BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY

AUDIT REPORT FOR THE YEAR
ENDED DECEMBER 31, 2025

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BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH

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 Borough Council
Borough of Keansburg
Keansburg, New Jersey 07734

Opinions

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance – regulatory basis of the Borough of Keansburg, 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 Borough of Keansburg, 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 Borough of Keansburg 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 Borough of Keansburg, 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 Borough of Keansburg'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 Borough of Keansburg'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 Borough of Keansburg'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 April 6, 2026, on our consideration of the Borough of Keansburg'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 Borough of Keansburg'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 Borough of Keansburg's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Lakewood, New Jersey
April 6, 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 Borough Council
Borough of Keansburg
Keansburg, New Jersey 07734

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 Borough of Keansburg (Borough), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated April 6, 2026. Our report indicated that the Borough'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 Borough'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 Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control described in the accompanying schedule of findings and questioned costs as Finding No. 2025-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough'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 an instance of noncompliance or other matter that is 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 and which is described in the accompanying schedule of findings and questioned costs as Finding No. 2025-001.

Borough of Keansburg's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Borough of Keansburg's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Borough of Keansburg's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Borough'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 Borough's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Robert W. Allison
Certified Public Accountant
Register Municipal Accountant
RMA No. 483

Lakewood, New Jersey
April 6, 2026

BASIC FINANCIAL STATEMENTS

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EXHIBIT A

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Assets	Reference	2025	2024
Cash and Investments - Treasurer	A-4	$ 6,329,358.52	$ 6,491,109.52
Change Fund	A-5	200.00	200.00
Petty Cash	A-5	300.00	300.00
Due From State of New Jersey -			
Chap. 73, P.L. 1976	A-6	7,641.34	7,641.34
		6,337,499.86	6,499,250.86
Receivables and Other Assets With			
Full Reserves:			
Taxes Receivable	A-7	829,681.72	705,719.57
Property Acquired for Taxes			
Assessed Valuation	A-8	1,018,900.00	1,018,900.00
Due From Animal Control Trust Fund	A-26	2,233.77	-
Revenue Accounts Receivable	A-9	22,883.55	-
		1,873,699.04	1,724,619.57
Total Operating Fund		8,211,198.90	8,223,870.43
State and Federal Grant Fund:			
Cash	A-4	414,635.09	154,345.32
Grants Receivable	A-23	33,215.05	151,634.28
Due from Other Trust Fund	A-25	83,000.00	-
Total Grant Fund		530,850.14	305,979.60
Total Assets		$ 8,742,049.04	$ 8,529,850.03

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

EXHIBIT A

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Liabilities, Reserves and Fund Balance	Reference	2025	2024
Appropriation Reserves	A-3	$ 849,760.09	$ 921,431.90
Accounts Payable	A-13	147,527.75	159,601.44
Encumbrances Payable	A-14	459,483.06	528,530.04
Prepaid Taxes	A-15	191,253.85	191,845.11
Tax Overpayments	A-16	11,559.61	7,051.18
Outside Liens Payable	A-19	-	42,506.78
Payroll Deductions Payable	A-20	111,149.44	124,737.29
Due To State of New Jersey:			
Marriage License Fees	A-21	923.00	3,048.00
Reserve for:			
Land Sale	A-22	27,000.00	27,000.00
Tax Appeals	A-22	188,166.55	188,166.55
		1,986,823.35	2,193,918.29
Reserve for Receivables	A	1,873,699.04	1,724,619.57
Fund Balance	A-1	4,350,676.51	4,305,332.57
Total Operating Fund		8,211,198.90	8,223,870.43
State and Federal Grant Fund:			
Encumbrances Payable	A-24	246,196.50	14,741.15
Reserve for Grants:			
Appropriated	A-10	240,377.92	198,016.05
Unappropriated	A-11	44,275.72	93,222.40
Total Grant Fund		530,850.14	305,979.60
Total Liabilities, Reserves and Fund Balance		$ 8,742,049.04	$ 8,529,850.03

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Revenue and Other Income Realized:		
Fund Balance Utilized	$ 1,800,000.00	$ 1,800,000.00
Miscellaneous Revenues Anticipated	5,409,655.21	4,945,706.51
Receipts From Delinquent Taxes	702,567.00	601,460.87
Receipts From Current Taxes	24,697,666.27	22,420,758.33
Non-Budget Revenue	322,448.46	300,639.78
Other Credit To Income:		
Unexpended Balance of Appropriation Reserves	901,251.72	984,299.53
Total Revenue	33,833,588.66	31,052,865.02
Expenditures:		
Budget Appropriations Within "CAPS":		
Operations:		
Salaries and Wages	8,313,458.80	7,807,508.80
Other Expenses	7,672,350.00	7,075,400.00
Deferred Charges and Statutory Expenditures	2,311,823.00	2,379,841.00
Appropriations Excluded From "CAPS":		
Operations:		
Salaries and Wages	272,041.20	272,041.20
Other Expenses	563,957.70	359,952.83
Capital Improvement Fund	100,000.00	50,000.00
Municipal Debt Service	1,283,901.40	1,285,902.60
Deferred Charges	-	60,000.00
Local District School Tax	9,101,800.00	7,671,145.00
County Taxes Payable	2,368,719.12	2,107,849.50
Adjustment to Accounts Payable	193.50	-
Total Expenditures	31,988,244.72	29,069,640.93
Statutory Excess To Fund Balance	1,845,343.94	1,983,224.09
Fund Balance, January 1	4,305,332.57	4,122,108.48
	6,150,676.51	6,105,332.57
Decreased By:		
Utilized as Anticipated Revenue	1,800,000.00	1,800,000.00
		-
Fund Balance, December 31	$ 4,350,676.51	$ 4,305,332.57

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Budget Amendments	Realized	Excess/ (Deficit)
Fund Balance Anticipated	$ 1,800,000.00	$ -	$ 1,800,000.00	$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	$ 15,000.00	$ -	$ 20,300.00	$ 5,300.00
Other	35,000.00	-	64,981.00	29,981.00
Fees and Permits	425,000.00	-	437,516.64	12,516.64
Fines and Costs:				
Municipal Court	340,000.00	-	491,629.23	151,629.23
Interest and Costs on Taxes	100,000.00	-	176,745.07	76,745.07
Parking Meters	375,000.00	-	428,653.85	53,653.85
Interest on Investments and Deposits	375,000.00	-	407,125.00	32,125.00
PILOT:				
Grandview Apartments	80,000.00	-	83,926.00	3,926.00
Church St. Corp - Fallon Manor	5,000.00	-	5,703.00	703.00
Church St. Corp - McGrath Towers	15,000.00	-	25,134.00	10,134.00
Church St- Keansburg Housing Authority	5,000.00	-	5,000.00	-
Rental of Borough Property	45,000.00	-	52,500.00	7,500.00
Cove on the Bay	200,000.00	-	251,794.22	51,794.22
Energy Receipts Tax (P.L. 1997, Chaps. 162 & 167)	1,847,400.15	-	1,847,400.15	-
Uniform Construction Code Fees	130,000.00	-	128,206.00	(1,794.00)
Public and Private Revenues Offset with Appropriations:				
Bulletproof Vest Partnership Grant	4,336.20	-	4,336.20	-
Body Armor Grant	2,782.14	-	2,782.14	-
Highway Safety	10,476.05	-	10,476.05	-
Safe and Secure Communities Program	45,150.00	-	45,150.00	-
Recycling Tonnage Grant	4,995.87	-	4,995.87	-
Clean Communities	25,482.14	-	25,482.14	-
2025 Risk Control Grant	-	10,825.00	10,825.00	-
Local Government Efficiency Grant	-	250,000.00	250,000.00	-
Other Special Items:				
Uniform Fire Safety Act	10,000.00	-	8,769.90	(1,230.10)
Cable TV Fees	120,000.00	-	111,797.04	(8,202.96)
Cingular Wireless	60,000.00	-	75,138.27	15,138.27
Board of Education Stipend	185,000.00	-	188,288.44	3,288.44
Capital Fund Balance	65,000.00	-	65,000.00	-
Utility Operating Surplus	180,000.00	-	180,000.00	-
Total Miscellaneous Revenues	4,705,622.55	260,825.00	5,409,655.21	443,207.66
Receipts From Delinquent Taxes	700,000.00	-	702,567.00	2,567.00
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	14,054,092.02	-	14,227,147.15	173,055.13
Budget Totals	21,259,714.57	260,825.00	22,139,369.36	618,829.79
Non-Budget Revenue	-	-	322,448.46	322,448.46
	$ 21,259,714.57	$ 260,825.00	$ 22,461,817.82	$ 941,278.25

