

TOWNSHIP OF LITTLE EGG HARBOR

**AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2025**

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COUNTY OF OCEAN
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COUNTY OF OCEAN
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**TOWNSHIP OF LITTLE EGG HARBOR
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 Little Egg Harbor
Little Egg Harbor, 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 Little Egg Harbor, which comprise the statements of assets, liabilities, reserves and fund balance – regulatory basis as of December 31, 2025 and 2024, and the related statement of operations and changes in fund balance – regulatory basis for the years then ended and the statement of revenue – 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 Little Egg Harbor, 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 Little Egg Harbor, 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 Little Egg Harbor 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 Little Egg Harbor, 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 Little Egg Harbor'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 Little Egg Harbor'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 Little Egg Harbor'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. 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 June 16, 2026, on our consideration of the Township of Little Egg Harbor'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 Little Egg Harbor'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 Little Egg Harbor's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized flourish at the end.

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

Lakewood, New Jersey
June 16, 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 Committee
Township of Little Egg Harbor
County of Ocean
Little Egg Harbor, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements - regulatory basis of the Township of Little Egg Harbor, 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 June 16, 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 weakness. 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.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized flourish at the end.

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

Lakewood, New Jersey
June 16, 2026

BASIC FINANCIAL STATEMENTS

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**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025
DECEMBER 31, 2025 AND 2024**

		2025	2024
ASSETS	REFERENCE		
Operating Fund:			
Cash:			
Treasurer	A-4	\$ 9,879,233.87	\$ 10,155,574.92
Change Fund	A	<u>1,800.00</u>	<u>1,800.00</u>
Total Cash		<u>9,881,033.87</u>	<u>10,157,374.92</u>
Other Receivables:			
Regional School Taxes	A-11	2.96	-
Due From State of New Jersey	A	<u>229,201.72</u>	<u>221,914.05</u>
Total Other Receivables		<u>229,204.68</u>	<u>221,914.05</u>
Receivables & Other Assets With Full Reserves:			
Delinquent Property Taxes Receivable	A-5	4,344.37	5,012.20
Tax Title Liens Receivable	A-6	857,453.60	867,925.59
Property Acquired/Assessed Valuation	A-7	5,757,700.00	5,757,700.00
Revenue Accounts Receivable	A-8	8,992.13	8,409.68
Due from Grant Fund	A	-	18,812.66
Due from Trust - Other Fund	B	10,767.80	1,903.24
Due from Trust Fund - OS Police	B	278,953.35	-
Due from General Capital Fund	C	<u>0.02</u>	<u>608.86</u>
Total Receivables		<u>6,918,211.27</u>	<u>6,660,372.23</u>
Deferred Charges:			
Expenditure without an Appropriation		-	9,569.26
Expenditure without an Appropriation		-	127,500.00
Overexpenditure - Prior Year Budget		<u>35,775.85</u>	<u>35,775.85</u>
Total Deferred Charges		<u>35,775.85</u>	<u>172,845.11</u>
Total Operating Fund Assets		<u>17,064,225.67</u>	<u>17,212,506.31</u>
Federal & State Grant Fund:			
Cash - Treasurer	A-4	155,589.89	254,501.62
Grants Receivable	A-13	6,349,220.10	2,790,869.38
Deferred Charge - Expenditure without Appropriation	A	13,044.00	13,044.00
Due from Current Fund	A	<u>218,057.05</u>	<u>-</u>
Total Federal & State Grant Fund Assets		<u>6,735,911.04</u>	<u>3,058,415.00</u>
Total Assets		<u><u>\$ 23,800,136.71</u></u>	<u><u>\$ 20,270,921.31</u></u>

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025
DECEMBER 31, 2025 AND 2024

		2025	2024
LIABILITIES RESERVES & FUND BALANCE	REFERENCE		
Operating Fund:			
Appropriation Reserve:			
Encumbered	A-3	\$ 368,499.35	\$ 359,915.12
Unencumbered	A-3	734,268.95	705,011.34
Prepaid Taxes	A-4	1,174,164.71	975,915.57
Tax Overpayments	A	335,665.87	296,268.86
Accounts Payable	A	29,991.40	21,168.26
Due County for Added & Omitted Taxes	A	79,685.57	75,007.97
Local School Taxes Payable	A-10	5,364,613.27	2,968,640.57
Regional School Taxes Payable	A-11	-	259,835.02
Due Bass River - UCC Fees	A	4,847.40	4,842.40
Due to State - DCA Training Fees	A	6,438.00	12,720.30
Due to State - Marriage License Fees	A	550.00	-
Due to State - Lead Inspection Fees	A	1,160.00	1,280.00
Due to Grant Fund	A	218,057.05	-
Due to Trust Assessment Fund	B	388,858.99	983,369.99
Due to Trust - Other Fund	B	-	483,253.62
Various Reserves	A-12	4,269.00	1,265,626.79
Total Operating Liabilities		8,711,069.56	8,412,855.81
Reserve for Receivables	A	6,918,211.27	6,660,372.23
Fund Balance	A-1	1,434,944.84	2,139,278.27
Total Operating Fund		17,064,225.67	17,212,506.31
Federal & State Grant Fund:			
Reserve for State Grants:			
Appropriated Reserves	A-14	6,020,461.69	2,857,574.26
Unappropriated Reserves	A-15	195,824.09	157,621.48
Encumbrances Payable	A-14	519,625.26	24,406.60
Due to Current Fund	A	-	18,812.66
Total Federal & State Grant Fund		6,735,911.04	3,058,415.00
Total Liabilities Reserve & Fund Balance		<u>\$ 23,800,136.71</u>	<u>\$ 20,270,921.31</u>

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
Revenue & Other Income Realized:		
Fund Balance Utilized	\$ 1,715,000.00	\$ 1,800,000.00
Miscellaneous Revenues Anticipated	9,264,625.27	6,057,781.85
Receipts From Delinquent Taxes	66,700.03	86,857.35
Receipts From Current Taxes	78,724,636.09	71,172,294.55
Nonbudget Revenues	226,580.77	447,509.12
Other Credits to Income:		
Prior Year Accounts Payable Cancelled	18,318.89	42,226.20
Interfunds Returned	18,203.82	69,501.20
Unexpended Balance of Appropriation Reserves	472,319.92	432,578.07
Total Revenue & Other Income	90,506,384.79	80,108,748.34
Expenditures:		
Budget & Emergency Appropriations:		
Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	10,349,300.00	10,123,450.00
Other Expenses	10,001,470.00	9,904,241.00
Deferred Charges & Statutory Expenditures	3,511,798.26	3,431,871.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	490,000.00	505,000.00
Other Expenses	4,797,842.58	1,086,399.67
Capital Improvement Fund	20,000.00	145,000.00
Municipal Debt Service	3,712,865.14	3,561,807.53
County Taxes	13,904,904.62	12,672,840.78
Local District School Tax	20,505,229.00	15,737,044.00
Regional High School Tax	19,886,345.00	19,048,748.00
Special District Taxes	1,841,166.29	1,768,224.56
Municipal Open Space	238,848.72	240,598.79
Interfund Advances	235,948.61	119,265.23
Total Expenditures	89,495,718.22	78,344,490.56
Excess/(Deficit) in Revenue	1,010,666.57	1,764,257.78
Expenditures Included Above Which Are by Statute Deferred Charges to Budget of Succeeding Years	-	35,775.85
Statutory Excess to Fund Balance	1,010,666.57	1,800,033.63
Fund Balance January 1,	2,139,278.27	2,139,244.64
Total	3,149,944.84	3,939,278.27
Decreased by: Utilized as Anticipated Revenue	1,715,000.00	1,800,000.00
Fund Balance December 31,	\$ 1,434,944.84	\$ 2,139,278.27

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	ANTICIPATED BUDGET	ADDED BY CH 159	REALIZED	EXCESS OR (DEFICIT)
Fund Balance Anticipated	\$ 1,715,000.00	\$ -	\$ 1,715,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	15,000.00	-	15,564.00	564.00
Other	293,000.00	-	140,819.91	(152,180.09)
Municipal Court	140,000.00	-	140,812.00	812.00
Interest & Cost on Taxes	225,000.00	-	209,033.79	(15,966.21)
Reserve for Closed Escrow Accounts	54,052.92	-	54,052.92	-
Reserve for FEMA Proceeds	69,100.00	-	69,100.00	-
Reserve for Liquor License Deposits	904,100.00	-	904,100.00	-
Interest on Investments	215,000.00	-	228,724.11	13,724.11
Payments in Lieu of Taxes	110,000.00	-	120,401.96	10,401.96
Energy Receipts Tax	1,315,440.00	-	1,315,440.36	0.36
Uniform Construction Code Fees	560,000.00	-	680,439.70	120,439.70
Garden State Trust	183,628.00	-	183,628.00	-
Tower Rental	220,000.00	-	224,740.06	4,740.06
SRO Reimbursement	190,000.00	-	192,393.47	2,393.47
CATV Franchise Fees	94,967.00	-	94,967.31	0.31
Additional Revenues Offset With Appropriations:				
Safe & Secure Communities	57,900.00	-	57,900.00	-
National Opioid Settlement	234,104.87	-	234,104.87	-
Drunk Driving Enforcement Fund	-	35,222.47	35,222.47	-
Ocean County ARPA - Mystic Drainage	4,180,500.00	-	4,180,500.00	-
Recycling Tonnage	37,621.83	-	37,621.83	-
Homeland Security Grant - ALPR	21,605.50	-	21,605.50	-
Clean Communities	73,615.88	-	73,615.88	-
Body Armor Grant	2,863.56	3,453.36	6,316.92	-
CDBG	38,000.00	-	38,000.00	-
Dept. of Justice grant	3,245.00	-	3,245.00	-
2023 Body Armor	2,025.15	-	2,025.15	-
AERF	250.06	-	250.06	-
Total Miscellaneous	9,241,019.77	38,675.83	9,264,625.27	(15,070.33)
Receipts from Delinquent Taxes	70,000.00	-	66,700.03	(3,299.97)
Subtotal General Revenues	11,026,019.77	38,675.83	11,046,325.30	(18,370.30)
Amount to be Raised by Taxes for Support to Municipal				
Budget - Local Tax for Municipal Purposes	22,140,154.39	-	22,661,434.99	521,280.60
Budget Totals	33,166,174.16	38,675.83	33,707,760.29	502,910.30
Nonbudget Revenues	-	-	226,580.77	226,580.77
Total	\$ 33,166,174.16	\$ 38,675.83	\$ 33,934,341.06	\$ 729,491.07

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

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

ANALYSIS OF REALIZED REVENUE

Allocation of Current Tax Collections:

Revenue From Collections	\$ 78,724,636.09
Allocated to - School, County & Special District Taxes	<u>56,376,493.63</u>
Balance for Support of Municipal Budget Revenues	22,348,142.46
Add: Appropriation - "Reserve for Uncollected Taxes"	<u>313,292.53</u>
Amount for Support of Municipal Budget Appropriations	<u><u>\$ 22,661,434.99</u></u>

Receipts From Delinquent Taxes:

Delinquent Tax Collections	\$ 4,902.82
Tax Title Lien Collections	<u>61,797.21</u>

Total Receipts From Delinquent Taxes	<u><u>\$ 66,700.03</u></u>
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Analysis of Nonbudget Revenue:

Treasurer:

Tax Map Maintenance	\$ 1,150.00
Trash Cans	16,004.00
OS Police Admin fees	32,134.09
Shared Service - Labor & Equipment Charges	1,506.07
Senior & Vets Admin Fee	4,817.27
Miscellaneous	39,800.98
Insurance Reimbursements	102,226.88
Sale of Property	<u>28,941.48</u>

Total Analysis of Nonbudget Revenue	<u><u>\$ 226,580.77</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this Statement.

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
General Government:						
General Administration:						
Salaries and Wages	\$ 50,000.00	\$ 55,000.00	\$ 51,621.46	\$ -	\$ 3,378.54	\$ -
Other Expenses	6,500.00	6,500.00	5,773.54	163.49	562.97	-
Mayor and Committee:						
Salaries and Wages	69,000.00	71,000.00	70,728.73	-	271.27	-
Other Expenses	7,000.00	7,000.00	4,226.82	172.47	2,600.71	-
Municipal Clerk:						
Salaries and Wages	250,000.00	255,000.00	252,448.76	-	2,551.24	-
Other Expenses	75,000.00	85,000.00	68,948.67	905.56	15,145.77	-
Financial Administration (Treasury):						
Salaries and Wages	300,000.00	316,500.00	308,645.99	-	7,854.01	-
Other Expenses	60,000.00	70,000.00	56,764.78	12,402.91	832.31	-
Audit Services:						
Other Expenses	80,000.00	80,000.00	76,657.50	13.64	3,328.86	-
Revenue Administration (Tax Collection):						
Salaries and Wages	250,000.00	237,500.00	237,143.33	-	356.67	-
Other Expenses:						
Tax Sale Costs	5,000.00	-	-	-	-	-
Miscellaneous Other Expenses	30,000.00	30,000.00	16,061.68	2,795.08	11,143.24	-
Tax Assessment Administration:						
Salaries and Wages	225,000.00	230,500.00	228,158.04	-	2,341.96	-
Other Expenses	7,500.00	7,500.00	5,115.00	300.00	2,085.00	-
Liquidation of Tax Title Liens & Foreclosed Property - Other Expenses	3,000.00	1,500.00	555.00	-	945.00	-
Legal Services (Legal Department):						
Other Expenses	420,000.00	405,000.00	349,313.78	48,112.00	7,574.22	-
Engineering Services:						
Other Expenses	150,000.00	150,000.00	147,663.89	1,875.00	461.11	-
Land Use Administration:						
Planning Board:						
Salaries and Wages	8,700.00	8,700.00	8,319.54	-	380.46	-
Other Expenses	3,000.00	3,000.00	2,829.95	-	170.05	-
Zoning Board of Adjustment:						
Salaries and Wages	8,700.00	8,700.00	8,419.54	-	280.46	-
Other Expenses	3,000.00	3,000.00	2,313.01	346.50	340.49	-
Zoning Officer:						
Salaries and Wages	210,000.00	210,000.00	204,039.84	-	5,960.16	-
Other Expenses	35,000.00	24,000.00	21,195.87	522.00	2,282.13	-
Insurance:						
Unemployment Insurance	45,000.00	40,500.00	39,078.51	-	1,421.49	-
Group Insurance for Employees	4,232,800.00	4,175,300.00	4,175,259.35	-	40.65	-
Other Insurance: JIF, Surety, Workers Comp	777,525.00	777,525.00	777,525.00	-	-	-

