610.86
August 2032	15,725.13	610.86
February 2033	3,718.06	482.25
August 2033	15,832.13	482.25
February 2034	2,065.11	347.92
August 2034	9,454.15	347.92
February 2035	1,729.57	250.00
August 2035	8,459.15	250.00
February 2036	1,729.74	168.75
August 2036	13,459.15	168.75
	$ 190,578.39	$ 16,169.64

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

Exhibit D-19

SCHEDULE OF USDA LOAN PAYABLE

Purpose	Date of Issue	Original Issue	Semi-Annual Loan Payments Outstanding Dec. 31, 2025		Interest Rate	Balance Dec. 31, 2024	Decreases	Balance Dec. 31, 2025
			Date	Amount				
USDA Loan	2003	$ 2,500,000.00	2026 to 2043	$ 65,275.00	4.25%	$ 1,688,669.58	$ 59,394.09	$ 1,629,275.49

Exhibit D-20

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

WATER-SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED

BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance December 31, 2024	2025 Authorized	Balance Dec. 31, 2025
24-10,27, 25-23	Construction of New Water Tower	$3,500,000.00	$1,700,000.00	$5,200,000.00

TOWNSHIP OF BARNEGAT

PART III

SINGLE AUDIT SECTION

FOR THE YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and Members
of the Township Committee
Township of Barnegat
Barnegat, New Jersey 08005

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Township of Barnegat's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Township of Barnegat's major federal programs for the year ended December 31, 2025. The Township of Barnegat's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Township of Barnegat complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Township of Barnegat and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Township of Barnegat's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Township of Barnegat's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Township of Barnegat's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Township of Barnegat's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Township of Barnegat's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Township of Barnegat's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Township of Barnegat's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
May 12, 2026

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Schedule 1

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2025

Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Agency or Pass-Through Number	Program Award Amount	Program Expenditures	Passed Through to Subrecipients	Total Program Expenditures
U.S. Department of Homeland Security						
Passed-Through New Jersey Department of Law and Public Safety:						
Emergency Management Assistance Grant	97.042	066-1200-100-726	$ 10,000.00	$ 10,000.00	$ -	$ 10,000.00
Direct Award						
Staffing for Adequate Fire and Emergency Response	97.083	23-GPD-0833-00-99	68,740.00	39,960.00	-	39,960.00
Total U.S. Department of Homeland Security				49,960.00	-	49,960.00
Department of Treasury						
Direct Award						
Coronavirus State and Local Recovery Funds	21.027	N/A	2,475,934.66	1,551,802.83	-	1,551,802.83
Total Department of Treasury				1,551,802.83	-	1,551,802.83
U.S. Department of Justice						
Direct Award						
Bulletproof Vest Program	16.607	N/A	8,074.83	5,569.41	-	5,569.41
Total U.S. Department of Justice				5,569.41	-	5,569.41
Total Expenditures of Federal Awards				$ 1,607,332.24	$ -	$ 1,607,332.24

* See Note 3 of Notes to Schedule of Expenditure of Federal Awards.

The Notes to the Schedule of Expenditures of Federal Awards is an intergral part of this schedule.

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TOWNSHIP OF BARNEGAT – COUNTY OF OCEAN
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards of the Township of Barnegat. The Township is defined in Note 1 of the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies are included on the schedule of expenditures of federal awards.

Note 2. Summary of Significant Accounting Policies

The accompanying schedule of federal awards is presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Township did not elect the applicable deminimis indirect cost rate as discussed in 2 CFR 200.414.

Note 3. Relationship to Basic Financial Statements

Amounts reported in the accompanying schedule agrees with amounts reported in the Township's financial statements. Expenditures from awards are reported in the Township's financial statements as follows:

	Federal
State & Federal Grant Fund	$ 55,529.41
Utility Operating Fund	742,011.83
Utility Capital Fund	809,791.00
Total	$ 1,607,332.24

Note 4. Relationship to Federal Financial Reports

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agencies. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedules, which is prepared on the modified accrual basis of accounting as explained in Note 2.

Note 5. Federal Loans Outstanding

The Township had no loan balances outstanding at December 31, 2025.

Note 6. Contingencies

Each of the grantor agencies reserves the right to conduct additional audits of the Township's grant program for economy, efficiency and program results. However, the Township administration does not believe such audits would result in material amounts of disallowed costs.

Note 7. Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

TOWNSHIP OF BARNEGAT - COUNTY OF OCEAN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Adverse - GAAP, Unmodified - Regulatory Basis
Internal control over financial reporting:	
1) Material weakness(es) identified?	____ yes __X__ no
2) Significant deficiency(ies) identified?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal control over major programs:	
1) Material weakness(es) identified?	____ yes __X__ no
2) Significant deficiency(ies) identified?	____ yes __X__ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of Uniform Guidance?	____ yes __X__ no

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Recovery Funds

Dollar threshold used to determine Type A programs	$1,000,000.00
Auditee qualified as low-risk auditee?	____ yes __X__ no

TOWNSHIP OF BARNEGAT – COUNTY OF OCEAN
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None.

TOWNSHIP OF BARNEGAT – COUNTY OF OCEAN
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section III – Federal Awards Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance).

None.

TOWNSHIP OF BARNEGAT – COUNTY OF OCEAN
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025

This section identifies the status of prior year findings related to the financial statements and federal awards that are required to be reported in accordance with *Government Auditing Standards* and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance).

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings.

FEDERAL AWARDS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE

N/A – No single audit in prior year

TOWNSHIP OF BARNEGAT

PART IV

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

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Honorable Mayor and Members
of the Township Committee
Township of Barnegat
County of Ocean
Barnegat, New Jersey

In accordance with requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the following are the *General Comments* and *Recommendations* for the year ended December 31, 2025.

GENERAL COMMENTS:

Contracts and Agreements required to be advertised by (N.J.S.A.40A:11-4)

N.J.S.A.40A:11-4 states every contract or agreement, for the performance of any work or furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only by the Governing Body of the contracting unit after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other Law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the bid threshold, except by contract or agreement.

The bid threshold in accordance with *N.J.S.A. 40A:11-4* was $44,000 for months of January through June 2025. As of July 1, 2025 the bid threshold increased to $53,000 for the period ended December 31, 2025.

It is pointed out that the governing body of the municipality has the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the solicitor's opinion should be sought before a commitment is made.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed.

Our examination of expenditures did not reveal any individual payments or contracts in excess of the bid threshold "for the performance of any work, or the furnishing of any materials, supplies or labor" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of *N.J.S.A.40A:11-6*.

Collection of Interest on Delinquent Taxes and Assessments

N.J.S.54:4-67, provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 1, 2025 adopted the following resolution authorizing interest to be charged on delinquent taxes:

> 1. That the Tax Collector is hereby authorized and directed to charge 8% per annum on the first $1,500.00 of any amount of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of $1,500.00 becoming delinquent after due date, subject to any abatement or discount for the late payment of taxes as provided by law; and, if a delinquency is in excess of $10,000.00 and remains in arrears beyond December 31st of the tax year, an additional penalty of 6% shall be charged against the delinquency.
>
> 2. There will be a (10) ten-day grace period for payment of quarterly tax payments made by cash, check or money order."

It appears from an examination of the Collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

The last tax sale was held on June 9, 2025.

The following comparison is made of the number of tax title liens receivable on December 31st of the last three years:

YEAR	NUMBER OF LIENS
2025	176
2024	174
2023	440

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get properties back on a taxpaying basis.

OTHER COMMENTS (FINDINGS):

None.

Appreciation

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P. C.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

Lakewood, New Jersey
May 12, 2026