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
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	$	24,697,666.27
Allocated To School and County Taxes		11,470,519.12
Balance for Support of Municipal Budget Appropriations		13,227,147.15
Add:		
Reserve for Uncollected Taxes		1,000,000.00
Amount for Support of Municipal Budget Appropriations	$	14,227,147.15
Receipts From Delinquent Taxes:		
Delinquent Tax Collections	$	702,567.00
Analysis of Non-Budget Revenue		
Miscellaneous Revenue Not Anticipated:		
Various Other MRNA	$	101,744.57
Construction Office		14,682.00
Tax Assessor		760.00
BOE Sanitation/Fuel Reimbursement		77,601.34
Disability Reimbursement		105,866.89
Various Misc. Refunds		21,793.66
	$	322,448.46

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
General Appropriations							
Operations - Within "CAPS"							
GENERAL GOVERNMENT							
Borough Council:							
Salaries and Wages	$ 40,000.00	$ -	$ 40,000.00	$ 40,000.00	$ -	$ -	$ -
Other Expenses	7,000.00	-	7,000.00	2,075.89	898.97	4,025.14	-
Office of Borough Manager:							
Salaries and Wages	314,000.00	-	314,000.00	304,951.38	-	9,048.62	-
Other Expenses	18,500.00	-	18,500.00	9,455.68	952.96	8,091.36	-
Office of the Borough Clerk:							
Salaries and Wages	186,500.00	-	186,500.00	180,966.47	-	5,533.53	-
Other Expenses	26,600.00	-	31,600.00	25,041.66	-	6,558.34	-
Legal Services and Costs:							
Other Expenses	210,000.00	-	200,000.00	134,077.11	6,645.00	59,277.89	-
Elections:							
Other Expenses	6,000.00	-	6,000.00	4,960.00	-	1,040.00	-
DEPARTMENT OF FINANCE							
Office of Director of Finance:							
Salaries and Wages	176,000.00	-	176,000.00	174,802.85	-	1,197.15	-
Other Expenses	27,750.00	-	27,750.00	22,100.20	2,227.75	3,422.05	-
Annual Audit	78,000.00	-	78,000.00	312.70	-	77,687.30	-
Division of Tax Collector:							
Salaries and Wages	50,000.00	-	50,000.00	48,683.61	-	1,316.39	-
Other Expenses	14,000.00	-	14,000.00	10,582.44	50.00	3,367.56	-
Division of Tax Assessor:							
Salaries and Wages	80,000.00	-	80,000.00	79,999.50	-	0.50	-
Other Expenses	30,500.00	-	30,500.00	4,326.54	23,042.00	3,131.46	-
DEPARTMENT OF PUBLIC SAFETY							
Police:							
Salaries and Wages	5,426,458.80	-	5,421,458.80	5,205,645.34	-	215,813.46	-
Other Expenses	124,600.00	-	124,600.00	84,484.35	25,528.83	14,586.82	-

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Detective Bureau:							
Other Expenses	8,000.00	-	8,000.00	5,895.86	1,488.46	615.68	-
Bureau of Street Crossing Guards:							
Salaries and Wages	75,000.00	-	82,000.00	80,943.39	-	1,056.61	-
Other Expenses	2,500.00	-	2,500.00	1,059.80	-	1,440.20	-
Public Defender							
Other Expenses	14,000.00	-	14,000.00	-	-	14,000.00	-
DIVISION OF FIRE							
Emergency Medical Services							
Other Expenses	49,550.00	-	49,550.00	38,692.91	7,733.11	3,123.98	-
Fire Department:							
Other Expenses	120,000.00	-	120,000.00	99,924.78	19,990.22	85.00	-
UNIFORM CONSTRUCTION CODE							
Code Enforcement:							
Salaries and Wages	246,000.00	-	272,000.00	271,211.25	-	788.75	-
Other Expenses	7,400.00	-	7,400.00	3,790.87	-	3,609.13	-
Uniform Fire Safety Act:							
Salaries and Wages	46,000.00	-	46,000.00	45,300.00	-	700.00	-
Other Expenses	5,000.00	-	5,000.00	4,015.13	280.12	704.75	-
PUBLIC WORKS							
Division of Engineering:							
Other Expenses	340,000.00	-	340,000.00	274,759.29	47,000.00	18,240.71	-
Division of Streets and Roads:							
Salaries and Wages	842,000.00	-	842,000.00	842,000.00	-	-	-
Other Expenses	66,000.00	-	66,000.00	41,621.33	22,215.16	2,163.51	-
Division of Snow Removal:							
Salaries and Wages	5,000.00	-	25,000.00	-	-	25,000.00	-
Other Expenses	10,000.00	-	10,000.00	9,700.00	240.03	59.97	-
Division of Parking Meter Maintenance:							
Salaries and Wages	50,000.00	-	50,000.00	49,999.94	-	0.06	-
Other Expenses	16,250.00	-	16,250.00	16,015.55	-	234.45	-
Division of Buildings and Grounds:							
Other Expenses	153,000.00	-	153,000.00	142,240.55	6,108.17	4,651.28	-
Municipal Garage:							
Salaries and Wages	163,000.00	-	165,000.00	162,528.92	-	2,471.08	-
Other Expenses	87,000.00	-	87,000.00	79,428.19	7,300.92	270.89	-

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Sanitation:							
Contract	841,000.00	-	841,000.00	801,461.26	7,900.00	31,638.74	-
Landfill Solid Waste Disposal Fees	605,000.00	-	605,000.00	552,333.26	-	52,666.74	-
BUILDING DEMOLITIONS							
Other Expenses	24,000.00	-	4,000.00	-	-	4,000.00	-
DEPARTMENT OF HEALTH AND WELFARE							
Division of Health:							
Salaries and Wages	12,000.00	-	12,000.00	11,239.65	-	760.35	-
Other Expenses	500.00	-	500.00	250.00	-	250.00	-
Dog Regulation	39,000.00	-	39,000.00	35,881.59	3,118.41	-	-
DEPARTMENT OF RECREATION PARKS AND PLAYGROUNDS							
Recreation, Parks and Playgrounds:							
Salaries and Wages	26,000.00	-	26,000.00	26,000.00	-	-	-
Other Expenses	29,000.00	-	29,000.00	22,481.13	1,000.00	5,518.87	-
Historical Society:							
Other Expenses	4,000.00	-	4,000.00	68.00	-	3,932.00	-
MUNICIPAL PROSECUTOR							
Municipal Prosecutor:							
Salaries and Wages	28,000.00	-	28,000.00	24,923.04	-	3,076.96	-
OTHER MUNICIPAL OPERATIONS							
MUNICIPAL LAND USE LAW (N.J.S.A. 40:55D-1)							
Planning Board of Adjustment:							
Other Expenses	27,000.00	-	27,000.00	26,099.04	-	900.96	-
Emergency Management Services:							
Salaries and Wages	21,500.00	-	21,500.00	19,769.00	-	1,731.00	-
Other Expenses	6,000.00	-	6,000.00	2,574.46	3,425.54	-	-
INSURANCES: N.J.S.A. 40A:4-45.3(00)							
Group Insurance Plan for Employees	2,950,000.00	-	2,944,000.00	2,726,117.28	217,882.72	-	-
Group Salary Insurance	25,000.00	-	31,000.00	30,979.96	-	20.04	-
Workers Compensation	475,000.00	-	475,000.00	401,776.88	-	73,223.12	-
Other Insurance - Liability Insurance	555,000.00	-	555,000.00	528,478.00	-	26,522.00	-
Disability Insurance	50,000.00	-	50,000.00	50,000.00	-	-	-

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
SENIOR CITIZENS							
Transportation of Senior Citizens:							
Other Expenses	19,000.00	-	19,000.00	14,700.00	-	4,300.00	-
MUNICIPAL COURT							
Municipal Court:							
Salaries and Wages	210,000.00	-	220,000.00	219,704.23	-	295.77	-
Other Expenses	6,700.00	-	6,700.00	5,466.72	1,152.91	80.37	-
MUNICIPAL LIBRARY							
Library:							
Salaries and Wages	46,000.00	-	46,000.00	45,156.49	-	843.51	-
Other Expenses	6,000.00	-	6,000.00	3,781.67	-	2,218.33	-
UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)							
State Uniform Construction Code Officials:							
Salaries and Wages	245,000.00	-	210,000.00	189,723.61	-	20,276.39	-
Other Expenses	24,000.00	-	24,000.00	6,911.19	-	17,088.81	-
UNCLASSIFIED							
Utilities:							
Electricity	100,000.00	-	100,000.00	89,609.60	8,500.00	1,890.40	-
Street Lighting	120,000.00	-	120,000.00	112,176.05	7,823.95	-	-
Telephone	110,000.00	-	110,000.00	86,020.78	10,777.30	13,201.92	-
Natural Gas	37,000.00	-	37,000.00	30,900.81	3,500.00	2,599.19	-
Telecommunications Costs	9,500.00	-	9,500.00	482.88	-	9,017.12	-
Gasoline and Fuel Oil	165,000.00	-	165,000.00	115,293.10	22,700.53	27,006.37	-
Celebration of Public Events	23,000.00	-	23,000.00	16,665.00	-	6,335.00	-
Contingent	25,000.00	-	25,000.00	23,313.00	-	1,687.00	-
Total Operations - Within "CAPS"	15,985,808.80	-	15,985,808.80	14,721,931.16	459,483.06	804,394.58	-