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

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

OPERATIONS	APPROPRIATIONS		EXPENDED			CANCEL
	BUDGET	BUDGET AFTER MODIFICATION	PAID	ENCUMBERED	RESERVED	
Public Safety Functions:						
Police Department:						
Salaries and Wages	6,360,000.00	6,360,000.00	6,165,379.14	-	194,620.86	-
Other Expenses	380,000.00	375,000.00	226,916.36	77,100.56	70,983.08	-
Office of Emergency Management:						
Salaries and Wages	22,500.00	22,500.00	22,500.00	-	-	-
Other Expenses	1,750.00	1,750.00	-	-	1,750.00	-
Aid to Volunteer Fire Company	2,400.00	2,400.00	2,400.00	-	-	-
First Aid Squad Contribution	100,000.00	120,000.00	120,000.00	-	-	-
Municipal Prosecutor:						
Other Expenses	65,000.00	65,000.00	52,450.00	4,550.00	8,000.00	-
Public Works Functions:						
Streets & Roads Maintenance:						
Salaries and Wages	455,000.00	455,000.00	448,340.22	-	6,659.78	-
Other Expenses	80,000.00	84,000.00	64,469.46	1,018.93	18,511.61	-
Solid Waste Sanitation:						
Salaries and Wages	300,000.00	310,000.00	305,248.57	-	4,751.43	-
Other Expenses	150,000.00	150,000.00	100,880.63	36,509.45	12,609.92	-
Bulk Property Maintenance Pick-Up	25,000.00	1,495.00	-	-	1,495.00	-
Solid Waste Recycling:						
Salaries and Wages	425,000.00	400,000.00	386,122.10	-	13,877.90	-
Other Expenses	45,000.00	45,000.00	20,434.01	8,030.70	16,535.29	-
Buildings & Grounds:						
Salaries and Wages	160,000.00	160,000.00	150,351.73	-	9,648.27	-
Other Expenses	200,000.00	200,000.00	161,885.54	23,199.48	14,914.98	-
Vehicle Maintenance:						
Salaries and Wages	245,000.00	245,000.00	226,911.23	-	18,088.77	-
Other Expenses	180,000.00	180,000.00	114,279.99	15,809.90	49,910.11	-
Municipal Services Act:						
Other Expenses	50,000.00	35,000.00	6,910.28	-	28,089.72	-
County Mosquito Control Agency:						
Other Expenses	5,000.00	3,500.00	3,000.21	424.18	75.61	-
Health & Human Services:						
Public Health Services (Board of Health):						
Salaries and Wages	1,200.00	1,200.00	-	-	1,200.00	-
Other Expenses	5,000.00	3,500.00	2,622.00	-	878.00	-
Environmental Health Services:						
Salaries and Wages	1,200.00	1,200.00			1,200.00	-
Other Expenses	5,000.00	15,000.00	520.00	-	14,480.00	-
Animal Control Services:						
Other Expenses	40,000.00	40,000.00	32,897.45	3,008.50	4,094.05	-
Contributions to Social Service Agencies - Statutory:						
Providence House	5,000.00	5,000.00	3,080.00	-	1,920.00	-
On Point Assistance Program	35,000.00	35,000.00	35,000.00	-	-	-

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

OPERATIONS	APPROPRIATIONS		PAID	EXPENDED		CANCEL
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
Park & Recreation Functions:						
Recreation Services & Programs:						
Salaries and Wages	160,000.00	160,000.00	149,438.05	-	10,561.95	-
Other Expenses	30,000.00	30,000.00	15,506.22	732.52	13,761.26	-
Senior Center/Community Activities						
Salaries and Wages	40,000.00	32,500.00	30,769.20	-	1,730.80	-
Other Expenses	5,000.00	5,000.00	3,858.75	43.16	1,098.09	-
Utility Expenses & Bulk Purchases:						
Electricity	200,000.00	215,000.00	192,309.86	21,833.67	856.47	-
Street Lighting	550,000.00	550,000.00	489,995.09	60,004.91	0.00	-
Telephone	250,000.00	250,000.00	236,116.75	7,204.65	6,678.60	-
Fuel Oil/Natural Gas	38,000.00	41,000.00	35,958.00	4,991.65	50.35	-
Gasoline	330,000.00	330,000.00	262,876.96	32,660.47	34,462.57	-
Landfill/Solid Waste Disposal Costs:						
Sanitary Landfill	975,000.00	1,000,000.00	1,000,000.00	-	-	-
Uniform Construction Code Enforcement Functions:						
Construction Code Official:						
Salaries and Wages	485,000.00	504,000.00	497,671.52	-	6,328.48	-
Other Expenses	35,000.00	35,000.00	25,533.99	2,688.74	6,777.27	-
Municipal Court:						
Salaries and Wages	305,000.00	305,000.00	294,419.80	-	10,580.20	-
Other Expenses	25,000.00	25,000.00	5,914.18	254.23	18,831.59	-
Public Defender:						
Other Expenses	45,000.00	45,000.00	36,468.60	825.00	7,706.40	-
Other Common Operating Functions (Unclassified):						
Municipal Alliance Council	17,000.00	17,000.00	15,841.01	-	1,158.99	-
Celebration of Public Events:						
Other Expenses	7,500.00	2,500.00	-	-	2,500.00	-
Accumulated Sick & Vacation Fund	200,000.00	223,500.00	223,500.00	-	-	-
Reserve for Disputed Contracts	15,000.00	5,000.00	-	-	5,000.00	-
Total Operations Within "CAPS"	20,368,275.00	20,350,770.00	19,287,584.48	368,499.35	694,686.17	-
Detail:						
Salaries and Wages	10,331,300.00	10,349,300.00	10,046,676.79	-	302,623.21	-
Other Expenses	10,036,975.00	10,001,470.00	9,240,907.69	368,499.35	392,062.96	-
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":						
Deferred Charges:						
Overpayment of PY Appropriations	9,569.26	9,569.26	9,569.26	-	-	-
Unbudgeted Interest on TAN	127,500.00	127,500.00	127,500.00	-	-	-
Statutory Expenditures:						
Social Security System (O.A.S.I.)	810,000.00	827,500.00	810,187.32	-	17,312.68	-
Defined Contribution Retirement Program	5,000.00	5,000.00	1,741.20	-	3,258.80	-
Police & Firemen's Retirement						
Pension	1,933,990.00	1,933,990.00	1,933,990.00	-	-	-
Public Employees Retirement System	608,239.00	608,239.00	608,239.00	-	-	-
Total Deferred Charges & Statutory Expenditures Within "CAPS"	3,494,298.26	3,511,798.26	3,491,226.78	-	20,571.48	-
Total General Appropriations for Municipal Purposes Within "CAPS"	23,862,573.26	23,862,568.26	22,778,811.26	368,499.35	715,257.65	-

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

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

OPERATIONS	APPROPRIATIONS		PAID	EXPENDED		CANCEL
	BUDGET	BUDGET AFTER MODIFICATION		ENCUMBERED	RESERVED	
Operations Excluded From "CAPS":						
Public & Private Programs Offset by Revenues:						
Ocean County - ARPA Mystic Drainage	4,180,500.00	4,180,500.00	4,180,500.00	-	-	-
Body Armor Grant	4,888.71	8,341.97	8,341.97	-	-	-
Recycling Tonnage	37,621.83	37,621.83	37,621.83	-	-	-
Homeland Security Grant - ALPR	21,605.50	21,605.50	21,605.50	-	-	-
Drunk Driving Enforcement Fund		35,222.47	35,222.47	-	-	-
Safe & Secure Communities	57,900.00	57,900.00	57,900.00	-	-	-
CDBG	38,000.00	38,000.00	38,000.00	-	-	-
Clean Communities Grant	73,615.88	73,615.88	73,615.88	-	-	-
National Opioid Settlement	234,104.87	234,104.87	234,104.87	-	-	-
AERF	250.06	250.06	250.06	-	-	-
Dept of Justice Grant	3,245.00	3,245.00	3,245.00	-	-	-
Group Insurance for Employees	97,200.00	97,200.00	97,200.00	-	-	-
Police Dispatch/911:						
Salaries and Wages	490,000.00	490,000.00	480,458.22	-	9,541.78	-
Other Expenses	5,000.00	5,000.00	3,539.45	-	1,460.55	-
Supplemental Aid to Fire Districts	5,235.00	5,235.00	5,235.00	-	-	-
Total Operations Excluded from "CAPS"	5,249,166.85	5,287,842.58	5,276,840.25	-	11,002.33	-
Detail:						
Salaries and Wages	490,000.00	490,000.00	480,458.22	-	9,541.78	-
Other Expenses	4,759,166.85	4,797,842.58	4,796,382.03	-	1,460.55	-
Capital Improvements - Excluded from "CAPS":						
IT & Recording Equipment	20,000.00	20,000.00	11,991.03	-	8,008.97	-
Total Capital Improvements - Excluded from CAPS	20,000.00	20,000.00	11,991.03	-	8,008.97	-
Municipal Debt Service - Excluded From "CAPS":						
Payment of Bond Principal	2,495,000.00	2,495,000.00	2,495,000.00	-	-	-
Payment of Bond Anticipation Notes & Capital Notes	79,800.00	79,800.00	79,750.00	-	-	50.00
Interest on Bonds	622,300.00	622,300.00	622,300.00	-	-	-
Interest on Notes	281,992.00	281,997.00	281,995.96	-	-	1.04
NJ Infrastructure Bank	234,276.52	234,276.52	233,819.18	-	-	457.34
Green Acres Trust Loan Program: Principal & Interest	7,773.00	7,773.00	-	-	-	7,773.00
Total Municipal Debt Service Excluded From "CAPS"	3,721,141.52	3,721,146.52	3,712,865.14	-	-	8,281.38
Total General Appropriations Excluded From "CAPS"	8,990,308.37	9,028,989.10	9,001,696.42	-	19,011.30	8,281.38
Subtotal General Appropriations	32,852,881.63	32,891,557.36	31,780,507.68	368,499.35	734,268.95	8,281.38
Reserve For Uncollected Taxes	313,292.53	313,292.53	313,292.53	-	-	-
Total General Appropriations	<u>\$ 33,166,174.16</u>	<u>\$ 33,204,849.89</u>	<u>\$ 32,093,800.21</u>	<u>\$ 368,499.35</u>	<u>\$ 734,268.95</u>	<u>\$ 8,281.38</u>
Adopted Budget		\$ 33,166,174.16				
Added by N.J.S.40A:4-87		<u>38,675.73</u>				
Total		<u>\$ 33,204,849.89</u>				
Federal & State Grants			\$ 4,690,407.58			
Reserve for Uncollected Taxes			313,292.53			
Deferred Charges			137,069.26			
Disbursed			<u>26,953,030.84</u>			
Total			<u>\$ 32,093,800.21</u>			

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

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

ASSETS	REFERENCE	2025	2024
Assessment Fund:			
Cash	B-1	\$ 544,966.40	\$ 4,096.41
Assessments Receivable	B-17	1,099,048.16	1,454,157.15
Due From Current Fund	A	388,858.99	983,369.99
Deferred Charge - Cash Deficit	B	33,750.00	-
Total Assessment Fund		<u>2,066,623.55</u>	<u>2,441,623.55</u>
Other Funds:			
Cash - Treasurer	B-1	3,115,417.30	2,917,165.70
Cash - Collector	B-2	1,455,097.64	1,206,865.73
Due from Current Fund	A	-	483,253.62
Total Other Funds		<u>4,570,514.94</u>	<u>4,607,285.05</u>
Total Assets		<u><u>\$ 6,637,138.49</u></u>	<u><u>\$ 7,048,908.60</u></u>
LIABILITIES, RESERVES & FUND BALANCE			
Assessment Fund:			
Due to Capital Fund	C	\$ 137,509.28	\$ 137,509.28
Prospective Assessments Funded	B	54,114.27	54,114.27
Assessment Bonds Payable	B-19	1,875,000.00	2,250,000.00
Total Assessment Fund		<u>2,066,623.55</u>	<u>2,441,623.55</u>
Other Funds:			
Reserves for:			
Deposits for Tax Title Redemptions	B-5	1,455,097.64	1,206,865.73
Escrow Deposits	B-6	1,215,614.89	1,436,722.53
Forfeited Property	B-7	85,316.39	58,151.76
Recreation Trust	B-8	2,089.97	2,057.05
Open Space	B-9	1,284,628.00	1,450,342.28
Community Center	B-10	4,448.15	3,834.14
Federal Forfeiture Law Enforcement Funds	B-11	3,814.93	10,220.60
Sick/Vacation Funds	B-12	18,654.91	17,846.00
COAH Funds	B-13	185,713.36	170,233.38
Police Evidence Deposits	B-14	3,352.80	3,352.80
Veterans Park Donations	B-15	4,896.26	4,896.26
Police K-9 Equipment	B	-	12,601.00
Division of Fire Safety - Dedicated Penalties	B-16	16,518.49	15,000.00
POAA Funds	B	648.00	648.00
Due to Current Fund - OS Police		278,953.35	-
Due to Current Fund	A	10,767.80	1,903.24
Due to Capital Fund - Open Space Trust	C	-	212,610.28
Total Other Funds		<u>4,570,514.94</u>	<u>4,607,285.05</u>
Total Liabilities, Reserves & Fund Balance		<u><u>\$ 6,637,138.49</u></u>	<u><u>\$ 7,048,908.60</u></u>

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

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

ASSETS	REFERENCE	2025	2024
Cash & Cash Equivalents	C-2	\$ 753,764.75	\$ 1,540,817.67
Due from Assessment Trust Fund	B	137,509.28	137,509.28
Due from Open Space Fund	B	-	212,610.28
Deferred Charges to Future Taxation:			
Funded	C-4	16,337,807.05	19,019,786.95
Unfunded	C-5	20,647,997.91	21,398,911.05
Prospective Assessment to be Raised by Taxation	C	<u>13,875,000.00</u>	<u>13,875,000.00</u>
Total Assets		<u>\$ 51,752,078.99</u>	<u>\$ 56,184,635.23</u>
LIABILITIES, RESERVES & FUND BALANCE			
Bond Anticipation Notes Payable	C-8	\$ 15,155,750.00	\$ 12,386,000.00
General Serial Bond	C-9	13,165,000.00	15,660,000.00
Green Trust Loan Payable	C-10	15,315.68	38,025.58
NJEIT Loan Payable	C-11	3,157,491.37	3,321,761.37
Capital Improvement Fund	C-6	90,294.00	90,294.00
Encumbrances Payable	C-7	2,342,519.64	989,303.00
Due To Ocean County - CDBG	C	3,722.00	3,722.00
Improvement Authorizations:			
Funded	C-7	802,985.69	2,634,925.66
Unfunded	C-7	2,960,699.50	7,082,286.68
Due to Current Fund	C-3	0.02	608.86
Reserve for Debt Service	C-3	143,592.47	99,521.55
Reserve for Prospective Assessment to be Raised by Taxation	C	13,875,000.00	13,875,000.00
Fund Balance	C-1	<u>39,708.62</u>	<u>3,186.53</u>
Total Liabilities, Reserves & Fund Balance		<u>\$ 51,752,078.99</u>	<u>\$ 56,184,635.23</u>

There were bonds and notes authorized but not issued at December 31, 2025 and 2024 in the amount of \$5,492,247.91 and \$9,012,911.05, respectively.

The accompanying Notes to the Financial Statement are an integral part of this Statement.

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 3,186.53
Increased by:	
Premium on Sale of Bonds or Notes	<u>36,522.09</u>
Balance December 31, 2025 & 2024	<u><u>\$ 39,708.62</u></u>

The accompanying Notes to the Financial Statement are an integral part of this Statement.

TOWNSHIP OF LITTLE EGG HARBOR
PAYROLL FUND
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

ASSETS	REFERENCE	2025	2024
Cash - Treasurer	D-1	<u>\$ 7,971.90</u>	<u>\$ 181,850.35</u>
LIABILITIES			
Payroll Taxes Payable	D-2	<u>\$ 7,971.90</u>	<u>\$ 181,850.35</u>

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

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT OF FIXED ASSETS AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

ASSETS	2025	2024
Land and Improvements	\$ 10,304,920.41	\$ 10,299,420.41
Building	11,233,844.00	11,052,677.00
Equipment	<u>16,656,113.70</u>	<u>14,986,270.07</u>
Total	<u><u>\$ 38,194,878.11</u></u>	<u><u>\$ 36,338,367.48</u></u>
FUND BALANCE		
Investment in Fixed Assets	<u><u>\$ 38,194,878.11</u></u>	<u><u>\$ 36,338,367.48</u></u>

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

**TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN**

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

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**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity - The Township of Little Egg Harbor was incorporated in 1798 and is located in the Ocean County, New Jersey. The population according to the 2020 census was 20,784.

The form of Government is known as a Township pursuant to N.J.S.A.40A:63-1 et seq. The government consists of five (5) Committee Members who are elected at large to three (3) year staggered terms. The Mayor is elected from and by the Members of the Committee and serves a one (1) year term. Under the statutes the Mayor is the head of the government and acts as the executive branch. The Committee acts as the legislative branch of government and has executive powers not assigned to the Mayor.

Component Units - 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). If the provisions of these GASB statements had been complied with, the financial statements of the following component unit would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Little Egg Harbor Municipal Utilities Authority
823 Radio Road
Post Office Box 660
Little Egg Harbor, New Jersey 08087-0660

Annual financial reports may be inspected directly at the office of this component unit during regular business hours.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Township contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United State of America applicable to local government units. The more significant differences are explained further in this note.

In accordance with the "Requirements", the Township accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds – These funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

Trust Assessment Fund– This fund accounts for the financing of local improvements deemed to benefit the properties against which assessments are levied.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies (continued):

General Capital Fund – This fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Township.

Payroll Fund – This fund accounts for the receipts and disbursements of funds used to meet obligations to employees and payroll tax liabilities.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its Current Fund in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost. Therefore unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by *N.J.S.A.40A:5-14* to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

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

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies (continued)

The cash management plan adopted by the Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories and Supplies - The cost 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 statements of assets, liabilities, reserves and fund balance.

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Foreclosed Property – Foreclosed Property or "Property Acquired for Taxes" is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Township to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies (continued)

Deferred Charges – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Fund Balance – Fund Balance included in the Current Fund represent the amount available for anticipation as revenue in future year's budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Township, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Ocean, Fire Districts, Little Egg Harbor Township School and the Pineland's Regional School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Little Egg Harbor Township School District and the Pinelands Regional School District. Operations are charged for the full amount required to be raised from taxation to operate the local and regional school district July 1st to June 30th.

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

Reserve for Uncollected Taxes – The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures – are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed as required by Technical Accounting Directive No. 85-1. When an expenditure is paid, the amount encumbered is simultaneously liquidated in its original amount.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies (continued)

Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis.

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

Long-Term Debt - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund. Where an improvement is a “local improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

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 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.

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.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies (continued)

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. Deposits and Investments

The Township is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned. Although the Township does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Township in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Township relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2025, the Township's bank balance of \$18,172,970.10 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 13,021,168.06
Uninsured and Uncollateralized	5,151,802.04
	<u>\$ 18,172,970.10</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 2. Deposits and Investments (continued)

Investments

The Township had no investments as of December 31, 2025.

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

Comparison Schedule of Tax Rates

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax Rate	<u>\$ 3.463</u>	<u>\$ 3.138</u>	<u>\$ 2.998</u>
Apportionment of Tax Rate:			
Municipal	0.927	0.898	0.873
County General	0.579	0.527	0.486
Local School	0.858	0.659	0.628
Regional School	0.833	0.797	0.764
Special District	0.256	0.247	0.237
Municipal Open Space	0.010	0.010	0.010

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2025	\$ 2,388,487,150.00
2024	2,389,822,300.00
2023	2,371,083,098.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2025	\$ 78,901,464.17	\$ 78,724,636.09	99.77%
2024	71,297,667.16	71,172,294.55	99.82%
2023	67,857,822.59	67,695,761.39	99.76%

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 3. Property Taxes (continued)

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2025	\$ 857,453.60	\$ 4,344.37	\$ 861,797.97	1.09%
2024	867,925.59	5,012.53	872,938.12	1.22%
2023	787,522.07	55,772.19	843,294.26	1.24%

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2025	201
2024	194
2023	197

The last tax sale was held on December 17, 2025.

Note 4. Property Acquired By Tax Title Lien Liquidation

The value of properties acquired by liquidation of tax title liens based on the last assessed valuation of such properties as of December 31, was as follows:

<u>Year</u>	<u>Amount</u>
2025	\$ 5,757,700.00
2024	5,757,700.00
2023	5,757,700.00

Note 5. Fund Balances Appropriated

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2025	\$ 1,434,944.84	\$ 1,095,000.00	76.31%
2024	2,139,278.27	1,715,000.00	80.17%
2023	2,139,244.64	1,800,000.00	84.14%

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 6. Disaggregated Receivable and Payable Balances

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

Note 7. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2025:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 289,721.17	\$ 606,916.04
State and Federal Grant Fund	218,057.05	-
Trust Other Fund	-	289,721.15
Trust Assessment Fund	388,858.99	137,509.28
General Capital Fund	137,509.28	0.02
	<u>\$ 1,034,146.49</u>	<u>\$ 1,034,146.49</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

Fund	Transfers In	Transfers Out
Current Fund	\$ 45,677.30	\$ 1,823,793.02
State and Federal Grant Fund	82,424.13	2,687.74
Open Space Trust	483,253.62	212,610.28
Trust Other Fund	274,745.28	42,380.72
Trust Assessment Fund	983,369.99	-
General Capital Fund	212,610.28	608.84
	<u>\$ 2,082,080.60</u>	<u>\$ 2,082,080.60</u>

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.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 8. 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, <u>2024</u>		<u>Additions</u>		<u>Deletions</u>		Balance December 31, <u>2025</u>
Land and Improvements	\$ 10,299,420.41	\$	5,500.00	\$	-	\$	10,304,920.41
Buildings	11,052,677.00		181,167.00		-		11,233,844.00
Machinery & Equipment	14,986,270.07		1,979,832.63		(309,989.00)		16,656,113.70
	<u>\$ 36,338,367.48</u>	\$	<u>2,166,499.63</u>	\$	<u>(309,989.00)</u>	\$	<u>38,194,878.11</u>

Note 9. 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 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.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit 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 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to 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.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued)

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

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 more 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 \$608,232.

Components of Net Pension Liability - - At December 31, 2024, the Township's proportionate share of the PERS net pension liability was \$6,073,756. 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 updated 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 0.0446992614% which was a decrease of 0.0029705482% from its proportion measured as of June 30, 2023.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued)

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

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	\$ 147,707	\$ 168,768
Deferred Inflows of Resources	1,121,795	1,069,027
Net Pension Liability	6,073,756	6,904,674
Township's portion of the Plan's total Net Pension Liability	0.04470%	0.04767%

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 (\$148,854). 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 \$608,232 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 121,669	\$ 16,170
Changes of Assumptions	7,546	69,105
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	281,623
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	18,492	754,897
	<u>\$ 147,707</u>	<u>\$ 1,121,795</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. 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	
<u>June 30,</u>	<u>Amount</u>
2026	\$ (405,158)
2027	52,256
2028	(262,079)
2029	(213,553)
2030	<u>(145,554)</u>
	<u><u>\$ (974,088)</u></u>

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, 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 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 \$19,582.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued)

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

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:	
	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, 2019 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:

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued):

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%
	<u>100.00%</u>	

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 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 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:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Township's Proportionate Share of the Net Pension Liability	<u>\$ 8,138,463</u>	<u>\$ 6,073,756</u>	<u>\$ 4,411,336</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. 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:

<u>Tier</u>	<u>Definition</u>
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.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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 more 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 \$1,933,990.

Net Pension Liability and Pension Expense - At December 31, 2024 the Township's proportionate share of the PFRS net pension liability was \$14,438,238. 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 0.139816%, which was a decrease of 0.00340721% from its proportion measured as of June 30, 2023.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	\$ 1,606,449	\$ 2,662,159
Deferred Inflows of Resources	1,697,778	2,280,808
Net Pension Liability	14,438,238	15,824,439
Township's portion of the Plan's total net pension Liability	0.13982%	0.14322%

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 \$1,020,741. 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 \$1,933,990 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:

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 909,598	\$ 494,285
Changes of Assumptions	22,824	424,027
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	113,005
Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions	<u>674,027</u>	<u>666,461</u>
	<u>\$ 1,606,449</u>	<u>\$ 1,697,778</u>

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:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ (697,842)
2026	807,334
2027	(200,738)
2028	(92,407)
2029	85,066
Thereafter	<u>7,258</u>
	<u>\$ (91,329)</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. 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 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's proportionate share of the PFRS net pension liability attributable to the Township is \$2,846,468 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 0.1398%, which was a decrease of 0.00341% 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 PFRS net pension liability were as follows:

Township's Proportionate Share of Net Pension Liability	\$ 14,438,238
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township	<u>2,846,468</u>
	<u>\$ 17,284,706</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. 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 \$327,463.

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 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 a 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, 2019 to June 30, 2022.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued)

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

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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 Equity	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%
	<u>100.00%</u>	

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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to 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:

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. 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	\$ 20,629,030	\$ 14,438,238	\$ 9,282,665
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Township	<u>4,066,969</u>	<u>2,846,468</u>	<u>1,830,058</u>
	<u><u>\$ 24,695,999</u></u>	<u><u>\$ 17,284,706</u></u>	<u><u>\$ 11,112,723</u></u>

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 education employees.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 9. Pension Obligations (continued)

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

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 \$2,365.20, and the Township recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$1,290.00

Note 10. Municipal Debt

The following schedule represents the Township's summary of debt, as filed in the Township's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 31,493,556.95	\$ 31,405,786.95	\$ 28,076,465.77
 Total Debt Issued	 31,493,556.95	 31,405,786.95	 28,076,465.77
 Authorized but not issued:			
General:			
Bonds, Notes and Loans	5,492,247.91	9,021,911.05	12,121,911.05
 Total Authorized But Not Issued	 5,492,247.91	 9,021,911.05	 12,121,911.05
 Total Gross Debt	 <u>\$ 36,985,804.86</u>	 <u>\$ 40,427,698.00</u>	 <u>\$ 40,198,376.82</u>
 Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	\$ 143,592.47	\$ 99,521.55	\$ 197,580.03
 Total Deductions	 143,592.47	 99,521.55	 197,580.03
 Total Net Debt	 <u>\$ 36,842,212.39</u>	 <u>\$ 40,328,176.45</u>	 <u>\$ 40,000,796.79</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 12,170,000.00	\$ 12,170,000.00	\$ -
Regional School Debt	33,334,330.85	33,334,330.85	-
General Debt	36,985,804.86	143,592.47	36,842,212.39
	<u>\$ 82,490,135.71</u>	<u>\$ 45,647,923.32</u>	<u>\$ 36,842,212.39</u>

Net Debt of \$36,842,212.39 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$4,095,905,040.67, equals 0.899%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2025 is calculated as follows:

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 143,356,676.42
Net Debt	<u>36,842,212.39</u>
Remaining Borrowing Power	<u>\$ 106,514,464.03</u>

General Debt

A. Serial Bonds Payable

On February 2, 2017, the Township issued \$4,500,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 2.00% to 3.00% and mature on February 1, 2027.

On August 1, 2019, the Township issued \$6,280,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 3.00% to 4.00% and mature on August 15, 2028.

On August 22, 2023, the Township issued \$2,835,000 of General Obligation Bonds. The General Obligation Bonds were issued at interest rates varying from 4.00% to 5.00% and mature on September 1, 2031.

On August 22, 2023, the Township issued \$9,020,000 of General Obligation Assessment Bonds. The General Obligation Assessment Bonds were issued at interest rates varying from 4.00% to 5.00% and mature on September 1, 2033.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (continued)

Principal and interest due on the outstanding general obligation bonds are as follows:

2026	\$ 2,495,000.00	\$ 622,300.00	\$ 3,117,300.00
2027	2,710,000.00	536,200.00	3,246,200.00
2028	2,155,000.00	450,100.00	2,605,100.00
2029	1,335,000.00	350,250.00	1,685,250.00
2030	1,335,000.00	192,150.00	1,527,150.00
2031-2033	3,135,000.00	233,400.00	3,368,400.00
	\$ 13,165,000.00	\$ 2,384,400.00	\$ 15,549,400.00

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2025:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2025</u>
Series 2025 A	1/21/2025	1/20/2026	4.250%	\$ 5,933,000.00
Series 2025 B	12/17/2025	12/16/2026	3.250%	<u>9,222,750.00</u>
				<u>\$ 15,155,750.00</u>

The purpose of these short-term borrowings was to provide resources for general capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq.

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2025, the Township had \$5,492,247.91 in various General Capital bonds and notes authorized but not issued.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (continued)

D. Loans Payable

As of December 31, 2025, the Township had \$15,315.68 in Green Trust Loans Payable outstanding. Principal and interest due on the loans payable are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 15,315.68	\$ 230.12	\$ 15,545.80
	<u>\$ 15,315.68</u>	<u>\$ 230.12</u>	<u>\$ 15,545.80</u>

E. NJEIT Loans Payable

During 2020, the Township entered into a loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2020 New Jersey Environmental Infrastructure Trust Financing Program. The Trust Loan Agreement of \$1,915,305 is to be repaid over a twenty year period at interest rates ranging from 2.125% to 5.00% for the \$930,000 Trust Loan portion, and 0% for the \$985,305 Fund Loan portion. The proceeds of the loans were to fund Township-wide drainage projects. As of December 31, 2025, the balances were \$755,000 and \$701,403.64 respectively.

During 2023, the Township entered into a loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2023 New Jersey Environmental Infrastructure Trust Financing Program. The Trust Loan Agreement of \$1,804,704 is to be repaid over a twenty year period at interest rates ranging from 3.03% to 5.00% for the \$936,032 Trust Loan portion, and 0% for the \$868,672 Fund Loan portion. The proceeds of the loans were to fund Township-wide drainage projects. As of December 31, 2025, the balances were \$906,032 and \$755,000 respectively.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 169,270.00	\$ 60,648.52	\$ 229,918.52
2027	174,270.00	56,898.52	231,168.52
2028	174,270.00	52,898.52	227,168.52
2029	184,270.00	48,898.52	233,168.52
2030	184,270.00	44,398.52	228,668.52
2031-2035	976,350.00	161,905.88	1,138,255.88
2036-2040	1,072,729.80	73,642.74	1,146,372.54
2041-2043	222,061.57	12,185.76	234,247.33
	<u>\$ 3,157,491.37</u>	<u>\$ 511,476.98</u>	<u>\$ 3,668,968.35</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (continued)

F. Trust Assessment Bonds Payable

On July 1, 2020, the Township issued \$3,750,000 of General Obligation Assessment Bonds. The General Obligation Assessment Bonds were issued at interest rates varying from 2.00% to 4.00% and mature on July 15, 2030. During the year ended December 31, 2021 these Assessment bonds were transferred to the Assessment Trust Fund.