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Detail:							
Salaries and Wages	8,288,458.80	-	8,313,458.80	8,023,548.67	-	289,910.13	-
Other Expenses	7,697,350.00	-	7,672,350.00	6,698,382.49	459,483.06	514,484.45	-
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"							
Statutory Expenditures:							
Contribution To:							
Public Employees' Retirement System	455,745.00	-	455,745.00	455,745.00	-	-	-
Social Security System (O.A.S.I.)	365,000.00	-	365,000.00	347,426.49	-	17,573.51	-
Police and Firemen's Retirement System of N.J.	1,491,078.00	-	1,491,078.00	1,491,078.00	-	-	-
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	2,311,823.00	-	2,311,823.00	2,294,249.49	-	17,573.51	-
Total General Appropriations for Municipal Purposes - Within "CAPS"	18,297,631.80	-	18,297,631.80	17,016,180.65	459,483.06	821,968.09	-
General Appropriations for Municipal Purposes - Excluded from "CAPS"							
Length of Service Award Program ("LOSAP")	45,000.00	-	45,000.00	42,500.00	-	2,500.00	-
911 Emergency Dispatch - Police:							
Other Expenses	163,500.00	-	163,500.00	163,208.00	-	292.00	-
	208,500.00	-	208,500.00	205,708.00	-	2,792.00	-

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Public and Private Programs Offset by Revenues:							
Clean Communities	25,482.14	-	25,482.14	25,482.14	-	-	-
Recycling Tonage Grant	4,995.87	-	4,995.87	4,995.87	-	-	-
Safe and Secure Communities	45,150.00	-	45,150.00	45,150.00	-	-	-
Safe and Secure Communities - Match							
Salaries and Wages	226,891.20	-	226,891.20	226,891.20	-	-	-
Other Expenses	46,560.30	-	46,560.30	46,560.30	-	-	-
Body Armor Grant	2,782.14	-	2,782.14	2,782.14	-	-	-
Highway Safety Grant	10,476.05	-	10,476.05	10,476.05	-	-	-
Bulletproof Vest Partnership Grant	4,336.20	-	4,336.20	4,336.20	-	-	-
2025 Risk Control Grant	-	10,825.00	10,825.00	10,825.00	-	-	-
Local Government Efficiency Grant	-	250,000.00	250,000.00	250,000.00	-	-	
Total Public and Private Programs Offset by Revenues	366,673.90	260,825.00	627,498.90	627,498.90	-	-	-
Total Operations - Excluded from "CAPS"	575,173.90	260,825.00	835,998.90	833,206.90	-	2,792.00	-
Detail:							
Salaries and Wages	272,041.20	-	272,041.20	272,041.20	-	-	-
Other Expenses	303,132.70	260,825.00	563,957.70	561,165.70	-	2,792.00	-
Capital Improvement Fund:							
Capital Improvement Fund:	75,000.00	-	75,000.00	75,000.00	-	-	-
Acquisition of Equipment/Various Improvements	25,000.00	-	25,000.00	-	-	25,000.00	-
Total Capital Improvement Fund	100,000.00	-	100,000.00	75,000.00	-	25,000.00	-
Municipal Debt Service - Excluded From "CAPS"							
Payment of Bond Principal	420,000.00	-	420,000.00	420,000.00	-	-	-
Payment of Bond Anticipation Notes and Capital Notes	246,000.00	-	246,000.00	246,000.00	-	-	-
Interest on Bonds	285,600.00	-	285,600.00	285,600.00	-	-	-
Interest on Notes	199,600.00	-	199,600.00	199,600.00	-	-	-
Green Trust Loan Program:							
Loan Repayments for Principal and Interest	8,008.87	-	8,008.87	8,008.87	-	-	-
Capital Lease Program - Principal and Interest	127,700.00	-	127,700.00	124,692.53	-	-	3,007.47
Total Municipal Debt Service - Excluded From "CAPS"	1,286,908.87	-	1,286,908.87	1,283,901.40	-	-	3,007.47

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations						
	Original Budget	Chapter 159	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	1,962,082.77	260,825.00	2,222,907.77	2,192,108.30	-	27,792.00	3,007.47
Subtotal General Appropriations	20,259,714.57	260,825.00	20,520,539.57	19,208,288.95	459,483.06	849,760.09	3,007.47
Reserve for Uncollected Taxes	1,000,000.00	-	1,000,000.00	1,000,000.00	-	-	-
Total General Appropriations	$ 21,259,714.57	$ 260,825.00	$ 21,520,539.57	$ 20,208,288.95	$ 459,483.06	$ 849,760.09	$ 3,007.47
Adopted Budget			$ 21,259,714.57				
Chapter 159			260,825.00				
			$ 21,520,539.57				
Reserve for Uncollected Taxes				$ 1,000,000.00			
Cash Disbursements				18,580,790.05			
Reserve for Grants-Appropriated				627,498.90			
				$ 20,208,288.95			

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

EXHIBIT B

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Assets	Reference	2025	2024
Animal Control Fund:			
Cash	B-1	$ 6,005.24	$ 4,443.10
Change Fund	B	50.00	50.00
		6,055.24	4,493.10
Other Trust Funds:			
Cash	B-1	1,497,105.00	1,640,694.65
		1,497,105.00	1,640,694.65
Length of Service Award Program Fund ("LOSAP"):			
Cash and Investments - Trustee	B-7	616,866.44	575,739.03
Total Assets		$ 2,120,026.68	$ 2,220,926.78

Liabilities and Reserves	Reference	2025	2024
Animal Control Trust Fund:			
Due To:			
State of New Jersey	B-2	$ 63.60	$ -
Current Fund	B-10	2,233.77	-
Encumbrances Payable	B-4	135.79	4.20
Reserve for Animal Control Expenditures	B-3	3,622.08	4,488.90
		6,055.24	4,493.10
Other Trust Funds:			
Encumbrances Payable	B-5	21,142.85	103,756.26
Reserve for Various Trust Activities	B-5	1,392,962.15	1,536,938.39
Due to Grant Fund	B-9	83,000.00	-
		1,497,105.00	1,640,694.65
Length of Service Award Program Fund ("LOSAP"):			
Reserve for Funds Held by Trustee	B-6	616,866.44	575,739.03
Total Liabilities and Reserves		$ 2,120,026.68	$ 2,220,926.78

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Assets	Reference	2025	2024
Cash and Investments	C-2	$ 1,431,272.73	$ 22,058.85
State, Federal, Local Grants Receivable	C-6	1,606,176.09	1,184,357.59
Deferred Charges To Future Taxation:			
Funded	C-4	5,899,957.67	6,327,462.18
Funded - Leases	C-4	454,000.00	554,000.00
Unfunded	C-5	9,563,151.00	8,189,442.00
Total Assets		$ 18,954,557.49	$ 16,277,320.62

Liabilities and Reserves	Reference	2025	2024
Encumbrances Payable	C-7	$ 1,842,328.00	$ 1,592,149.74
Serial Bonds	C-8	5,880,000.00	6,300,000.00
Bond Anticipation Notes	C-9	7,635,000.00	4,990,000.00
Leases Payable	C-10	454,000.00	554,000.00
Green Acres Loan	C-11	19,957.67	27,462.18
Due to Water and Sewer Capital	C-16	-	100,000.00
Improvement Authorizations:			
Funded	C-12	575,161.50	544,961.50
Unfunded	C-12	2,309,787.84	1,902,567.70
Reserve for:			
Capital Improvement Fund	C-13	21,598.96	1,678.96
Payment of Debt Service	C-13	46,250.00	46,250.00
Capital Repairs - Pump Station/Stormwater	C-13	150,000.00	150,000.00
Fund Balance	C-1	20,473.52	68,250.54
Total Liabilities and Reserves		$ 18,954,557.49	$ 16,277,320.62

There were bonds and notes authorized but not issued on December 31, 2025 of $2,013,151 and on December 31, 2024 of $3,284,442

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

EXHIBIT C-1

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF CAPITAL FUND BALANCE-
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 68,250.54
Increased By:	
Premium on Note Sale	17,222.98
	85,473.52
Decreased By:	
Anticipated Revenue in Current Fund	65,000.00
Balance, December 31, 2025	$ 20,473.52