Principal and interest due on the outstanding assessment bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 375,000.00	\$ 52,500.00	\$ 427,500.00
2027	375,000.00	37,500.00	412,500.00
2028	375,000.00	26,250.00	401,250.00
2029	375,000.00	15,000.00	390,000.00
2030	375,000.00	7,500.00	382,500.00
	<u>\$ 1,875,000.00</u>	<u>\$ 138,750.00</u>	<u>\$ 2,013,750.00</u>

Summary of Principal Debt

A summary of the changes in long-term and short-term debt of the Township is as follows:

	Balance December 31, <u>2024</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2025</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 15,660,000.00	\$ -	\$ 2,495,000.00	\$ 13,165,000.00	\$ 2,495,000.00
Bond Anticipation Notes	12,386,000.00	15,155,750.00	12,386,000.00	15,155,750.00	15,155,750.00
Green Trust Loans	38,025.58	-	22,709.90	15,315.68	15,315.68
NJEIT Loan Payable	3,321,761.37	-	164,270.00	3,157,491.37	169,270.00
Assessment Trust:					
Assessment Bonds	2,250,000.00	-	375,000.00	1,875,000.00	375,000.00
	<u>\$ 33,655,786.95</u>	<u>\$ 15,155,750.00</u>	<u>\$ 15,442,979.90</u>	<u>\$ 33,368,557.05</u>	<u>\$ 18,210,335.68</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 11. Deferred School Taxes

School taxes have been raised and the liability deferred by statutes. The balance of unpaid local taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, 2025 are as follows:

<u>Local Taxes</u>	<u>Balance, December 31,</u>	
	<u>2025</u>	<u>2024</u>
Total Balance of Local Tax	\$ 10,600,910.27	\$ 8,204,937.57
Deferred Taxes	<u>5,236,297.00</u>	<u>5,236,297.00</u>
Local Tax Payable	<u>\$ 5,364,613.27</u>	<u>\$ 2,968,640.57</u>

Note 12. Deferred Compensation Salary Account

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 13. Accrued Sick, Vacation and Compensation Time

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 \$2,827,946.55 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.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 14. Contingencies

Grantor Agencies

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 grant 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.

Litigation

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

Tax Appeals

Losses arising from tax appeals are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. There are no significant pending tax appeals as of December 31, 2025.

Note 15. Postemployment Benefits Other Than Pensions – State Plan

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 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.

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>.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 15. Postemployment Benefits Other Than Pensions – State Plan (continued)

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.

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.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 15. Postemployment Benefits Other Than Pensions – State Plan (continued)

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 expense (benefit) 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 expense (benefit) 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, 2022 through June 30, 2023. 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. The participating 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.

Additionally, the State's proportionate share of the OPEB liability attributable to the Township is \$10,676,683 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 0.21894%, which was a decrease of 0.0147% 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:

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 15. Postemployment Benefits Other Than Pensions – State Plan (continued)

State of New Jersey's		
Proportionate Share of OPEB Liability		
Associated with the Township	\$	10,676,683

At December 31, 2024, the State's proportionate share of the OPEB benefit, associated with the Township, calculated by the plan as of the June 30, 2024 measurement date was (\$1,034,390).

Note 16. Postemployment Benefits Other Than Pensions – Local Plan

General Information about the OPEB Plan

The financial statements of the Township are not prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. The following information is provided in accordance with the requirements of the Statement and has been implemented prospectively.

The Township of Little Egg Harbor provides post-employment medical, prescription drug, dental, and vision benefits to eligible retired employees and their spouses until Medicare age is attained by either the retired employee or the spouse in the case of spousal coverage. The Township of Little Egg Harbor pays 100% of the insurance cost for the retiree.

Employees and Retirees Covered – At December 31, 2024, the following employees were covered by the Township plan:

<u>Participant Data</u>	<u>Amount</u>
Active Employees	123
Retired Employees	46
Total Membership Count	169

Actuarial Assumptions and Other Inputs

This valuation has been conducted as of December 31, 2024 based on census, plan design and premium information provided by the Township. Census includes 46 retired participants (including spouses) and 123 active participants. The Measurement Date, for each fiscal year is as of the end of the prior year. Thus, the total OPEB Liability for fiscal year ending December 31, 2024 of \$20,100,437 is measured at December 31, 2024 as allowed under GASB 75.

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued)

The values are determined in accordance with GASB 75 including the Individual Entry Age Normal Cost method with the normal cost determined as a percentage of pay. Standard roll forward and backward techniques were used to adjust valuation dates to measurement dates. The following assumptions and other inputs applied to all periods in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Discount Rate	Based on S&P Municipal Bond 20 Year High-Grade Bond Index Rate of 4.28% as of 12/31/2024
Inflation Rate	3.00%
Salary Increases	3.00%
Health Care Cost Trend	7.00% Decreasing to 4.50% ultimate
Rates of Mortality	PUB 2010 w/ MP 2021 Projection
Rates of Retirement	Rates start at age 55 & 10 years or 20 years
Rates of Disability	None assumed
Retiree Participation	100.00% of eligible retirees are assumed to elect to participate in the plan
Investment Rate of Return	4.28%
Asset Valuation Method	Market

Discount Rate – The discount rate is the single rate that reflects (1) the long-term expected rate of return on the OPEB plan investments that are expected to be used to finance the payments of benefits, to the extent that the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and OPEB plan assets are expected to be invested using a strategy to achieve that return and (2) a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of Aa, to the extent that the conditions for use of the long-term expected rate of return are not met. For the total OPEB liability calculation as of December 31, 2024, the discount rate utilized was 4.28%.

Changes in the Total OPEB Liability – The changes to the total OPEB Liability during the year ending December 31, 2024 were as follows:

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued)

Changes in the Total OPEB Liability

Total OPEB Liability

Balance, January 1, 2023	\$ 21,290,773
Changes for the Year:	
Service Cost	656,988
Interest Cost	821,856
Changes of Assumptions	(467,418)
Difference between Actual and Expected	(713,030)
Benefits Paid (implicit)	(1,488,732)
Net Changes	(1,190,336)
Balance, December 31, 2024	<u>\$ 20,100,437</u>

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

The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be, if it were calculated using a discount rate that is 1-percentage-point lower (3.28 percent) or 1-percentage pointer higher (5.28 percent) that the current discount rate:

December 31, 2024		
At 1% Decrease (3.28%)	At Discount Rate (4.28%)	At 1% Increase (5.28%)
\$ 21,643,132	\$ 20,100,437	\$ 18,709,571

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

December 31, 2024		
1% Decrease	Healthcare Cost Trend Rate *	1% Increase
\$ 18,467,665	\$ 20,100,437	\$ 21,977,031

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued)

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Township's OPEB expense was estimated to be \$182,078. At December 31, 2024, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 318,448.00	\$ 1,235,791.00
Changes of Assumptions	<u>1,876,874.00</u>	<u>1,594,217.00</u>
	<u>\$ 2,195,322.00</u>	<u>\$ 2,830,008.00</u>

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

<u>Fiscal Year Ending June 30,</u>	
2025	\$ (1,296,768.00)
2026	224,269.00
2027	2,902.00
2028	283,269.00
2029	205,936.00
Thereafter	<u>(54,294.00)</u>
	<u>\$ (634,686.00)</u>

**TOWNSHIP OF LITTLE EGG HARBOR
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 16. Postemployment Benefits Other Than Pensions – Local Plan (continued)

Other Supplementary Information

Schedule of Changes in the Township's Total OPEB Liability and Related Ratios

	Fiscal Year Ending December 31,		
	2024	2023	2022
Total OPEB Liability			
Service Cost	\$ 656,988	\$ 586,643	\$ 677,006
Interest	821,856	847,802	581,222
Difference Between Expected and Actual Experience	(713,030)	399,267	(2,705,218)
Changes in Assumptions	(467,418)	486,211	(3,378,936)
Benefit Payments	<u>(1,488,732)</u>	<u>(1,399,468)</u>	<u>(1,271,646)</u>
Net Change in Total OPEB Liability	(1,190,336)	920,455	(6,097,572)
Total OPEB Liability - Beginning	<u>21,290,773</u>	<u>20,370,318</u>	<u>26,467,890</u>
Total OPEB Liability - Ending	<u><u>\$ 20,100,437</u></u>	<u><u>\$ 21,290,773</u></u>	<u><u>\$ 20,370,318</u></u>
Total Covered Employee Payroll	\$ 11,211,138	\$ 10,938,722	\$ 10,535,414
Net OPEB Liability as a Percentage of Payroll	179.29%	194.64%	193.35%

Note 17. Commitments

The Township has contractual commitments at December 31, 2025 to various vendors which are recorded as encumbrances in the Current Fund in the amount of \$368,499.35, the Grant Fund in the amount of \$519,625.26 and the General Capital fund in the amount of \$2,342,519.64

Note 18. Subsequent Events

As discussed Note 1, The Township has evaluated subsequent events through June 15, 2026, the date the financial statements were available to be issued. The following was noted:

On March 12, 2026, the Township adopted Ordinance 2026-02 appropriating \$2,660,000 Atlantis Boulevard Roadway Reconstruction Project, Lake Crystal Drive Drainage and Pedestrian Safety Improvements and authorizing the issuance of \$1,342,750 bonds or notes.

SUPPLEMENTARY EXHIBITS

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CURRENT FUND

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TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2025

	CURRENT FUND	STATE & FEDERAL GRANT FUND
Balance December 31, 2024	\$ 10,155,574.92	\$ 254,501.62
Increased by Receipts:		
Taxes Receivable	\$ 77,513,221.97	\$ -
Tax Title Liens Receivable	61,797.21	-
Due From State - Senior Citizen & Veteran Deductions	256,192.46	-
Revenue Accounts Receivable	3,546,964.67	-
Miscellaneous Revenue Not Anticipated	226,580.77	-
Prepaid Taxes	1,174,164.71	-
Tax Overpayments	39,397.01	-
Due Bass River	5.00	-
DCA Training Fees Due State of New Jersey	26,179.70	-
Lead Inspection Fees Due State of New Jersey	1,890.00	-
Due Trust Other Fund	42,380.72	-
Due Capital Fund	(608.86)	-
Due Current Fund	-	82,424.13
Due Grant Fund	2,687.74	-
Federal & State Grants Unappropriated	-	110,635.12
Federal & State Grants Receivable	-	740,330.61
Total Receipts	<u>82,890,853.10</u>	<u>933,389.86</u>
Subtotal	<u>93,046,428.02</u>	<u>1,187,891.48</u>
Decreased by Disbursements:		
2025 Appropriations	26,953,030.84	-
Appropriation Reserves	580,934.03	-
County Taxes Payable	13,825,219.05	-
Due County for Added & Omitted Taxes	75,007.97	-
Local District School Tax	18,109,256.30	-
Regional High School Tax	20,146,182.98	-
Special District Taxes	1,841,166.29	-
Construction Fees Due State of NJ	32,462.00	-
Lead Inspection Fees Due State of New Jersey	2,010.00	-
Due Trust Assessment	983,369.99	-
Due from Open Space	483,253.62	-
Due from Trust	51,245.28	-
Due Grant Fund	82,424.13	-
Accounts Payable	2,849.37	-
Federal & State Grants - Appropriated	-	1,032,301.59
Total Disbursements	<u>83,168,411.85</u>	<u>1,032,301.59</u>
Balance December 31, 2025	<u>\$ 9,878,016.17</u>	<u>\$ 155,589.89</u>

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY
FOR THE YEAR ENDED DECEMBER 31, 2025

YEAR	BALANCE DECEMBER 31, 2024	2025 LEVY	ADDED TAXES	2024	COLLECTED 2025	SENIOR CITIZENS & VETERANS	ADJUSTMENTS & CANCELLATIONS	TRANSFERRED TO TAX TITLE LIENS	BALANCE DECEMBER 31, 2025
2009	\$ 4.65	-	\$ -	-	\$ -	-	\$ -	-	\$ 4.65
2010	5.01	-	-	-	-	-	-	-	5.01
2011	5.16	-	-	-	-	-	-	-	5.16
2012	5.34	-	-	-	-	-	-	-	5.34
2013	5.52	-	-	-	-	-	-	-	5.52
2014	5.73	-	-	-	-	-	-	-	5.73
2015	7.23	-	-	-	-	-	-	-	7.23
2016	7.14	-	-	-	-	-	-	-	7.14
2017	7.08	-	-	-	-	-	-	-	7.08
2018	7.20	-	-	-	-	-	-	-	7.20
2019	7.62	-	-	-	-	-	-	-	7.62
2020	7.98	-	-	-	-	-	-	-	7.98
2021	8.07	-	-	-	-	-	-	-	8.07
2022	8.25	-	-	-	-	-	-	-	8.25
2023	8.52	-	-	-	-	-	-	-	8.52
2024	4,911.70	-	-	-	4,902.82	-	-	-	8.88
Total	5,012.20	-	-	-	4,902.82	-	-	-	109.38
2025	-	78,460,564.77	440,899.40	975,915.57	77,508,319.15	240,401.37	74,334.84	98,258.25	4,234.99
Total	\$ 5,012.20	\$ 78,460,564.77	\$ 440,899.40	\$ 975,915.57	\$ 77,513,221.97	\$ 240,401.37	\$ 74,334.84	\$ 98,258.25	\$ 4,344.37

ANALYSIS OF 2025 PROPERTY TAX LEVY:

Tax Yield:		
General Property Tax	\$ 76,619,398.48	
Special District	1,841,166.29	
Added Taxes (54-4-63.1 et. seq.)	440,899.40	
Total Tax Yield	<u>\$ 78,901,464.17</u>	
Tax Levy:		
Local School District Tax (Abstract)	\$ 20,505,229.00	
Regional High School Tax (Abstract)	19,886,345.00	
Municipal Open Space (Abstract)	238,848.72	
County Taxes:		
County Tax (Abstract)	\$ 11,503,837.05	
County Library Tax (Abstract)	1,151,087.84	
County Health Services (Abstract)	680,893.68	
County Open Space	489,400.48	
Due County for Added Taxes (54-4-63,1 et.seq.)	79,685.57	
Total County Taxes	<u>13,904,904.62</u>	
Fire District #1 (Amount Certified)	746,507.91	
Fire District #2 (Amount Certified)	530,658.38	
Fire District #3 (Amount Certified)	564,000.00	
Total Special District Taxes	<u>1,841,166.29</u>	
Local Tax for Municipal Purposes	22,140,154.39	
Add: Additional Tax Levied	22,524,970.54	
Total Tax Levy	<u>\$ 78,901,464.17</u>	

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ 867,925.59
Increased by:		
Transfers from Taxes Receivable		<u>98,258.25</u>
Subtotal		966,183.84
Decreased by:		
Balance Adjustment	\$ 46,933.03	
Collections	<u>61,797.21</u>	
		<u>108,730.24</u>
Balance December 31, 2025		<u><u>\$ 857,453.60</u></u>

**SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
(AT ASSESSED VALUATION)
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2025 & 2024	<u><u>\$ 5,757,700.00</u></u>
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**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025**

	BALANCE DECEMBER 31, 2024	ACCRUED IN 2025	TREASURER	BALANCE DECEMBER 31, 2025
Miscellaneous Revenue Anticipated:				
Licenses - Alcoholic Beverages	\$ -	\$ 15,564.00	\$ 15,564.00	\$ -
Fees & Permits	-	140,819.91	140,819.91	-
Municipal Court	8,409.68	141,976.90	140,812.00	8,992.13
Interest on Investments	-	228,724.11	228,724.11	-
Interest & Costs on Taxes	-	209,033.79	209,033.79	-
Payments in Lieu of Taxes	-	120,401.96	120,401.96	-
Energy Receipts Tax	-	1,315,440.36	1,315,440.36	-
Garden State Trust	-	183,628.00	183,628.00	-
CATV Franchise Fees	-	94,967.31	94,967.31	-
Uniform Construction Code Fees	-	680,439.70	680,439.70	-
Tower Rental	-	224,740.06	224,740.06	-
SRO Officer	-	192,393.47	192,393.47	-
Total	<u>\$ 8,409.68</u>	<u>\$ 3,548,129.57</u>	<u>\$ 3,546,964.67</u>	<u>\$ 8,992.13</u>
Cash Receipts			<u>\$ 3,546,964.67</u>	

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025**

	BALANCE DECEMBER 31, 2024	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
General Government:				
General Administration:				
Salaries and Wages	\$ 7,426.37	\$ 7,426.37	\$ -	\$ 7,426.37
Other Expenses	77.73	77.73	-	77.73
Mayor and Committee:				
Salaries and Wages	2,127.03	2,127.03	-	2,127.03
Other Expenses	2,189.99	2,189.99	-	2,189.99
Municipal Clerk:				
Salaries and Wages	10,450.30	10,450.30	-	10,450.30
Other Expenses	22,898.32	22,898.32	10,207.19	12,691.13
Financial Administration (Treasury):				
Salaries and Wages	6,044.88	6,044.88	-	6,044.88
Other Expenses	9,231.29	9,231.29	5,443.47	3,787.82
Audit Services:				
Other Expenses	80.00	80.00	-	80.00
Revenue Administration (Tax Collection):				
Salaries and Wages	12,380.94	12,380.94	-	12,380.94
Other Expenses:				
Tax Sale Costs	10,000.00	10,000.00	-	10,000.00
Miscellaneous Other Expenses	1,834.14	1,834.14	504.44	1,329.70
Tax Assessment Administration:				
Salaries and Wages	5,978.35	5,978.35	-	5,978.35
Other Expenses	2,850.76	2,850.76	-	2,850.76
Liquidation of Tax Title Liens & Foreclosed:				
Property- Other Expenses	2,932.25	2,932.25	-	2,932.25
Legal Services (Legal Department):				
Other Expenses	60,922.00	50,322.00	24,448.00	25,874.00
Engineering Services:				
Other Expenses	9,188.08	19,188.08	12,707.00	6,481.08
Land Use Administration:				
Planning Board:				
Salaries and Wages	321.99	151.99	-	151.99
Other Expenses	102.09	272.09	263.50	8.59
Zoning Board of Adjustment:				
Salaries and Wages	121.99	121.99	-	121.99
Other Expenses	2,314.25	2,314.25	1,330.50	983.75
Zoning Officer:				
Salaries and Wages	5,807.94	5,807.94	-	5,807.94
Other Expenses	2,894.43	2,894.43	-	2,894.43
Insurance:				
Group Insurance for Employees	7,330.84	7,330.84	22.50	7,308.34
Unemployment Insurance	6,290.02	6,290.02	1,327.40	4,962.62
Other Insurance: JIF, Surety WC	837.00	837.00	-	837.00
Public Safety Functions:				
Police Department:				
Salaries and Wages	43,997.51	43,997.51	-	43,997.51
Other Expenses	219,151.98	219,151.98	217,936.76	1,215.22
Office of Emergency Management:				
Other Expenses	1,750.00	1,750.00	1,750.00	-
Municipal Prosecutor:				
Other Expenses	3,950.00	4,550.00	4,550.00	-

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025**

	BALANCE DECEMBER 31, 2024	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Public Works Functions:				
Streets & Roads Maintenance:				
Salaries and Wages	1,309.38	1,309.38	-	1,309.38
Other Expenses	23,240.67	21,640.67	6,678.56	14,962.11
Solid Waste Sanitation:				
Salaries and Wages	13,611.16	13,611.16	-	13,611.16
Other Expenses	19,636.10	19,636.10	18,841.75	794.35
Bulk Property Maintenance Pick-Up	49,477.00	49,477.00	27,273.00	22,204.00
Solid Waste Recycling:				
Salaries and Wages	8,070.78	8,070.78	-	8,070.78
Other Expenses	14,581.85	14,581.85	2,207.09	12,374.76
Buildings & Grounds:				
Salaries and Wages	4,173.31	4,173.31	-	4,173.31
Other Expenses	41,004.04	42,604.04	41,257.29	1,346.75
Vehicle Maintenance:				
Salaries and Wages	4,926.27	4,926.27	-	4,926.27
Other Expenses	41,427.87	41,427.87	20,989.71	20,438.16
Municipal Services Act:				
Other Expenses	46,685.91	46,685.91	20,561.55	26,124.36
County Mosquito Control Agency:				
Other Expenses	4,570.00	4,570.00	396.44	4,173.56
Health & Human Services:				
Public Health Services (Board of Health):				
Salaries and Wages	1,200.00	1,200.00	-	1,200.00
Other Expenses	1,935.01	1,935.01	925.00	1,010.01
Environmental Health Services:				
Salaries and Wages	1,200.00	1,200.00	-	1,200.00
Other Expenses	4,575.00	4,575.00	162.89	4,412.11
Animal Control Services:				
Other Expenses	5,394.50	5,394.50	3,409.50	1,985.00
Contributions to Social Service Agencies - Statutory:				
Providence House	270.00	270.00	-	270.00
On-Point	5,000.00	5,000.00	-	5,000.00
Park & Recreation Functions:				
Recreation Services & Programs:				
Salaries and Wages	5,403.12	5,403.12	-	5,403.12
Other Expenses	11,001.57	11,001.57	2,834.73	8,166.84
Senior Center/Community Activities:				
Salaries and Wages	1,003.04	1,003.04	-	1,003.04
Other Expenses	44.64	44.64	-	44.64
Utility Expenses & Bulk Purchases:				
Electricity	19,754.45	19,754.45	12,602.92	7,151.53
Street Lighting	59,219.44	59,219.44	54,699.08	4,520.36
Telephone	26,632.62	36,632.62	36,126.77	505.85
Fuel Oil/Natural Gas	6,839.22	6,839.22	6,653.55	185.67
Gasoline	60,821.30	50,821.30	40,940.72	9,880.58
Landfill/Solid Waste Disposal Costs:				
Sanitary Landfill	37,438.02	37,438.02	-	37,438.02
Uniform Construction Code Enforcement Functions:				
Construction Code Official:				
Salaries and Wages	4,258.10	4,258.10	-	4,258.10
Other Expenses	1,968.26	1,968.26	208.00	1,760.26
Municipal Court:				
Salaries and Wages	16,029.34	16,029.34	-	16,029.34
Other Expenses	9,066.54	9,066.54	210.28	8,856.26

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025**

	BALANCE DECEMBER 31, 2024	BALANCE AFTER TRANSFERS	PAID OR CHARGED	BALANCE LAPSED
Public Defender:				
Other Expenses	8,207.15	8,207.15	3,150.00	5,057.15
Other Common Operating Functions (Unclassified):				
Municipal Alliance Council	1,158.99	1,158.99	-	1,158.99
Celebration of Public Events:	100.00	-	-	-
Deferred Charges & Statutory Expenditures - Municipal Within "CAPS":				
Social Security System (O.A.S.I.)	15,015.35	15,015.35	-	15,015.35
Defined Contributions Retirement Program	3,258.80	3,258.80	-	3,258.80
Operations Excluded From "CAPS"				
Police Dispatch/911:				
Salaries and Wages	9,892.28	9,892.28	-	9,892.28
Other Expenses	3,132.90	3,132.90	3,076.95	55.95
Capital Improvements- Excluded from "CAPS":				
IT & Recording Equipment	11,010.01	11,010.01	8,910.00	2,100.01
Total	<u>\$ 1,065,026.46</u>	<u>\$ 1,064,926.46</u>	<u>\$ 592,606.54</u>	<u>\$ 472,319.92</u>

Appropriation Reserves	\$ 705,011.34
Reserve for Encumbrances	<u>359,915.12</u>
	<u><u>\$ 1,064,926.46</u></u>

Accounts Payable	\$ 11,672.51
Cash Disbursements	<u>580,934.03</u>
	<u><u>\$ 592,606.54</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF LOCAL DISTRICT TAX
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		
School Tax Deferred	\$ 5,236,297.00	
School Tax Payable	<u>2,968,640.57</u>	
		\$ 8,204,937.57
Increased by Levy:		
School Year July 1, 2024 - June 30, 2025		<u>20,505,229.00</u>
Subtotal		28,710,166.57
Decreased by:		
Payments		<u>18,109,256.30</u>
Subtotal		10,600,910.27
Balance December 31, 2025		
School Tax Deferred	5,236,297.00	
School Tax Payable	<u>5,364,613.27</u>	
Balance December 31, 2025		<u><u>\$ 10,600,910.27</u></u>

ANALYSIS OF AMOUNT CHARGED TO OPERATIONS

2025 Payments	\$ 18,109,256.30
Less School Taxes Payable at December 31, 2024	(2,968,640.57)
Plus School Taxes Payable at December 31, 2025	<u>5,364,613.27</u>
Amount Charged to 2025 Operations	<u><u>\$ 20,505,229.00</u></u>

**SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 259,835.02
Increased by:	
Levy - Calendar Year 2025	<u>19,886,345.00</u>
Subtotal	20,146,180.02
Decreased by:	
Payments	<u>20,146,182.98</u>
Balance December 31, 2025	<u><u>\$ (2.96)</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025**

	BALANCE DECEMBER 31, <u>2024</u>	<u>DECREASED</u>	BALANCE DECEMBER 31, <u>2025</u>
Reserve for Sandy Insurance Proceeds	\$ 2,419.00	\$ -	\$ 2,419.00
Reserve for Memorial Bench Program	1,500.00	-	1,500.00
Reserve for Closed Escrow Accounts	54,052.92	54,052.92	-
Reserve for National Opioid Settlement	234,104.87	234,104.87	-
Reserve for Retail Mercantile Licenses	350.00	-	350.00
Reserve for FEMA Reimbursements	69,100.00	69,100.00	-
Reserve for Liquor License Deposit	904,100.00	904,100.00	-
	<u>\$ 1,265,626.79</u>	<u>\$ 1,261,357.79</u>	<u>\$ 4,269.00</u>
Recognized as Revenue		<u>\$ 1,261,357.79</u>	

TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

GRANT	BALANCE DECEMBER 31, 2024	ANTICIPATED REVENUE	RECEIVED	BALANCE DECEMBER 31, 2025
NJOEM Grant	\$ 6,203.15	\$ -	\$ -	\$ 6,203.15
CDBG - 2015	19,226.71	-	-	19,226.71
966 Reimbursement Grant	9,376.42	-	-	9,376.42
Neighborhood Community Revitalization Grant	2,464.22	-	-	2,464.22
Child Restraint Grant	2,500.00	-	-	2,500.00
Bulletproof Vest Partnership Grant	6,207.81	-	-	6,207.81
Post Sandy Planning Assistance	93,854.18	-	-	93,854.18
NJDEP Living Shore Grant	76,604.02	-	76,604.02	0.00
Safe and Secure	7,161.66	57,900.00	45,150.00	19,911.66
NJDOT - Sea Breeze	86,975.00	-	86,975.00	-
NJOEM Grant	638.49	-	-	638.49
NJ Clean Smart Start	283,800.00	-	-	283,800.00
Sustainable Jersey	2,500.00	-	-	2,500.00
Body Worn Camera Grant	27,861.09	-	27,861.09	-
Local Recreation Grant	70,000.00	-	-	70,000.00
Stormwater Assistance Grant	10,000.00	-	-	10,000.00
FY22 Patrick Leahy Bulletproof Vest Partnership Grant	8,589.00	-	8,462.50	126.50
FY 2022 SRTS Program	815,000.00	-	-	815,000.00
Ocean Wind Grant	239,750.00	-	119,875.00	119,875.00
NJDOT - Oak Lane	115,097.50	-	-	115,097.50
Lead Grant Assistance Program	8,800.00	-	-	8,800.00
Recycling Tonnage Grant	-	37,621.83	37,621.83	-
Clean Communities Grant	-	73,615.88	73,615.88	-
Body Armor Grant	1,435.35	8,342.07	4,888.71	4,888.71
Ocean County ARPA - Mystic Drainage	-	4,180,500.00	-	4,180,500.00
Drunk Driving Enforcement Fund	-	35,222.47	-	35,222.47
Homeland Security Grant - ALPR	-	21,605.50	21,605.50	-
CDBG - 2025	-	38,000.00	38,000.00	-
Dept. of Justice grant	-	3,245.00	3,245.00	-
AERF	-	250.06	250.06	-
NJDOT - Leitz Blvd	471,730.00	-	353,797.50	117,932.50
SRTR Design Assistance (FY22)	425,094.78	-	-	425,094.78
Total	\$ 2,790,869.38	\$ 4,456,302.81	\$ 897,952.09	\$ 6,349,220.10

Cash Receipts

\$ 740,330.61

Transferred from Unappropriated Reserves

157,621.48

\$ 897,952.09

**TOWNSHIP OF LITTLE EGG HARBOR
CURRENT FUND
SCHEDULE OF RESERVES FOR STATE AND FEDERAL GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2025**