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

EXHIBIT D

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Assets	Reference	2025	2024
Operating Fund:			
Cash and Investments	D-5	$ 3,865,399.48	$ 3,789,188.40
Change Fund	D-7	150.00	150.00
		3,865,549.48	3,789,338.40
Receivables With Offsetting Reserves:			
Consumer Accounts Receivable	D-8	83,435.71	96,955.02
Deposit with Bayshore Regional Sewerage Authority	D-9	302,371.13	280,006.38
		385,806.84	376,961.40
Total Operating Fund		4,251,356.32	4,166,299.80
Capital Fund:			
Cash and Investments	D-5	1,338,992.03	1,154,032.54
Due from General Capital	D-26	-	100,000.00
Fixed Capital	D-10	25,895,610.83	25,895,610.83
Fixed Capital Authorized and Uncompleted	D-11	8,025,000.00	8,025,000.00
Total Capital Fund		35,259,602.86	35,174,643.37
Total Assets		$ 39,510,959.18	$ 39,340,943.17

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Liabilities, Reserves and Fund Balances	Reference	2025	2024
Operating Fund:			
Appropriation Reserves	D-4	$ 232,141.72	$ 331,706.27
Prepaid Water/Sewer rents	D-13	44,846.18	7,296.28
Encumbrances Payable	D-14	221,623.16	170,968.12
Water and Sewer Rent Overpayments	D-15	17,993.48	18,641.38
Accrued Interest on Bonds, Notes & Loans	D-17	40,128.54	39,920.54
Accounts Payable	D-28	9,780.15	39,045.83
		566,513.23	607,578.42
Reserve for Receivables	D	385,806.84	376,961.40
Fund Balance	D-1	3,299,036.25	3,181,759.98
Total Operating Fund		4,251,356.32	4,166,299.80
Capital Fund:			
Serial Bonds Payable	D-18	2,290,000.00	2,420,000.00
Bond Anticipation Notes	D-27	860,000.00	860,000.00
Trust Loans Payable	D-19	308,220.57	381,525.64
Encumbrances Payable	D-21	57,920.26	137,539.16
Improvement Authorization:			
Funded	D-21	24,078.27	17,293.27
Unfunded	D-21	1,316,461.60	1,266,427.70
Reserve for:			
Amortization	D-22	28,800,096.99	28,596,791.92
Deferred Amortization	D-23	1,277,293.27	1,277,293.27
Capital Improvement Fund	D-24	18,500.00	18,500.00
Capital Projects	D-20	296,236.39	198,390.57
Fund Balance	D-2	10,795.51	881.84
Total Capital Fund		35,259,602.86	35,174,643.37
Total Liabilities, Reserves and Fund Balances		$ 39,510,959.18	$ 39,340,943.17

There were bonds and notes authorized but not issued on December 31, 2025 of $400,000.00 and on December 31, 2024 of $400,000.00.

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
Revenue and Other Income Realized:		
Fund Balance Anticipated	$ 500,000.00	$ 500,000.00
Miscellaneous Revenues Anticipated	4,974,777.81	5,299,087.04
Miscellaneous Revenues Not Anticipated	127.18	30,980.48
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	221,586.88	82,634.57
Cancel Accounts Payable	992.40	-
Total Revenue	5,697,484.27	5,912,702.09
Expenditures:		
Operating	4,414,083.26	4,371,687.44
Debt Service	355,916.74	323,312.56
Statutory Expenditures	130,000.00	105,000.00
Surplus (General Budget)	180,000.00	-
Other Debits To Income:		
Accrued Interest Adjustment	208.00	25,066.37
Total Expenditures	5,080,208.00	4,825,066.37
Statutory Excess in Revenue	617,276.27	1,087,635.72
Fund Balance, Beginning	3,181,759.98	2,594,124.26
	3,799,036.25	3,681,759.98
Decreased By:		
Utilized as Anticipated Revenue	500,000.00	500,000.00
Fund Balance, December 31	$ 3,299,036.25	$ 3,181,759.98

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEARS ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 881.84
Increased By:	
Premium on Sale of Bond Anticipation Notes	9,913.67
Balance, December 31, 2025 & 2024	$ 10,795.51

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

EXHIBIT D-3

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND -
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Realized	Excess/ (Deficit)
Operating Surplus Anticipated	$ 500,000.00	$ 500,000.00	$ -
Water/Sewer Rents	4,430,000.00	4,795,093.28	365,093.28
Interest on:			
Sewer	50,000.00	49,549.92	(450.08)
Investments	100,000.00	130,134.61	30,134.61
	$ 5,080,000.00	$ 5,474,777.81	$ 394,777.81

Miscellaneous Revenues Not Anticipated	
Miscellaneous	$ 127.18

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

EXHIBIT D-4

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND -
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved
Operating:					
Salaries and Wages	$ 894,000.00	$ 894,000.00	$ 871,801.68	$ -	$ 22,198.32
Other Expenses	3,520,083.26	3,520,083.26	3,096,400.93	221,623.16	202,059.17
Total Operating	4,414,083.26	4,414,083.26	3,968,202.61	221,623.16	224,257.49
Debt Service:					
Payment of Bond Principal	130,000.00	130,000.00	130,000.00	-	-
Interest on Bonds	108,558.34	108,558.34	108,558.34	-	-
Interest on Notes	34,400.00	34,400.00	34,400.00	-	-
NJEIT Loan	82,958.40	82,958.40	82,958.40	-	-
Total Debt Service	355,916.74	355,916.74	355,916.74	-	-
Statutory Expenditures:					
Contributions To:					
Public Employees' Retirement System	35,000.00	35,000.00	35,000.00	-	-
Social Security System (O.A.S.I.)	70,000.00	70,000.00	62,115.77	-	7,884.23
Unemployment Compensation Insurance	25,000.00	25,000.00	25,000.00	-	-
Total Statutory Expenditures	130,000.00	130,000.00	122,115.77	-	7,884.23
Surplus (General Budget)	180,000.00	180,000.00	180,000.00	-	-
Total Sewer Utility Appropriations	$ 5,080,000.00	$ 5,080,000.00	$ 4,626,235.12	$ 221,623.16	$ 232,141.72
Cash Disbursements			$ 4,483,276.78		
Accrued Interest			142,958.34		
			$ 4,626,235.12		

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

EXHIBIT E

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENTS OF ASSETS, LIABILITIES, RESERVES AND
FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

Assets	Reference	2025	2024
Land	E-1	$ 5,649,364.47	$ 5,649,364.47
Buildings	E-1	7,429,963.26	7,429,963.26
Improvements	E-1	12,807,057.08	12,671,189.00
Machinery and Equipment	E-1	10,246,526.38	9,703,509.84
Total Assets		$ 36,132,911.19	$ 35,454,026.57

Liabilities	Reference	2025	2023
Investment in Fixed Assets	E-1	$ 36,132,911.19	$ 35,454,026.57
Total Liabilities		$ 36,132,911.19	$ 35,454,026.57

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

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY

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

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Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Borough of Keansburg, County of Monmouth, New Jersey (hereafter referred to as the "Borough") is governed by the Borough form of government, with a mayor and a 5-member Borough Council. Administrative responsibilities are assigned to the Borough Manager. Policy is determined by Council and the Manager is responsible for carrying out such policy.

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 Borough are not presented in accordance with GAAP, and therefore the financial statements are not presented in accordance with GASB Statement No. 14, as amended by GASB Statement 39, 61, 80, 90, and 97. Had the financials been in accordance with GAAP, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Borough, the primary government:

Keansburg Borough Housing Authority

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough contain all funds and account groups in accordance with the "Requirements of Audit (Requirements)" 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 Borough 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.

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.

Utility Operating and Capital Funds – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

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

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 Borough.

Budgets and Budgetary Accounting - The Borough must adopt an annual budget for its Current and Utility 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 Borough'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 with the exception of LOSAP investments which are reported at fair value. 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.

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

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

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 Borough 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 Borough 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 Borough'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.

Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

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

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 Borough 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.

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 and Utility Operating 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 Borough's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Utility Revenues – Utility charges are levied semi-annually based upon a flat service charge and if applicable, an excess consumption or usage charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Boroughs utility operating fund.

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 Borough's annual budget, but also the amounts required in support of the budgets of the County of Monmouth and Keansburg 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 Monmouth. 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 Keansburg School District. Operations are charged for the full amount required to be raised from taxation to operate the local school district January 1st to December 31st.

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July I 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.

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

Reserve for Uncollected Taxes – The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Borough's annual budget protects the Borough 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. 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. Appropriations for interest payments on outstanding utility capital bonds and notes are provided on the accrual 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 and Utility 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.

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

Accounting Pronouncements Adopted in Current Year

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

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

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

Accounting Pronouncements Effective in Future Reporting Periods

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

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

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

Note 2. Deposits and Investments

The Borough 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 Borough's deposits may not be returned. Although the Borough 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 Borough 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 Borough relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

Note 2. Deposits and Investments (continued)

As of December 31, 2025, the Borough's bank balance of $15,690,315.77 was insured or collateralized as follows:

Insured under FDIC and GUDPA	$ 13,755,657.89
Uninsured and Uncollateralized	1,934,657.88
	$ 15,690,315.77

Investments

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

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

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

Money Market Funds: Valued at the quoted NAV of shares held by the Borough at year-end.