APPROPRIATION	BALANCE DECEMBER 31, 2024	2025 BUDGET APPROPRIATION	ENCUMBRANCES RECLASSIFIED	EXPENDED	GRANT ENCUMBRANCES	BALANCE DECEMBER 31, 2025
State:						
Alcohol Education & Rehabilitation	\$ 1,631.95	\$ -	\$ -	\$ -	\$ -	\$ 1,631.95
NJOEM Grant	20.95	-	-	-	-	20.95
Drunk Driving Enforcement Func	497.95	35,222.47	-	5,385.31	-	30,335.11
NJDOT Municipal Aid Program - 2014	188,119.25	-	-	-	-	188,119.25
Recycling Tonnage	6,459.23	37,621.83	-	15,331.00	-	28,750.06
Child Restraint Grant	2,500.00	-	-	-	-	2,500.00
966 Reimbursement	15,582.77	-	-	-	-	15,582.77
Coastal Zone Management	2,211.97	-	-	-	-	2,211.97
Municipal Access Plan	15,000.00	-	-	-	-	15,000.00
Post Sandy Planning Assistance	48,073.26	-	-	-	-	48,073.26
NJDEP Living Shoreline	187.36	-	-	-	-	187.36
Department of Justice Grant	194.52	-	430.73	-	-	625.25
NJDOT - Iowa Court	12,048.32	-	-	-	-	12,048.32
Clean Communities 2019	-	-	240.35	-	240.35	-
NJDOT - Sea Breeze	0.45	-	-	-	-	0.45
NJOEM Grant	638.49	-	-	-	-	638.49
Body Armor Grant 2020	-	-	686.12	686.12	-	-
Safe and Secure Communities	5,400.00	57,900.00	-	35,086.98	-	28,213.02
Clean Communities - 2020	75,351.89	-	45.45	37,056.19	45.45	38,295.70
NJ Clean Start	283,800.00	-	-	-	-	283,800.00
Sustainable Jersey	5,000.00	-	-	40.00	-	4,960.00
Body Worn Camera Grant	96,298.45	-	-	38,232.00	-	58,066.45
NJ Body Armor Grant	-	-	5,115.95	227.24	4,888.71	-
Body Armor Grant 2021	-	8,342.07	2,688.00	8,007.44	-	3,022.63
Stormwater Assistance Grant	25,000.00	-	-	25,000.00	-	-
FY2022 SRTS Program	815,000.00	-	-	-	-	815,000.00
Clean Communities - 2023	62,325.98	-	-	49,285.31	-	13,040.67
Clean Communities 2025	-	73,615.88	-	-	-	73,615.88
Lead Grant Assistance Program	8,800.00	-	-	-	-	8,800.00
Clean Communities Grant	57,785.09	-	-	-	-	57,785.09
Bulletproof Vest Partnership	3,540.00	-	-	-	3,540.00	-
NJDOT - Leitz Blvd	471,730.00	-	-	471,730.00	-	-
SRTS Design Assistance (FY22)	425,094.78	-	-	37,429.03	387,665.75	-
Total State	2,628,292.66	212,702.25	9,206.60	723,496.62	396,380.26	1,730,324.63
Federal:						
CDBG 2015	30,493.42	-	-	-	-	30,493.42
National Wildlife Refuge	2,400.00	-	-	-	-	2,400.00
Homeland Security Grant - ALPR	-	21,605.50	-	21,605.50	-	-
Dept. of Justice grant	-	3,245.00	-	-	3,245.00	-
CDBG 2014	31,062.15	-	-	-	-	31,062.15
CDBG 2025	-	38,000.00	-	-	-	38,000.00
AERF	-	250.06	-	-	-	250.06
Ocean County ARPA - Mystic Drainage	-	4,180,500.00	-	259,224.49	-	3,921,275.51
American Rescue Funds	50,000.00	-	15,200.00	15,200.00	50,000.00	-
Total Federal	113,955.57	4,243,600.56	15,200.00	296,029.99	53,245.00	4,023,481.14
Local:						
Refuge Revenue Sharing Act	2,202.00	-	-	-	-	2,202.00
Recreation Grant	70,000.00	-	-	-	70,000.00	-
2022 Patrick Leahy Bulletproof Vest PTR	3,315.48	-	-	-	-	3,315.48
National Opioid Settlement	-	234,104.87	-	1,551.98	-	232,552.89
County Residential Recycling	39,808.55	-	-	11,223.00	-	28,585.55
Total Local	115,326.03	234,104.87	-	12,774.98	70,000.00	266,655.92
Total	\$ 2,857,574.26	\$ 4,690,407.68	\$ 24,406.60	\$ 1,032,301.59	\$ 519,625.26	\$ 6,020,461.69
				Cash Disbursements	<u>\$ 1,032,301.59</u>	

TOWNSHIP OF LITTLE EGG HARBOR
FEDERAL AND STATE GRANT FUND
SCHEDULE OF RESERVES FOR STATE GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2025

GRANT	BALANCE DECEMBER 31, 2024	TRANSFERRED		BALANCE DECEMBER 31, 2025
		TO 2025 GRANTS APPROPRIATED	RECEIVED	
Department of Justice Grant	\$ 3,245.00	\$ 3,245.00	\$ -	\$ -
Recycling Tonnage Grant	37,621.83	37,621.83	37,621.83	37,621.83
AERF	250.06	250.06	-	-
State of NJ Body Armor	2,025.15	2,025.15	-	-
Clean Communities	73,615.88	73,615.88	73,013.29	73,013.29
Bulletproof Vest Partnership	-	-	-	-
County Recycling Grant	-	-	17,573.27	17,573.27
RRSA	-	-	1,919.00	1,919.00
National Opioid Settlement Funds	-	-	63,783.70	63,783.70
NJDEP Living Shore	-	-	1,913.00	1,913.00
CDBG	38,000.00	38,000.00	-	-
Body Armor	2,863.56	2,863.56	-	-
	<u>\$ 157,621.48</u>	<u>\$ 157,621.48</u>	<u>\$ 195,824.09</u>	<u>\$ 195,824.09</u>

Cash Receipts \$ 110,635.12

Interfund 85,188.97

\$ 195,824.09

TRUST FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2025**

	TRUST OTHER	TRUST ASSESSMENT
Balance December 31, 2024	\$ 2,917,165.70	\$ 4,096.41
Increased by Receipts:		
Escrow Fees	\$ 731,110.00	\$ -
Open Space	260,761.75	-
Community Center	2,700.00	-
Forfeited Funds	47,174.85	-
COAH Fees	40,704.98	-
Sick/Vacation Funds	223,500.00	-
Federal Forfeiture	161.65	-
Recreation	32.92	-
Div of Fire Safety	1,518.49	-
Due Current Fund	51,245.28	983,369.99
Due from Current Fund - Open Space	483,253.62	-
	<u>1,842,163.54</u>	<u>983,369.99</u>
Subtotal	<u>4,759,329.24</u>	<u>987,466.40</u>
Decreased by Disbursements:		
Escrow Fees	673,264.29	-
Open Space	426,476.03	-
Due to Capital - Open Space	212,610.28	-
COAH Fees	25,225.00	-
Sick/Vacation Funds	222,691.09	-
Police K9 Equipment	12,601.00	-
Community Center	2,085.99	-
Forfeited Funds	20,010.22	-
Federal Forfeiture	6,567.32	-
Assessment Bonds Payable	-	375,000.00
Trust Assessment Interest	-	33,750.00
Due Current Fund	42,380.72	-
Deferred Charge-Cash Deficit	-	33,750.00
	<u>1,643,911.94</u>	<u>442,500.00</u>
Balance December 31, 2025	<u><u>\$ 3,115,417.30</u></u>	<u><u>\$ 544,966.40</u></u>

**SCHEDULE OF CASH - COLLECTOR - TAX TITLE LIEN REDEMPTION
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 1,206,865.73
Increased by Receipts:	
Deposits for Redemption of Tax Sale Certificates	<u>3,675,984.52</u>
Subtotal	4,882,850.25
Decreased by Disbursements:	
Refunds - Tax Sale Certificates Redeemed	<u>3,427,752.61</u>
Balance December 31, 2025	<u><u>\$ 1,455,097.64</u></u>

EXHIBIT B-3

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF CASH - ANIMAL CONTROL
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ -
Increased by Receipts:		
Dog License Fees	\$ 6,481.80	
State Dog License Fees	<u>1,273.20</u>	
Subtotal		7,755.00
Decreased by Disbursements:		
Disbursements to State of New Jersey	1,273.20	
Disbursements for Dog License Expenses	<u>6,481.80</u>	
Subtotal		<u>7,755.00</u>
Balance December 31, 2025		<u><u>\$ -</u></u>

EXHIBIT B-4

**SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ -
Increased by:		
Dog Licenses		<u>6,481.80</u>
Subtotal		6,481.80
Decreased by:		
Expenditures		<u>6,481.80</u>
Balance December 31, 2025		<u><u>\$ -</u></u>

LICENSE FEES COLLECTED

YEAR	AMOUNT
2023	\$ 9,048.00
2024	<u>6,661.20</u>
Total	<u><u>\$ 15,709.20</u></u>

EXHIBIT B-5

**SCHEDULE OF DEPOSITS FOR REDEMPTION OF TAX SALE CERTIFICATES
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 1,206,865.73
Increased by Receipts:	
Deposits Received - Collector	<u>3,675,984.52</u>
Subtotal	4,882,850.25
Decreased by Disbursements:	
Refunds - Tax Sale Certificates	<u>3,427,752.61</u>
Balance December 31, 2025	<u><u>\$ 1,455,097.64</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
TRUST FUND
SCHEDULE OF RESERVE FOR ESCROW DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ 1,436,722.53
Increased by:		
Escrow Deposits Received		<u>731,110.00</u>
Subtotal		2,167,832.53
Decreased by:		
Due to Current Fund	\$ 278,953.35	
Disbursements	<u>673,264.29</u>	
		<u>952,217.64</u>
Balance December 31, 2025		<u><u>\$ 1,215,614.89</u></u>

**SCHEDULE OF RESERVE FOR FORFEITED PROPERTY
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ 58,151.76
Increased by:		
Cash Receipts		<u>47,174.85</u>
Subtotal		105,326.61
Decreased by:		
Disbursements		<u>20,010.22</u>
Balance December 31, 2025		<u><u>\$ 85,316.39</u></u>

EXHIBIT B-8

**TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR RECREATION
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance Decmeber 31, 2024	\$ 2,057.05
Increased By:	
Cash Receipts	<u>32.92</u>
Balance December 31, 2025 & 2024	<u><u>\$ 2,089.97</u></u>

EXHIBIT B-9

**SCHEDULE OF RESERVE FOR OPEN SPACE
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 1,450,342.28
Increased by:	
Tax Levy - Cash Receipts	\$ 238,848.72
Cash Receipts Interest Earnings	<u>21,913.03</u>
	<u>260,761.75</u>
Subtotal	1,711,104.03
Decreased by:	
Disbursements	<u>426,476.03</u>
Balance December 31, 2025	<u><u>\$ 1,284,628.00</u></u>

EXHIBIT B-10

**SCHEDULE OF RESERVE FOR COMMUNITY CENTER
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 3,834.14
Increased by:	
Cash Receipts	<u>2,700.00</u>
Subtotal	6,534.14
Decreased by:	
Disbursements	<u>2,085.99</u>
Balance December 31, 2025	<u><u>\$ 4,448.15</u></u>

TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR FEDERAL FORFEITURE LAW ENFORCEMENT FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance December 31, 2024	\$ 10,220.60
Increased by:	
Receipts	<u>161.65</u>
Subtotal	10,382.25
Decreased by:	
Disbursements	<u>6,567.32</u>
Balance December 31, 2025	<u><u>\$ 3,814.93</u></u>
Dept of Justice	\$ 1,041.71
Dept of Homeland Security	<u>2,773.22</u>
Total	<u><u>\$ 3,814.93</u></u>

SCHEDULE OF RESERVE FOR SICK AND VACATION TIME TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance December 31, 2024	\$ 17,846.00
Increased by:	
Receipts	<u>223,500.00</u>
Subtotal	241,346.00
Decreased by:	
Disbursements	<u>222,691.09</u>
Balance December 31, 2025	<u><u>\$ 18,654.91</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR COAH TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024	\$ 170,233.38
Increased by:	
Receipts	<u>40,704.98</u>
Subtotal	210,938.36
Decreased by:	
Disbursements	<u>25,225.00</u>
Balance December 31, 2025	<u><u>\$ 185,713.36</u></u>

**SCHEDULE OF RESERVE FOR POLICE EVIDENCE DEPOSITS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2025 and 2024	<u><u>\$ 3,352.80</u></u>
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TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF RESERVE FOR VETERANS PARK DONATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance December 31, 2025 and 2024	<u><u>\$ 4,896.26</u></u>
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SCHEDULE OF RESERVE FOR FIRE SAFETY - DEDICATED PENALTY
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance December 31, 2024	\$ 15,000.00
Increased by:	
Receipts	<u>1,518.49</u>
Balance December 31, 2025	<u><u>\$ 16,518.49</u></u>

**TOWNSHIP OF LITTLE EGG HARBOR
STATEMENT OF ASSESSMENTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF CONFIRMATION	ANNUAL INSTALLMENTS	BALANCE DECEMBER 31, 2024	RECEIVED	BALANCE DECEMBER 31, 2025
2018-12	Osborn Island Maintenance Dredging	1/14/2022	10	\$ 596,445.13	\$ 145,615.31	\$ 450,829.82
2019-07	Mystic Island Dredging - Radio Road East	1/14/2022	10	857,712.02	209,493.68	648,218.34
Total				\$ 1,454,157.15	\$ 355,108.99	\$ 1,099,048.16

**TOWNSHIP OF LITTLE EGG HARBOR
DEDICATED ASSESSMENT BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2025**

REVENUES

	ANTICIPATED	RECOGNIZED	EXCESS/(DEFICIT)
DEDICATED REVENUES:			
ASSESSMENT CASH	\$ 442,500.00	\$ 355,108.99	\$ (87,391.01)
TOTAL	<u>\$ 442,500.00</u>	<u>\$ 355,108.99</u>	<u>\$ (87,391.01)</u>

APPROPRIATION OF ASSESSMENT DEBT

	BUDGETED	EXPENDED	RESERVE
BOND PRINCIPAL	\$ 375,000.00	\$ 375,000.00	\$ -
INTEREST ON NOTES	67,500.00	67,500.00	-
TOTAL	<u>\$ 442,500.00</u>	<u>\$ 442,500.00</u>	<u>\$ -</u>

TOWNSHIP OF LITTLE EGG HARBOR
ASSESSMENT TRUST FUND
SCHEDULE OF ASSESSMENT SERIAL BONDS
AT DECEMBER 31, 2025

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			BALANCE	
			DATE	AMOUNT	INTEREST RATE	DECEMBER 31, 2024	DECEMBER 31, 2025
General Obligation Assessment Bonds	7/1/2021	\$ 3,750,000.00	7/15/26	\$ 375,000.00	4.000%	\$ 2,250,000.00	\$ 1,875,000.00
			7/15/27	375,000.00	3.000%		
			7/15/28	375,000.00	3.000%		
			7/15/29	375,000.00	2.000%		
			7/15/30	375,000.00	2.000%		
Totals						\$ 2,250,000.00	\$ 1,875,000.00

GENERAL CAPITAL FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
SCHEDULE OF CASH - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$	1,540,817.67
Increased by Receipts:			
Due from Current Fund	\$	0.02	
Reserve for Debt Service		44,070.92	
Grant Receipts		508,913.14	
Due From Open Space Fund		212,610.28	
Premium on BAN		36,522.09	
BAN Issued		15,155,750.00	
			<u>15,957,866.45</u>
Subtotal			17,498,684.12
Decreased by Disbursements:			
Improvement Authorizations		4,600,310.51	
Due From Current Fund		608.86	
BAN Paid		12,144,000.00	
			<u>16,744,919.37</u>
Balance December 31, 2025		\$	<u><u>753,764.75</u></u>