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

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

Note 2. Deposits and Investments (continued)

	Carrying Value	Fair Value as of December 31, 2025 Level 1	Total	Less Than 1 Year
Investment Type				
Money Markets	$ 10,725.15	$ 10,725.15	$ 10,725.15	$ 10,725.15
Mutual Funds	293,656.23	293,656.23	293,656.23	293,656.23
	$ 304,381.38	$ 304,381.38	$ 304,381.38	$ 304,381.38
Fund				
Trust Fund - LOSAP (Fair Value)	$ 304,381.38	$ 304,381.38	$ 304,381.38	$ 304,381.38
	$ 304,381.38	$ 304,381.38	$ 304,381.38	$ 304,381.38

Investments at Contract Value - The Borough held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling $304,381.38 as of December 31, 2025. Lincoln maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Borough is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Borough's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date.

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

	12/31/2025
Trust Fund - LOSAP (Fair Value)	$ 304,381.38
Trust Fund - LOSAP (Contract Value)	312,485.06
Total Trust Fund - LOSAP	$ 616,866.44

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Borough will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough has no investment policy to limit exposure to custodial credit risk.

Note 2. Deposits and Investments (continued)

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

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

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Borough's investment policies place no limit in the amount the Borough may invest in any one issuer. More than 5% of the Borough's investments are in LOSAP. These investments represent 100% of the Borough's total investments.

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

	2025	2024	2023
Tax Rate	$ 2.143	$ 2.200	$ 2.590
Apportionment of Tax Rate:			
Municipal	1.180	1.270	1.457
County General	0.199	0.200	0.229
Local School	0.764	0.730	0.904

Assessed Valuation

Year	Amount
2025	$ 1,191,114,920.00
2024	1,050,798,790.00
2023	891,918,792.00

Note 3. Property Taxes (continued):

Comparison of Tax Levies and Collections

Year	Tax Levy	Cash Collections	Percentage Of Collection
2025	$ 25,626,291.61	$ 24,697,666.27	96.37%
2024	23,200,516.37	22,420,758.33	96.63%
2023	23,256,601.71	22,580,115.28	97.09%

Delinquent Taxes

Year	Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2025	$ 829,681.72	$ 829,681.72	3.24%
2024	705,719.57	705,719.57	3.04%
2023	601,460.87	601,460.87	2.59%

The Borough had no tax title liens at December 31, 2025.

The last tax sale was held on December 5, 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:

Year	Amount
2025	$ 1,018,900.00
2024	1,018,900.00
2023	1,018,900.00

Note 5. Water/Sewer Utility Service Charges

The following is a three-year comparison of Water/Sewer utility charges (rents) and collections for the current and previous two years.

Year	Beginning Balance	Levy	Total	Cash Collections	Percentage Of Collection
2025	$ 96,955.02	$ 4,782,221.87	$ 4,879,176.89	$ 4,795,741.18	98.28%
2024	188,017.63	4,967,005.49	5,155,023.12	5,058,068.10	98.11%
2023	194,647.26	4,518,245.82	4,712,893.08	4,524,875.45	96.01%

Note 6. Fund Balances Appropriated

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

Year	Balance December 31,	Utilized in Budget of Succeeding Year	Percentage of Fund Balance Used
Current Fund:			
2025	$ 4,350,676.51	$ 1,800,000.00	41.37%
2024	4,305,332.57	1,800,000.00	41.81%
2023	4,122,108.48	1,800,000.00	43.67%
Water-Sewer Operating Fund:			
2025	$ 3,299,036.25	$ 700,000.00	21.22%
2024	3,181,759.98	500,000.00	15.71%
2023	2,594,124.26	500,000.00	19.27%

*As of the date of this report the Borough has not adopted the 2026 Budget

Note 7. Disaggregated Receivable and Payable Balances

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

Note 8. 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	$ 2,233.77	$ -
Grant	83,000.00	-
Animal Control	-	2,233.77
Trust Other Fund	-	83,000.00
	$ 85,233.77	$ 85,233.77

The summary of interfund transfers during 2025 are as follows:

Fund	Transfers In	Transfers Out
Current Fund	$(2,075,197.40)	$ 2,075,197.40
Animal Control	197.40	(197.40)
Capital Fund	(973,288.45)	1,073,288.45
Water-Sewer Capital	(1,073,288.45)	973,288.45
	$ (4,121,576.90)	$ 4,121,576.90

Note 9. Fixed Assets

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

	Balance December 31, 2024	Additions	Balance December 31, 2025
Land	$ 5,649,364.47	$ -	$ 5,649,364.47
Buildings	7,429,963.26	-	7,429,963.26
Improvements	12,671,189.00	135,868.08	12,807,057.08
Machinery & Equipment	9,703,509.84	543,016.54	10,246,526.38
	$ 35,454,026.57	$ 678,884.62	$ 36,132,911.19

Note 10. 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:

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

Note 10. Pension Obligations (continued):

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

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. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2024, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Borough's contractually required contribution to PERS plan was $477,086.

Components of Net Pension Liability - At December 31, 2024, the Borough's proportionate share of the PERS net pension liability was $4,764,143. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability was based on the Borough's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The Borough's proportion measured as of June 30, 2024, was 0.0350612789% which was an increase of 0.0013888643% from its proportion measured as of June 30, 2023.

Note 10. Pension Obligations (continued):

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

Balances at December 31, 2024 and December 31, 2023

	12/31/2024	12/31/2023
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	$ 361,847	$ 218,521
Deferred Inflows of Resources	313,082	401,037
Net Pension Liability	4,764,143	4,877,238
Borough's portion of the Plan's total Net Pension Liability	0.03506%	0.03367%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - At December 31, 2024, the Borough's proportionate share of the PERS expense/(credit), calculated by the plan as of the June 30, 2024 measurement date is $132,711. This expense/(credit) is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Borough contributed $477,086 to the plan in 2024.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 95,435	$ 12,683
Changes of Assumptions	5,919	54,205
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	220,900
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	260,493	25,294
	$ 361,847	$ 313,082

Note 10. Pension Obligations (continued):

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

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

Year Ending December 31,	Amount
2025	$ (155,234)
2026	203,553
2027	(43,006)
2028	(4,943)
2029	48,395
	$ 48,765

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

The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this legislation. At December 31, 2024, the State's proportionate share of the PERS expense, associated with the Borough of Keansburg, calculated by the plan as of the June 30, 2024 measurement date was $15,360.

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%

Note 10. Pension Obligations (continued):

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

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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:

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

Note 10. Pension Obligations (continued):

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's Proportionate Share of the Net Pension Liability	$ 6,383,661	$ 4,764,143	$ 3,460,171

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 for PFRS. 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 in regards to PFRS, which had a reporting date of June 30, 2024.

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

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

The following represents the membership tiers for PFRS:

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

Note 10. Pension Obligations (continued):

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

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.

Contributions - The contribution policy for PFRS is set by *N.J.S.A. 43:16A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2024, the State contributed an amount less than the actuarially determined amount. The Local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the Borough's contractually required contributions to PFRS plan was $1,446,562.

Net Pension Liability and Pension Expense - At December 31, 2024 the Borough's proportionate share of the PFRS net pension liability was $10,799,336. 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 Borough's proportion of the net pension liability was based on the Borough's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The Borough's proportion measured as of June 30, 2024, was 0.10457785%, which was a decrease of 0.0001111091% from its proportion measured as of June 30, 2023.

Note 10. Pension Obligations (continued):

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

Balances at December 31, 2024 and December 31, 2023

	12/31/2024	12/31/2023
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	$ 1,324,407	$ 2,228,239
Deferred Inflows of Resources	2,431,579	2,262,409
Net Pension Liability	10,799,336	12,782,200
Borough's portion of the Plan's total net pension Liability	0.10458%	0.11569%

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources – At December 31, 2024, the Borough's proportionate share of the PFRS expense, calculated by the plan as of the June 30, 2024 measurement date was $536,906. This expense/(credit) is not recognized by the Borough because of the regulatory basis of accounting as described in Note 1, but as previously mentioned the Borough contributed $1,446,562 to the plan in 2024.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	$ 680,350	$ 369,709
Changes of Assumptions	17,072	317,159
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	84,524
Changes in Proportion and Differences between Borough Contributions and Proportionate Share of Contributions	626,985	1,660,187
	$ 1,324,407	$ 2,431,579

Note 10. Pension Obligations (continued):

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

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

Year Ending December 31,		Amount
2025	$	(729,735)
2026		396,088
2027		(357,918)
2028		(276,889)
2029		(144,145)
Thereafter		5,427
	$	(1,107,172)

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.

Additionally, the State's proportionate share of the PFRS net pension liability attributable to the Borough is $2,129,066 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 Borough was based on a projection of the Borough'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 0.10457794%, which was a decrease of 0.000111108% from its proportion measured as of June 30, 2023, which is the same proportion as the Borough's. At December 31, 2024, the Borough's and the State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Note 10. Pension Obligations (continued):

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

Borough's Proportionate Share of Net Pension Liability	$ 10,799,336
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Borough	2,129,066
	$ 12,928,402

At December 31, 2024, the State's proportionate share of the PFRS expense, associated with the Borough, calculated by the plan as of the June 30, 2024 measurement date was $244,932.

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%

Employee mortality rates were based on the Pub-2010 Safety Employee amount-weighted mortality table (sex-specific) projected generationally from 2010 with Scale MP-2021 mortality projection. For healthy annuitants, mortality rates were based on the Pub-2010 Safety Retiree Below Median amount-weighted mortality table (sex-specific), projected generationally from 2010 with Scale MP-2021 mortality projection. Disability rates were 144% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for females, projected generationally from 2010 with Scale MP-2021 mortality projection.

Note 10. Pension Obligations (continued):

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

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large-Cap 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%
	100.00%	

Note 10. Pension Obligations (continued):

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's Proportionate Share of the Net Pension Liability	$ 15,429,848	$ 10,799,336	$ 6,943,134
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Borough	3,041,962	2,129,066	1,368,824
	$ 18,471,810	$ 12,928,402	$ 8,311,958

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

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;

Note 10. Pension Plans (Continued)

C. Defined Contribution Retirement Plan (DCRP)

- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;

- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least $5,000 annually.

- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least $5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local educations employees.

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 Borough.

For the year ended December 31, 2025, employee contributions totaled $0.00 and the Borough recognized an expense for payments made to the Defined Contribution Retirement program in the amount of $0.00

Note 11. Postemployment Benefits Other Than Pensions

As of the date of this report, the New Jersey Division of Pension and Benefits has not provided updated actuarial valuations for other post-employment 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.

Note 11. Postemployment Benefits Other Than Pensions (continued)

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

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.

Note 11. Postemployment Benefits Other Than Pensions (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 (benefit) expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the total OPEB liabilities for the year ended June 30, 2024 were $4,833,833,875 and $12,914,432,673, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB (benefit) expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2023 through June 30, 2024. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of OPEB amounts by employer and nonemployer may result in immaterial differences.

Net OPEB Liability

The components of the collective net OPEB liability of the plan as of June 30, 2024 is as follows:

Total OPEB liability	$	17,748,257,548
Plan fiduciary net deficit		(157,187,957)
Net OPEB liability	$	17,905,445,505

The total OPEB liability as of June 30, 2024 was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases*:	
Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55%
Police and Firemen's Retirement System (PFRS)	
Rate for all future years	3.25% to 16.25%

* - Salary Increases are based on years of service within the respective plan.

Note 11. Postemployment Benefits Other Than Pensions (continued)

OPEB Obligation and OPEB (benefit) Expense - The State's proportionate share of the total Other Post-Employment Benefits Obligations, attributable to the Borough's as of June 30, 2024 was $24,872,812. The Borough's proportionate share was $0.

The OPEB Obligation was measured as of June 30, 2024, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the OPEB Obligation associated with the Borough was based on projection of the State's long-term contributions to the OPEB plan associated with the Borough relative to the projected contributions by the State associated with all participating Municipalities, actuarially determined. At June 30, 2024, the State proportionate share of the OPEB Obligation attributable to the Borough was 0.1389119974%, which was a decrease of 0.00003596% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2024, the State of New Jersey recognized an OPEB expense/(benefit) in the amount of $53,923 for the State's proportionate share of the OPEB (benefit) expense attributable to the Borough. This OPEB (benefit) expense was based on the OPEB plans June 30, 2024 measurement date.

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

100% of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions

For Pre-Medicare medical benefits, the trend rate is initially 7.5% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 22.62% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For HMO, the trend is increasing to 23.58% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For prescription drug benefits, the initial trend rate is 12.75% and decreases to a 4.50% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Note 11. Postemployment Benefits Other Than Pensions (continued)

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

The following presents the collective net OPEB liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	At 1% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
State of New Jersey's Proportionate Share of Total OPEB Obligation Associated with The Borough	$ 28,974,145.34	$ 24,872,812.00	$ 21,588,008.48
State of New Jersey's Total Nonemployer OPEB Liability	20,857,914,273.00	17,905,445,505.00	15,540,780,410.00
	116.4892%	0.1389%	86.7936%

Sensitivity of Net OPEB Liability to Changes in the Healthcare Trend Rate:

The following presents the net OPEB liability as of June 30, 2024, calculated using the healthcare trend rate as disclosed above as well as what the net OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with The Borough	$ 21,037,322.06	$ 24,872,812.00	$ 29,804,174.18
State of New Jersey's Total Nonemployer OPEB Liability	15,144,352,142.00	17,905,445,505.00	21,455,435,620.00
	84.5796%		119.8263%

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2024:

Note 11. Postemployment Benefits Other Than Pensions (continued)

Collective Balances at December 31, 2024 and December 31, 2023

	12/31/2024	12/31/2023
Actuarial valuation date (including roll forward)	June 30, 2024	June 30, 2023
Collective Deferred Outflows of Resources	$ 9,862,097,951.00	$ 9,133,524,491.00
Collective Deferred Inflows of Resources	11,975,956,585.00	14,817,220,551.00
Collective Net OPEB Liability	17,905,445,505.00	15,006,539,477.00
Borough's Portion	0.138912%	0.142508%

The collective amounts reported as a deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2025	$ (1,123,975,872.00)
2026	(483,903,543.00)
2027	(83,156,324.00)
2028	(443,334,965.00)
2029	(282,447,899.00)
Thereafter	302,959,969.00
	$ (2,113,858,634.00)

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflow of resources related to the changes in proportion. These amounts should be recognized (amortized) by each employer over the average remaining service lives of all plan members, which is 7.89, 7.89, 7.82, 7.82, 7.87, 8.05, 8.14 and 8.04 years for the 2024, 2023, 2022, 2021, 2020, 2019, 2018, and 2017 amounts, respectively.

Note 11. Postemployment Benefits Other Than Pensions (continued):

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

Service Cost	$ 545,086,159.00
Interest on the Total OPEB Liability	554,448,470.00
Change of Benefit Terms	107,670,542.00
Differences Between Expected and Actual Experience	408,491,660.00
Changes of Assumptions	1,735,990,164.00
Contributions From the Employer	(399,436,504.00)
Contributions From Non-Employer Contributing Entity	(62,827,411.00)
Net Investment Income	(1,636,336.00)
Administrative Expense	11,119,284.00
Net Change in Total OPEB Liability	2,898,906,028.00
Total OPEB Liability (Beginning)	15,006,539,477.00
Total OPEB Liability (Ending)	$ 17,905,445,505.00

Note 12. Municipal Debt

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

	2025	2024	2023
Issued:			
General:			
Bonds, Notes and Loans	$ 13,988,957.67	$ 11,317,462.18	$ 9,458,654.84
Utility:			
Bonds, Notes and Loans	3,458,220.57	3,661,525.64	2,999,830.71
Total Debt Issued	17,447,178.24	14,978,987.82	12,458,485.55
Authorized but not issued:			
General:			
Bonds, Notes and Loans	2,013,151.00	3,284,442.00	2,907,072.00
Utility:			
Bonds, Notes and Loans	400,000.00	400,000.00	1,260,000.00
Total Authorized But Not Issued	2,413,151.00	3,684,442.00	4,167,072.00
Total Gross Debt	$ 19,860,329.24	$ 18,663,429.82	$ 16,625,557.55
Deductions:			
General:			
Funds on Hand For Payment of Bonds and Notes:			
Reserve for Debt Service	$ 46,250.00	$ 46,250.00	$ 46,250.00
Excess Financing	85,000.00	85,000.00	-
Utility:			
Self Liquidating Debt	3,858,220.57	4,061,525.64	4,259,830.71
Total Deductions	3,989,470.57	4,192,775.64	4,306,080.71
Total Net Debt	$ 15,870,858.67	$ 14,470,654.18	$ 12,319,476.84

Note 12. 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:

	Gross Debt	Deductions	Net Debt
General Debt	$ 16,002,108.67	$ 131,250.00	$ 15,870,858.67
Utility Debt	3,858,220.57	3,858,220.57	-
	$ 19,860,329.24	$ 3,989,470.57	$ 15,870,858.67

Net Debt $15,870,858.67 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, $1,026,665,474.67, equals 1.546%. 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)	$ 35,933,291.61
Net Debt	15,870,858.67
Remaining Borrowing Power	$ 20,062,432.94

Self-Liquidating Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year		$ 5,474,777.81
Deductions:		
Operating and Maintenance Costs	$ 4,724,083.26	
Debt Service	355,916.74	
Total Deductions		5,080,000.00
Excess/(Deficit) in Revenue		$ 394,777.81

*If Excess in Revenues all Utility Debt is Deducted

Note 12. Municipal Debt (continued):

General Debt

A. Serial Bonds Payable

On December 2019, the Borough issued $8,065,000 of MCIA Pooled Loan Bonds. The Bonds were issued at interest rates varying from 4.00% to 5.00% and matures on December 2039.