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2025

	BALANCE (OVERDRAFT) DECEMBER 31, 2024	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		BALANCE (OVERDRAFT) DECEMBER 31, 2025
			MISCELLANEOUS		IMPROVEMENT AUTHORIZATIONS	MISCELLANEOUS	
Fund Balance	\$ 3,186.53	\$ -	\$ 36,522.09	\$ -	\$ -	-	\$ 39,708.62
Capital Improvement Fund	90,294.00	-	-	-	-	-	90,294.00
Reserve for Debt Service	99,521.55	-	44,070.92	-	-	-	143,592.47
Due Current Fund	(608.86)	-	0.02	-	-	(608.86)	0.02
Due Open Space Trust Fund	(212,610.28)	-	212,610.28	-	-	-	-
Due from Assessment Trust Fund	(137,509.28)	-	-	-	-	-	(137,509.28)
Due to County - CDBG	3,722.00	-	-	-	-	-	3,722.00
IMPROVEMENT AUTHORIZATIONS:							
ORDINANCE							
NUMBER							
13-14 Various Capital Improvements	(7,247.33)	-	-	-	-	967.72	(8,215.05)
14-10 Various Capital Improvements	384,596.72	-	-	-	-	-	384,596.72
16-05 Various Capital Improvements	121,328.04	-	-	-	-	-	121,328.04
17-08 Various Capital Improvements	157,524.00	-	-	42,641.32	-	-	114,882.68
Subtotal	502,197.09	-	293,203.31	42,641.32	358.86		752,400.22

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
ANALYSIS OF CASH
AT DECEMBER 31, 2025**

ORDINANCE NUMBER		BALANCE (OVERDRAFT) DECEMBER 31, 2024	BOND ANTICIPATION NOTES/BONDS	RECEIPTS		DISBURSEMENTS		BALANCE (OVERDRAFT) DECEMBER 31, 2025
				MISCELLANEOUS	IMPROVEMENT	AUTHORIZATIONS	MISCELLANEOUS	
18-13	Various General Improvements	106,280.57	-	-	-	4,230.00	-	102,050.57
19-08	Additional Improvements Veterans Park	61,233.88	-	-	-	4,230.00	-	57,003.88
19-11	Preliminary Dredging Expenses	14,422.27	-	-	-	3,000.00	-	11,422.27
19-12	Improvements Little Treasures Park	32,638.51	-	-	-	-	-	32,638.51
20-02	Paving and Improve Various Streets	8,913.04	-	-	-	-	-	8,913.04
20-03	Improvements Community Center	(61,749.70)	61,750.00	-	-	-	-	0.30
20-10	Mystic Drainage Improvements Phase II	(1,714,000.00)	-	-	-	-	-	(1,714,000.00)
21-18	Mystic Drainage Improvements Phase II	(130,703.89)	-	-	-	-	-	(130,703.89)
20-14	Township-wide Drainage Projects	25,663.38	-	-	-	-	-	25,663.38
21-02	Acquisition of PW Equip	4,677.77	-	-	-	-	200.00	4,477.77
21-06	Improvements to Rec Fields	138,491.61	-	-	-	23,755.14	50.00	114,686.47
21-09	Mystic West Phase I Dredging (Local)	(250,000.00)	-	-	-	-	-	(250,000.00)
21-10	Atlantis Dredging (Local)	(38,321.77)	-	-	-	-	-	(38,321.77)
21-16	Acquisition of Property	35,217.44	-	-	-	-	-	35,217.44
22-07	Various Road Improvements	391,268.10	-	-	-	212,532.41	-	178,735.69
23-03	Equipment Acquisitions	804,002.00	-	-	-	803,570.06	-	431.94
23-17	Various Improvements to Recreation Complex	(957,383.21)	1,000,000.00	-	-	42,530.92	-	85.87
23-29	Various Road Improvements	466,901.31	-	-	-	244,638.54	-	222,262.77
23-30	Pedestrian Safety Improvements	57,556.25	-	-	508,913.14	684,860.99	-	(118,391.60)
23-31	Township-wide Drainage Projects	41,446.34	-	-	-	28,129.65	-	13,316.69
23-33	Mystic Island Ph III Dredging (Local)	1,621,492.50	-	-	-	747,310.94	-	874,181.56
24-01	Various Improvements to Municipal Building	257,324.18	-	-	-	255,367.45	-	1,956.73
24-28	Various Road and Drainage Projects	50,000.00	950,000.00	-	-	540,911.99	-	459,088.01
24-29	Acquisition of Various PW and Police Equipmen	73,250.00	1,000,000.00	-	-	962,601.10	-	110,648.90
Subtotal		1,038,620.58	3,011,750.00	508,913.14	4,557,669.19	250.00		1,364.53
Total Analysis of Cash		\$ 1,540,817.67	\$ 3,011,750.00	\$ 802,116.45	\$ 4,600,310.51	\$ 608.86	\$	753,764.75

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance December 31, 2024			\$ 19,019,786.95
Decreased by:			
Budget Appropriation to Pay General Serial Bonds	\$	2,495,000.00	
Green Trust Loan Bonds		22,709.90	
NJEIT - Fund Loan		164,270.00	
			<u>2,681,979.90</u>
Balance December 31, 2025			<u><u>\$ 16,337,807.05</u></u>

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2025

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2024	BAN'S PAID	GRANT RECEIVED	BALANCE DECEMBER 31, 2025	UNEXPENDED IMPROVEMENT AUTHORIZATION	EXPENDED	BOND ANTICIPATION NOTES
		\$		\$	\$	\$	\$	\$
13-14	Various Capital Improvements	8,215.05	-	-	8,215.05	-	8,215.05	-
14-10	Various Capital Improvements	357,500.00	-	-	357,500.00	357,500.00	-	-
18-13	Various General Improvements	73,150.00	-	-	73,150.00	73,150.00	-	-
19-11	Preliminary Dredging Expenses	342,000.00	19,000.00	-	323,000.00	-	-	323,000.00
20-02	Paving and Improve Various Streets	203,600.00	5,400.00	-	198,200.00	-	-	198,200.00
20-03	Improvements Community Center	61,750.00	-	-	61,750.00	-	-	61,750.00
20-09	Beach Replenishment	2,705,800.00	96,700.00	-	2,609,100.00	-	-	2,609,100.00
20-10	Mystic Drainage Improvements Phase II	1,714,000.00	-	-	1,714,000.00	-	1,714,000.00	-
21-18	Mystic Drainage Improvements Phase II	236,000.00	-	-	236,000.00	105,296.11	130,703.89	-
20-14	Township-wide Drainage Projects	417,250.00	15,000.00	-	402,250.00	-	-	402,250.00
21-02	Acquisition of PW Equip	672,150.00	40,350.00	-	631,800.00	200.00	-	631,600.00
21-06	Improvements to Rec Fields	1,834,450.00	65,550.00	-	1,768,900.00	50.00	-	1,768,850.00
21-09	Mystic West Phase I Dredging (Local)	250,000.00	-	-	250,000.00	-	250,000.00	-
21-10	Atlantis Dredging (Local)	225,000.00	-	-	225,000.00	186,678.23	38,321.77	-
22-07	Various Road Improvements	1,425,000.00	-	-	1,425,000.00	-	-	1,425,000.00
23-03	Equipment Acquisitions	950,000.00	-	-	950,000.00	-	-	950,000.00
23-17	Various Improvements to Recreation Complex	1,570,000.00	-	-	1,570,000.00	-	-	1,570,000.00
23-29	Various Road Improvements	1,900,000.00	-	-	1,900,000.00	-	-	1,900,000.00
23-30	Pedestrian Safety Improvements	900,000.00	-	508,913.14	391,086.86	118,322.26	122,764.60	150,000.00
23-31	Township-wide Drainage Projects	456,000.00	-	-	456,000.00	-	-	456,000.00
23-33	Mystic Island Ph III Dredging (Local)	1,995,296.00	-	-	1,995,296.00	579,653.62	1,415,642.38	-
24-01	Various Improvements to Municipal Building	760,000.00	-	-	760,000.00	-	-	760,000.00
24-28	Various Road and Drainage Projects	950,000.00	-	-	950,000.00	-	-	950,000.00
24-29	Acquisition of Various PW and Police Equipment.	1,391,750.00	-	-	1,391,750.00	391,750.00	-	1,000,000.00
Total		\$ 21,398,911.05	\$ 242,000.00	\$ 508,913.14	\$ 20,647,997.91	\$ 1,812,600.22	\$ 3,679,647.69	\$ 15,155,750.00
Improvement Authorizations Unfunded								
Less - Unexpended Proceeds of Bond Anticipation								
Notes Issued:								
Ordinance 2019-11		11,422.27						
Ordinance 2020-02		8,913.04						
Ordinance 2020-03		0.30						
Ordinance 2020-14		25,663.38						
Ordinance 2021-02		4,477.77						
Ordinance 2021-06		114,686.47						
Ordinance 2022-07		178,735.69						
Ordinance 2023-03		431.94						
Ordinance 2023-17		85.87						
Ordinance 2023-29		218,918.22						
Ordinance 2023-31		13,316.69						
Ordinance 2024-01		1,956.73						
Ordinance 2024-28		458,842.01						
Ordinance 2024-03		110,648.90						

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2025 & 2024

\$ 90,294.00

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	ORDINANCE		BALANCE December 31, 2024		RECLASSIFICATION PRIOR YEAR		CURRENT YEAR ENCUMBRANCES		BALANCE December 31, 2025	
		DATE	AMOUNT	FUNDED	UNFUNDED	ENCUMBRANCES	EXPENDED	PAYABLE		FUNDED	UNFUNDED
14-10	Various Capital Improvements	7/10/14	\$ 1,970,000.00	\$ 384,596.72	\$ 357,500.00	\$ -	\$ -	\$ -		\$ 384,596.72	\$ 357,500.00
16-05	Various Capital Improvements	9/08/16	3,495,000.00	121,328.04	-	-	-	-		121,328.04	-
17-08	Various Capital Improvements	7/13/17	1,705,000.00	150,463.00	-	7,061.00	42,641.32	15,525.28		99,357.40	-
18-13	Various General Improvements	10/11/18	2,077,000.00	106,280.57	73,150.00	-	4,230.00	-		102,050.57	73,150.00
19-08	Additional Improvements Veterans Park	4/11/19	240,000.00	59,658.88	-	1,575.00	4,230.00	29,206.87		27,797.01	-
19-11	Preliminary Dredging Expenses	7/11/19	380,000.00	-	14,422.27	-	3,000.00	-		-	11,422.27
19-12	Improvements Little Treasures Park	7/11/19	200,000.00	32,638.51	-	-	-	-		32,638.51	-
20-02	Paving and Improve Various Streets	5/14/20	220,000.00	-	8,913.04	-	-	-		-	8,913.04
20-03	Improvements Community Center	5/14/20	65,000.00	-	0.30	-	-	-		-	0.30
21-18	Mystic Drainage Improvements Phase II	8/9/21	236,000.00	-	105,296.11	-	-	-		-	105,296.11
20-14	Township-wide Drainage Projects	11/12/20	455,000.00	-	25,663.38	-	-	-		-	25,663.38
21-02	Acquisition of PW Equip	3/11/21	750,000.00	-	4,677.77	-	-	-		-	4,677.77
21-06	Improvements to Rec Fields	4/8/21	2,000,000.00	-	138,491.61	-	23,755.14	-		-	114,736.47
21-10	Atlantis Dredging (Local)	6/10/21	1,525,000.00	-	186,678.23	-	-	-		-	186,678.23
21-16	Acquisition of Property	9/9/21	120,000.00	35,217.44	-	-	-	-		35,217.44	-
22-07	Various Road Improvements	7/14/22	1,500,000.00	-	391,268.10	-	212,532.41	-		-	178,735.69
23-03	Equipment Acquisitions	3/9/23	1,000,000.00	-	4,502.00	799,500.00	803,570.06	-		-	431.94
23-17	Various Improvements to Recreation Complex	6/8/23	1,600,000.00	-	42,616.79	-	42,530.92	-		-	85.87
23-29	Various Road Improvements	9/14/23	2,000,000.00	-	466,901.31	-	244,638.54	3,344.55		-	218,918.22
23-30	Pedestrian Safety Improvements	9/14/23	900,000.00	-	807,556.25	-	684,860.99	4,373.00		-	118,322.26
23-31	Township-wide Drainage Projects	9/14/23	480,000.00	-	41,446.34	-	28,129.65	-		-	13,316.69
23-33	Mystic Island Ph III Dredging (Local)	11/9/23	3,800,000.00	1,621,492.50	1,995,296.00	-	747,310.94	2,289,823.94		-	579,653.62
24-01	Various Improvements to Municipal Building	4/11/24	800,000.00	-	76,157.18	181,167.00	255,367.45	-		-	1,956.73
24-28	Various Road and Drainage Projects	11/14/24	1,000,000.00	50,000.00	950,000.00	-	540,911.99	246.00		-	458,842.01
24-29	Acquisition of Various PW and Police Equipment	12/12/24	1,465,000.00	73,250.00	1,391,750.00	-	962,601.10	-		-	502,398.90
Total				\$ 2,634,925.66	\$ 7,082,286.68	\$ 989,303.00	\$ 4,600,310.51	\$ 2,342,519.64		\$ 802,985.69	\$ 2,960,699.50

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
STATEMENT OF BOND ANTICIPATION NOTES
AT DECEMBER 31, 2025**

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	DATE OF ORIGINAL ISSUE	AMOUNT OF ORIGINAL ISSUE	DATE OF ISSUE	DATE OF MATURITY	INTEREST RATE	BALANCE		BALANCE DECEMBER 31, 2025
							DECEMBER 31, 2024	INCREASED DECREASED	
19-11	Preliminary Dredging Expenses	7/12/22	\$ 361,000	1/20/2024	1/24/2025	4.000%	\$ 342,000.00	\$ -	\$ 342,000.00
20-02	Paving and Improvements to Various Streets	7/12/22	209,000	1/21/2025	1/20/2026	4.250%	-	323,000.00	323,000.00
20-03	Improvements Community Center	12/17/25	61,750	1/20/2024	1/24/2025	4.000%	203,600.00	-	-
20-09	Beach Replenishment Project	7/12/22	2,802,500	1/21/2025	1/20/2026	4.250%	-	198,200.00	198,200.00
20-14	Township Wide Drainage Projects	7/12/22	432,250	1/20/2024	1/24/2025	4.000%	2,705,800.00	-	61,750.00
21-02	Acquisition of PW Equipment	7/12/22	712,500	1/21/2025	1/20/2026	4.250%	-	2,705,800.00	-
21-06	Improvements to Rec Fields	7/12/22	1,900,000	1/20/2024	1/24/2025	4.000%	417,250.00	-	2,609,100.00
22-07	Various Road Improvements	12/19/24	1,425,000	12/19/2024	12/18/2025	4.000%	-	402,250.00	402,250.00
23-03	Acquisition of Various Public Works	12/19/24	950,000	12/17/2025	12/16/2026	3.250%	671,950.00	-	-
23-17	Various Capital Improvement	12/19/24	570,000	12/19/2024	12/18/2025	3.500%	-	671,950.00	-
23-29	Various Road Improvements	12/19/24	1,000,000	12/19/2024	12/18/2025	3.250%	1,834,400.00	-	631,600.00
23-30	Pedestrian Safety Improvements	12/19/24	150,000	12/17/2025	12/16/2026	3.250%	-	1,768,850.00	1,768,850.00
23-31	Drainage Improvements	12/19/24	456,000	12/19/2024	12/18/2025	3.500%	1,425,000.00	-	1,425,000.00
24-01	Various Capital Improvements	12/19/24	760,000	12/17/2025	12/16/2026	3.250%	-	950,000.00	-
24-28	Various Road and Drainage Projects	12/17/25	950,000	12/19/2024	12/18/2025	3.500%	570,000.00	-	950,000.00
24-29	Acquisition of Various PW and Police Equipment	12/17/25	1,000,000	12/17/2025	12/16/2026	3.250%	-	570,000.00	-
Total							\$ 15,155,750.00	\$ 12,386,000.00	\$ 15,155,750.00
Bond Anticipation Note Renewal							\$ 12,144,000.00	\$ 12,144,000.00	
Issued for Cash							3,011,750.00	-	
Paid Down by Open Space							-	162,250.00	
Paid Down by Current Fund							-	79,750.00	
							\$ 15,155,750.00	\$ 12,386,000.00	