Principal and interest due on the outstanding bonds is as follows:

Year	Principal	Interest	Total
2026	$ 420,000.00	$ 264,600.00	$ 684,600.00
2027	420,000.00	243,600.00	663,600.00
2028	420,000.00	222,600.00	642,600.00
2029	420,000.00	201,600.00	621,600.00
2030	420,000.00	180,600.00	600,600.00
2031-2035	2,100,000.00	600,600.00	2,700,600.00
2036-2039	1,680,000.00	168,000.00	1,848,000.00
	$ 5,880,000.00	$ 1,881,600.00	$ 7,761,600.00

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:

Description	Date of Issue	Date of Maturity	Rate	Balance December 31, 2025
Roadway Drainage	3/13/2025	3/12/2026	4.00%	$ 270,000.00
Improvements to Seabreeze Way and Oakwood Place	3/13/2025	3/12/2026	4.00%	187,500.00
Reconstruction of Baywalk West	3/13/2025	3/12/2026	4.00%	231,500.00
Maple Ave. Roadway Improvements, Seeley Ave. Drainage	3/13/2025	3/12/2026	4.00%	316,000.00
Road Improvement Program	3/13/2025	3/12/2026	4.00%	1,080,000.00
Highlands Blvd Improvements	3/13/2025	3/12/2026	4.00%	128,000.00
Water Main Drainage	3/13/2025	3/12/2026	4.00%	2,293,000.00
Demo - Various Structures	3/13/2025	3/12/2026	4.00%	166,000.00
Acquisition of Various Vehicles and Capital Equipment	3/13/2025	3/12/2026	4.00%	1,897,000.00
Beachway Road Reconstruction/Beaconlight Ave Drainage	3/13/2025	3/12/2026	4.00%	962,000.00
Friendship Park Improvements	3/13/2025	3/12/2026	4.00%	104,000.00
				$ 7,635,000.00

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.

Note 12. Municipal Debt (continued):

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2025, the Borough had $2,013,151 in various General Capital bonds and notes authorized but not issued.

D. Loans Payable

Green Acres Trust

The Borough has entered into the following Green Trust Loan Agreements with the State of New Jersey:

The loans are payable over 20 years at an interest rate of 2.000%.

Principal and Interest due on the outstanding loans is as follows:

Year	Principal	Interest	Total
2026	$ 7,655.36	$ 353.53	$ 8,008.89
2027	5,903.17	209.13	6,112.30
2028	6,399.14	90.48	6,489.62
	$ 19,957.67	$ 653.14	$ 20,610.81

E. Lease Obligation

In 2020, the Borough entered into a general capital lease purchase agreement in the amount of $1,249,000.00 for Monmouth County Improvement Authority equipment. The lease obligation was issued at an interest rate of 5.00% and matures on October 2029.

The future minimum lease payments for this lease is as follows:

Year Ending December 31,	
2026	$ 127,700.00
2027	128,450.00
2028	127,900.00
2029	125,050.00
Total Minimum Lease Payments	509,100.00
Less: Amount Representing Interest	(55,100.00)
Present Value of Minimum Lease Payments	$ 454,000.00

Under regulatory basis of accounting, amortization of the leased equipment is not reported in the financial statements.

Note 12. Municipal Debt (continued):

Water/Sewer Utility Debt

A. Serial Bonds Payable

On December 2019, the Borough issued $2,890,000 of MCIA Pooled Loan Bonds. The Bonds were issued at interest rates varying from 4.00% to 5.00% and matures on December 2039.

Principal and interest due on the outstanding bonds is as follows:

Year	Principal	Interest	Total
2026	$ 135,000.00	$ 102,600.00	$ 237,600.00
2027	145,000.00	95,850.00	240,850.00
2028	150,000.00	88,600.00	238,600.00
2029	160,000.00	81,100.00	241,100.00
2030	170,000.00	73,100.00	243,100.00
2031-2035	850,000.00	243,100.00	1,093,100.00
2036-2039	680,000.00	68,000.00	748,000.00
	$ 2,290,000.00	$ 752,350.00	$ 3,042,350.00

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:

Description	Date of Issue	Date of Maturity	Rate	Balance December 31, 2025
Rehabiliation of Water Storage Tank	3/13/2025	3/12/2026	4.00%	$ 860,000.00
				$ 860,000.00

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

The Borough had $400,000 of bonds and notes authorized but not issued in the Utility Capital Fund at December 31, 2025.

Note 12. Municipal Debt (continued):

D. Loans Payable

New Jersey Environmental Infrastructure Trust

In 2010 the Borough finalized two loan agreements with the State of New Jersey Department of Environmental Protection, pursuant to the New Jersey Environmental Infrastructure Trust Financing Program.

The loan consists of two agreements, a Trust Loan Agreement of $655,000.00 to be repaid over a 19 year period at interest rates ranging from 3.50% to 5.00%, and a no interest Fund Loan Agreement of $1,964,000.00 to be repaid over a 19 year period. The proceeds of the loans are to provide for the design of a desalination system for the Water Plant.

Year	Principal	Interest	Total
2026	$ 73,305.07	$ 6,800.00	$ 80,105.07
2027	78,305.07	5,400.00	83,705.07
2028	78,305.07	3,600.00	81,905.07
2029	78,305.36	1,800.00	80,105.36
	$ 308,220.57	$ 17,600.00	$ 325,820.57

Summary of Principal Debt

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

	Balance December 31, 2024	Accrued/ Increases	Retired/ Decreases	Adjustment	Balance December 31, 2025	Balance Due Within One Year
General Capital:						
General Bonds	$ 6,300,000.00	$ -	$ 420,000.00	$ -	$ 5,880,000.00	$ 420,000.00
Bond Anticipation Notes	4,990,000.00	7,635,000.00	4,990,000.00	-	7,635,000.00	7,635,000.00
Green Acres Loans	27,462.18	-	7,504.51	-	19,957.67	7,655.36
MCIA Lease	-	-	-	454,000.00	454,000.00	-
Authorized but Not Issued	3,284,442.00	1,691,709.00	2,963,000.00	-	2,013,151.00	-
	$ 14,601,904.18	$ 9,326,709.00	$ 8,380,504.51		$ 16,002,108.67	$ 8,062,655.36
Utility Capital:						
Utility Bonds	$ 2,420,000.00	$ -	$ 130,000.00	$ -	$ 2,290,000.00	$ 135,000.00
Bond Anticipation Notes	860,000.00	860,000.00	860,000.00	-	860,000.00	860,000.00
Loans	381,525.64	-	73,305.07	-	308,220.57	73,305.07
Authorized but Not Issued	400,000.00	-	-	-	400,000.00	-
	$ 4,061,525.64	$ 860,000.00	$ 1,063,305.07		$ 3,858,220.57	$ 1,068,305.07

Note 13. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2025 the Borough had no deferred charges.

Note 14. Deferred Compensation Salary Account

The Borough 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 Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 15. 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 Borough's liability related to unused vacation, sick pay and compensation time. The Borough 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 $2,126,214.76 at December 31, 2025.

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

Note 16. Risk Management

The Borough is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Joint Insurance Pool

The Borough is a member of the Municipal Excess Liability Joint Insurance Fund. The Fund provides the Borough with the following primary coverage and limits:

General Liability	$1,000,000.00
Employer's Liability	$2,000,000.00
Auto Liability	$10,000,000.00
Property Damage	$150,000,000.00
Workers Compensation	$2,000,000.00
Property/Boiler & Machinery	$100,000,000.00
Employee Dishonesty Liability	$1,000,000.00

Contributions to the Funds are payable in one installments and are based on actuarial assumptions determined by the Funds' actuaries. The Fund publishes its own financial report for the year ended December 31, 2025, which can be obtained on the Fund's website.)

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Reimbursement Method". Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Borough is billed quarterly for amounts due to the State. The following is a summary of Borough contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's unemployment trust fund for the current and previous two years:

Year	Contributions	Amount Reimbursed	Ending Balance
2025	$ 75,251.79	$ 75,686.49	$ 93.60
2024	66,456.36	75,607.93	528.30
2023	5,038.86	26,534.33	9,679.87

Note 17. Contingencies

Grantor Agencies

The Borough 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 Borough estimates that no material liabilities will result from such audits.

Litigation

The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, 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. As of December 31, 2025 there were certain tax appeals on file against the Borough related to 2015 through 2025 tax years. The Borough has estimated the potential exposure to the Borough from such appeals is approximately $188,166.55.

Note 18. Length of Service Awards Program

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

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

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of $100 and a maximum contribution of $1,250.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Borough elected to contribute between $100.00 and $1,250.00 for the year ended December 31, 2025 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2025, the Borough contributed a total of $42,500.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan. The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Note 18. Length of Service Awards Program (continued)

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

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

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals. During the year ended December 31, 2025 payouts of $44,515.12 were made to vested participants.