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS
AT DECEMBER 31, 2025

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING					INTEREST RATE	BALANCE	
			DECEMBER 31, 2025		DECEMBER 31, 2024	DECREASED	BALANCE DECEMBER 31, 2025			
			DATE	AMOUNT						
General Obligation Bonds	2/2/2017	\$ 4,500,000.00	2/01/26	\$ 550,000.00	3.000%	\$ 1,650,000.00	\$ 550,000.00	\$ 1,100,000.00		
			2/01/27	550,000.00	3.000%					
General Obligation Bonds	8/1/2019	6,280,000.00	8/15/26	820,000.00	3.000%	3,280,000.00	820,000.00	2,460,000.00		
			8/15/27	820,000.00	3.000%					
			8/15/28	820,000.00	3.000%					
General Obligation Bonds	8/22/2023	2,835,000.00	9/1/26	220,000.00	4.000%	2,615,000.00	220,000.00	2,395,000.00		
			9/1/27	435,000.00	5.000%					
			9/1/28	435,000.00	5.000%					
			9/1/29	435,000.00	5.000%					
			9/1/30	435,000.00	5.000%					
General Obligation Assessment Bonds	8/22/2023	9,020,000.00	9/1/31	435,000.00	4.000%					
			9/1/26	905,000.00	4.000%	8,115,000.00	905,000.00	7,210,000.00		
			9/1/27	905,000.00	5.000%					
			9/1/28	900,000.00	5.000%					
			9/1/29	900,000.00	5.000%					
			9/1/30	900,000.00	5.000%					
			9/1/31	900,000.00	4.000%					
			9/1/32	900,000.00	4.000%					
9/1/33	900,000.00	4.000%								

Totals

\$ 15,660,000.00	\$ 2,495,000.00	\$ 13,165,000.00
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**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE
AT DECEMBER 31, 2025**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING			INTEREST RATE	BALANCE DECEMBER 31, 2024	DECREASED	BALANCE DECEMBER 31, 2025
			DATE	2025	AMOUNT				
Municipal Complex	9/7/05	\$ 250,000.00	2025	\$ -		2.00%	\$ 7,995.00	\$ 7,995.00	\$ -
Construction of Softball Field & Tot Lot	11/27/06	250,000.00	2026		15,315.68	2.00%	30,030.58	14,714.90	15,315.68
Total							\$ 38,025.58	\$ 22,709.90	\$ 15,315.68

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF NJEIT LOAN
AT DECEMBER 31, 2025**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2025		INTEREST RATE	BALANCE DECEMBER 31, 2024	DECREASED	BALANCE DECEMBER 31, 2025
			DATE	AMOUNT				
NJ Infrastructure Bank Series 2021A-1 Ibank Loan Agreement	5/13/20	\$ 930,000.00	8/1/2026	\$ 40,000.00	5.000%	\$ 795,000.00	\$ 40,000.00	\$ 755,000.00
			8/1/2027	45,000.00	5.000%			
			8/1/2028	45,000.00	5.000%			
			8/1/2029	50,000.00	5.000%			
			8/1/2030	50,000.00	5.000%			
			8/1/2031	55,000.00	4.000%			
			8/1/2032	55,000.00	2.125%			
			8/1/2033	55,000.00	2.250%			
			8/1/2034	55,000.00	2.375%			
			8/1/2035	60,000.00	2.375%			
			8/1/2036	60,000.00	2.500%			
			8/1/2037	60,000.00	2.500%			
			8/1/2038	65,000.00	2.625%			
			8/1/2039	60,000.00	2.625%			
NJ Infrastructure Bank Series 2021A-1 -02AB Fund Loan (Assumes Principal Forgiveness of \$1,970,611)	5/13/20	985,305.00	2/1/2026	16,700.08	0.000%	751,503.88	50,100.24	701,403.64
			8/1/2026	33,400.16	0.000%			
			2/1/2027	16,700.08	0.000%			
			8/1/2027	33,400.16	0.000%			
			2/1/2028	16,700.08	0.000%			
			8/1/2028	33,400.16	0.000%			
			2/1/2029	16,700.08	0.000%			
			8/1/2029	33,400.16	0.000%			
			2/1/2030	16,700.08	0.000%			
			8/1/2030	33,400.16	0.000%			
			2/1/2031	16,700.08	0.000%			
			8/1/2031	33,400.16	0.000%			
			2/1/2032	16,700.08	0.000%			
			8/1/2032	33,400.16	0.000%			
			2/1/2033	16,700.08	0.000%			
			8/1/2033	33,400.16	0.000%			
			2/1/2034	16,700.08	0.000%			
			8/1/2034	33,400.16	0.000%			
			2/1/2035	16,700.08	0.000%			
			8/1/2035	33,400.16	0.000%			
			2/1/2036	16,700.08	0.000%			
			8/1/2036	33,400.16	0.000%			
			2/1/2037	16,700.08	0.000%			
			8/1/2037	33,400.16	0.000%			
			2/1/2038	16,700.08	0.000%			
			8/1/2038	33,400.16	0.000%			
			2/1/2039	16,700.08	0.000%			
			8/1/2039	33,400.44	0.000%			
NJ Infrastructure Bank Series 2023 A-W1 Ibank Loan Agreement	12/15/23	936,032.00	8/1/2026	35,000.00	5.000%	936,032.00	30,000.00	906,032.00
			8/1/2027	35,000.00	5.000%			
			8/1/2028	35,000.00	5.000%			
			8/1/2029	40,000.00	5.000%			
			8/1/2030	40,000.00	5.000%			
			8/1/2031	40,000.00	5.000%			
			8/1/2032	45,000.00	5.000%			
			8/1/2033	45,000.00	5.000%			
			8/1/2034	45,000.00	5.000%			
			8/1/2035	50,000.00	5.000%			
			8/1/2036	54,651.00	3.030%			
			8/1/2037	59,056.00	3.030%			
			8/1/2038	58,346.00	3.030%			
			8/1/2039	62,614.00	3.030%			
			8/1/2040	61,761.00	3.030%			
			8/1/2041	65,882.00	3.030%			
			8/1/2042	64,878.00	3.030%			
			8/1/2043	68,844.00	3.030%			

**TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF NJEIT LOAN
AT DECEMBER 31, 2025**

PURPOSE	DATE OF ISSUE	AMOUNT OF ORIGINAL ISSUE	MATURITIES OF BONDS OUTSTANDING DECEMBER 31, 2025		INTEREST RATE	BALANCE DECEMBER 31, 2024	DECREASED	BALANCE DECEMBER 31, 2025
			DATE	AMOUNT				
NJ Infrastructure Bank Series 2023 C-W1 Fund Loan	12/15/23	868,672.00	2/1/2026	14,723.25	0.000%	839,225.49	44,169.76	795,055.73
			8/1/2026	29,446.51	0.000%			
			2/1/2027	14,723.25	0.000%			
			8/1/2027	29,446.51	0.000%			
			2/1/2028	14,723.25	0.000%			
			8/1/2028	29,446.51	0.000%			
			2/1/2029	14,723.25	0.000%			
			8/1/2029	29,446.51	0.000%			
			2/1/2030	14,723.25	0.000%			
			8/1/2030	29,446.51	0.000%			
			2/1/2031	14,723.25	0.000%			
			8/1/2031	29,446.51	0.000%			
			2/1/2032	14,723.25	0.000%			
			8/1/2032	29,446.51	0.000%			
			2/1/2033	14,723.25	0.000%			
			8/1/2033	29,446.51	0.000%			
			2/1/2034	14,723.25	0.000%			
			8/1/2034	29,446.51	0.000%			
			2/1/2035	14,723.25	0.000%			
			8/1/2035	29,446.51	0.000%			
			2/1/2036	14,723.25	0.000%			
			8/1/2036	29,446.51	0.000%			
			2/1/2037	14,723.25	0.000%			
			8/1/2037	29,446.51	0.000%			
			2/1/2038	14,723.25	0.000%			
			8/1/2038	29,446.51	0.000%			
			2/1/2039	14,723.25	0.000%			
			8/1/2039	29,446.51	0.000%			
			2/1/2040	14,723.25	0.000%			
			8/1/2040	29,446.51	0.000%			
			2/1/2041	14,723.25	0.000%			
			8/1/2041	29,446.51	0.000%			
			2/1/2042	14,723.25	0.000%			
			8/1/2042	29,446.51	0.000%			
			2/1/2043	14,723.25	0.000%			
			8/1/2043	29,446.56	0.000%			
Total						\$ 3,321,761.37	\$ 164,270.00	\$ 3,157,491.37

TOWNSHIP OF LITTLE EGG HARBOR
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
AT DECEMBER 31, 2025

ORDINANCE NUMBER	IMPROVEMENT DESCRIPTION	BALANCE DECEMBER 31, 2024	GRANT PROCEEDS	BONDS/NOTES/LOANS ISSUED	BALANCE DECEMBER 31, 2025
13-14	Various Capital Improvements	\$ 8,215.05	\$ -	-	\$ 8,215.05
14-10	Various Capital Improvements	357,500.00	-	-	357,500.00
18-13	Various Capital Improvements	73,150.00	-	-	73,150.00
20-03	Improvements to Community Center	61,750.00	-	61,750.00	-
20-10	Mystic Drainage Improvements Phase II	1,714,000.00	-	-	1,714,000.00
20-14	Township-wide Drainage Projects	236,000.00	-	-	236,000.00
21-02	Various Public Works Equipment	200.00	-	-	200.00
21-06	Renovations and Improve Rec Complex	50.00	-	-	50.00
21-09	Mystic Island Ph I Dredging (Local)	250,000.00	-	-	250,000.00
21-10	Atlantis Dredging (Local)	225,000.00	-	-	225,000.00
23-17	Various Improvements to Recreation Complex	1,000,000.00	-	1,000,000.00	-
23-30	Pedestrian Safety Improvements	750,000.00	508,913.14	-	241,086.86
23-33	Mystic Island Ph III Dredging (Local)	1,995,296.00	-	-	1,995,296.00
24-28	Various Road and Drainage Improvements	950,000.00	-	950,000.00	-
24-29	Acquisition of Various Public Works and Police Equipment	1,391,750.00	-	1,000,000.00	391,750.00
Total		\$ 9,012,911.05	\$ 508,913.14	\$ 3,011,750.00	\$ 5,492,247.91

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PAYROLL FUND

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**TOWNSHIP OF LITTLE EGG HARBOR
PAYROLL FUND
STATEMENT OF PAYROLL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ 181,850.35
Increased by:		
Receipts		<u>14,778,575.36</u>
Subtotal		14,960,425.71
Decreased by:		
Disbursements:		
Net Pay	\$ 6,879,850.63	
Payment to Agencies	<u>8,072,603.18</u>	
		<u>14,952,453.81</u>
Balance December 31, 2025		<u><u>\$ 7,971.90</u></u>

**STATEMENT OF PAYROLL TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance December 31, 2024		\$ 181,850.35
Increased by:		
Payroll Deductions		<u>7,898,724.73</u>
Subtotal		8,080,575.08
Decreased by:		
Disbursements		<u>8,072,603.18</u>
Balance December 31, 2025		<u><u>\$ 7,971.90</u></u>

ANALYSIS OF BALANCE

PFRS		<u><u>\$ 7,971.90</u></u>
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TOWNSHIP OF LITTLE EGG HARBOR

PART II

**SCHEDULE OF FINANCIAL STATEMENT FINDINGS -
GOVERNMENT AUDITING STANDARDS**

FOR THE YEAR ENDED DECEMBER 31, 2025

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**TOWNSHIP OF LITTLE EGG HARBOR
COUNTY OF OCEAN, NEW JERSEY
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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 LITTLE EGG HARBOR
COUNTY OF OCEAN, NEW JERSEY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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

Financial Statement Findings

Finding 2024-001:

Condition:

During our audit we noted that the Township is not maintaining a complete and accurate general ledger in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Current Status:

This finding has been corrected in current year.

Finding 2024-002:

Condition:

During our testing it was noted that bank reconciliations were not performed on a timely basis.

Current Status:

This finding has been corrected in current year.

Finding 2024-003:

Condition:

During our testing it was noted that the resolution to insert the Body Worn Camera Grant into the budget had not been sent to the Division of Local Government Services for approval.

Current Status:

This finding has been corrected in current year.

Finding 2024-004:

Condition:

Interfunds receivable and payable are reflected on the various balance sheets of the funds at December 31, 2024.

Current Status:

This finding has been corrected in current year.

TOWNSHIP OF LITTLE EGG HARBOR

PART III

**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 Little Egg Harbor
Little Egg Harbor, 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 the up to July 1, 2025. The bid threshold increased to \$53,000 for the remainder of the year ended December 31, 2025 in accordance with L.F.N. 2025-08.

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:

NOW THEREFORE, BE IT RESOLVED, that if said taxes are deemed to be delinquent for non-payment of taxes, the Tax Collector shall charge eight (8%) percent per annum on the first \$1,500.00 of the delinquency, and eighteen (18%) percent per annum on any amount in excess of \$1,500.00; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Little Egg Harbor, that the Tax Collector shall allow that no interest will be charged on payments received and made by the tenth calendar day following the date upon which the same became payable; and

BE IT FURTHER RESOLVED, by the Township Council of the Township of Little Egg Harbor, that the Tax Collector shall charge, in addition to the interest for delinquent taxes, as noted above, a penalty of six (6%) percent of the amount of the delinquency in taxes in excess of \$10,000.00 to a taxpayer who fails to pay the delinquency prior to the end of the calendar year.

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

OTHER COMMENTS (FINDINGS):

None.

TOWNSHIP OF LITTLE EGG HARBOR
OFFICIALS IN OFFICE AND SURETY BONDS

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

<u>Name</u>	<u>Title</u>
Daniel Maxwell	Mayor
Kenneth Laney, Jr.	Deputy Mayor
Raymond Gormley	Committeeman
Blaise Scibetta	Committeeman
John Kehm, Jr.	Committeeman
Tom Lombarski	Chief Financial Officer
Kelly Lettera	Township Clerk/ Interim Business Administrator
Dayna Wilson	Tax Collector/Tax Search Officer
Jodie Termi	Court Administrator
Daniel Sahin	Judge

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.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized, overlapping flourish at the end.

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

Lakewood, New Jersey
June 16, 2026