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

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

Note 19. Subsequent Events

As discussed in Note 1, the Borough has evaluated subsequent events through April 6, 2025, the date the financial statements were available to be issued.

On February 18, 2026, the Borough adopted Ordinance #1764 appropriating $450,000 for Bayview Avenue Drainage Improvements and authorizing the issuance of $427,500 bonds or notes.

On February 18, 2026, the Borough adopted Ordinance #1765 authorizing the issuance of $258,000 bonds or notes for Tennis Court Reconstruction.

On February 18, 2026, the Borough adopted Ordinance #1766 amending Ordinance #1705 for the 2023 Road Improvements to increase the authorized bonds or notes to be issued by $475,000 for a total of $2,768,100.

SUPPLEMENTARY STATEMENTS

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CURRENT FUND

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BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2025

	Current Fund		Grant Fund	
Balance, December 31, 2024		$ 6,491,109.52		$ 154,345.32
Increased By Receipts:				
Non-Budget Revenues	$ 322,448.46		$ -	
State of New Jersey - Senior Citizens' and Veterans' Deductions	32,531.27		-	
Property Taxes Receivable	25,175,856.89		-	
Revenue Accounts Receivable	4,810,607.81		-	
Due To/From:				
State of N.J.	925.00		-	
Prepaid Taxes	191,253.85		-	
Property Tax Overpayments	44,474.52		-	
Payroll Deductions Payable	14,128,367.44		-	
Outside Liens Payable	469,461.79		-	
Due from General Capital Fund	2,075,000.00		-	
Grants Receivable	-		129,244.23	
Grants Unappropriated	-		294,275.72	
		47,250,927.03		423,519.95
		53,742,036.55		577,865.27
Decreased By Disbursements:				
2025 Budget Appropriations	18,580,790.05		-	
2024 Appropriation Reserves	548,710.22		-	
Local School Taxes	9,101,800.00		-	
County Taxes	2,368,719.12		-	
Outside Liens Payable	551,979.68		-	
Property Tax Overpayments	28,406.48		-	
Payroll Deductions Payable	14,141,955.29		-	
Accounts Payable	12,267.19		-	
Due to State of N.J. Marriage License	3,050.00		-	
Due to General Capital Fund	2,075,000.00		-	
Due from Other Trust Fund	-		83,000.00	
Grants - Appropriated	-		80,230.18	
		47,412,678.03		163,230.18
Balance, December 31, 2025		$ 6,329,358.52		$ 414,635.09

EXHIBIT A-5

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF CHANGE FUND AND PETTY CASH FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2025 & 2024
Tax Collector	$ 200.00
Clerk & Vital Statistics	50.00
Construction Office	225.00
Code Enforcement Office	25.00
	$ 500.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 7,641.34
Increased By:		
Senior Citizens' Deductions per Tax Billings	$ 7,250.00	
Veterans' Deductions per Tax Billings	24,000.00	
Senior Citizens' and Veterans' Deductions Allowed By Tax Collector	2,250.00	
		33,500.00
Decreased By:		41,141.34
Cash Received From State of New Jersey	32,531.27	
Senior Citizens' and Veterans' Deductions Disallowed By Tax Collector	968.73	
		33,500.00
Balance, December 31, 2025		$ 7,641.34

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
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	Collections 2024	Collections 2025	Due From State of New Jersey	Tax Overpayments	Remitted Abated Cancelled	Balance December 31, 2025
2024	$ 705,719.57	$ -	$ -	$ -	$ 702,567.00	$ -	$ -	$ 3,152.57	$ -
2025	-	25,514,267.39	112,024.22	191,845.11	24,473,289.89	32,531.27	11,559.61	87,384.01	829,681.72
	$ 705,719.57	$ 25,514,267.39	$ 112,024.22	$ 191,845.11	$ 25,175,856.89	$ 32,531.27	$ 11,559.61	$ 90,536.58	$ 829,681.72

Analysis of Property Tax Levy

Tax Yield

General Purpose Tax	$ 25,514,267.39			
Added/ Omitted Taxes (R.S. 54-4-63, 1 et seq.)	112,024.22			
		$ 25,626,291.61		

Tax Levy

Local District School Tax		$ 9,101,800.00		
County Taxes:				
General Tax	$ 1,914,102.54			
Library Tax	121,950.38			
Open Space Fund Tax	288,973.08			
Health Tax	33,349.37			
Added & Omitted Tax	10,343.75			
		2,368,719.12		
			11,470,519.12	
Local Tax for Municipal Purposes		14,054,092.02		
Add: Additional Tax Levied		101,680.47		
			14,155,772.49	
				$ 25,626,291.61

EXHIBIT A-8

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PROPERTY ACQUIRED FOR TAXES
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2025 and 2024	$ 1,018,900.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Accrued in 2025	Collections	Balance December 31, 2025
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	$ -	$ 20,300.00	$ 20,300.00	$ -
Other	-	64,981.00	64,981.00	-
Fees and Permits	-	437,516.64	437,516.64	-
Fines and Costs:				
Municipal Court	-	514,512.78	491,629.23	22,883.55
Interest and Costs on Taxes	-	176,745.07	176,745.07	-
Parking Meters	-	428,653.85	428,653.85	-
Interest on Investments and Deposits	-	407,125.00	407,125.00	-
PILOT:				
Grandview Apartments	-	83,926.00	83,926.00	-
Church St. Corp - Fallon Manor	-	5,703.00	5,703.00	-
Church St. Corp - McGrath Towers	-	25,134.00	25,134.00	-
Church St- Keansburg Housing Authority	-	5,000.00	5,000.00	-
Rental of Borough Property	-	52,500.00	52,500.00	-
Cove on the Bay	-	251,794.22	251,794.22	-
Energy Receipts Tax (P.L. 1997, Chaps. 162 & 167)	-	1,847,400.15	1,847,400.15	-
Uniform Construction Code Fees	-	128,206.00	128,206.00	-
Other Special Items:				
Uniform Fire Safety Act	-	8,769.90	8,769.90	-
Cable TV Fees	-	111,797.04	111,797.04	-
Cingular Wireless	-	75,138.27	75,138.27	-
Board of Education Stipend	-	188,288.44	188,288.44	-
Capital Fund Balance		65,000.00	65,000.00	-
Utility Operating Surplus	-	180,000.00	180,000.00	-
	$ -	$ 5,078,491.36	$ 5,055,607.81	$ 22,883.55
		Cash	$ 4,810,607.81	
		Non-Cash	245,000.00	
		Total	$ 5,055,607.81	

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - APPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Transferred from 2025 Budget	Transferred from Encumbrances Payable	Expended	Local Match Appropriation	Transferred to Encumbrances Payable	Balance December 31, 2025
Federal Grants:							
Local Law Enforcement Block Grant	$ 339.98	$ -	$ -	$ -	$ -	$ -	$ 339.98
State Grants:							
NJEDA - Neighborhood Comm Revitalization	-	-	108.49	-	-	108.49	-
Safe & Secure	-	45,150.00	-	45,150.00	-	-	-
Safe & Secure - Match	-	273,451.50	-	-	273,451.50	-	-
Drunk Driving Enforcement Fund	1,035.51	-	-	-	-	-	1,035.51
Alcoholic Education	478.66	-	-	-	-	-	478.66
Body Armor	1,852.63	2,782.14	481.80	2,334.43	-	-	2,782.14
FEMA - Hazard Mitigation Grant	-	-	24.86	-	-	24.86	-
Clean Communities	18,985.54	25,482.14	-	24,795.90	-	-	19,671.78
Division Highway Safety	0.55	10,476.05	11,717.00	4,768.00	-	6,949.00	10,476.60
Recreational Trails Program	1,709.25	-	-	-	-	-	1,709.25
Recycling Tonnage Grant	11,795.86	4,995.87	-	-	-	-	16,791.73
State Parks Grant	3,285.52	-	-	-	-	-	3,285.52
Summer Youth	2,154.32	-	-	-	-	-	2,154.32
Body Worn Camera Grant	48,912.00	-	-	-	-	-	48,912.00
Local Recreation Improvement Grant	83,000.00	-	-	-	-	-	83,000.00
Stormwater Assistance Grant	15,000.00	-	-	-	-	-	15,000.00
NJDCA - Public Beach House Renovation	9,330.01	-	-	-	-	-	9,330.01
Bulletproof Vest Partnership Grant	136.22	4,336.20	2,409.00	3,181.85	-	1,273.25	2,426.32
Local Government Efficiency Grant	-	250,000.00	-	-	-	237,840.90	12,159.10
2025 Risk Control Grant	-	10,825.00	-	-	-	-	10,825.00
	$ 198,016.05	$ 627,498.90	$ 14,741.15	$ 80,230.18	$ 273,451.50	$ 246,196.50	$ 240,377.92

2025 Budget Appropriations	$ 93,222.40
2025 Budget Appropriations - Local Match	273,451.50
Chapter 159	260,825.00
	$ 627,498.90

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Transferred To Budget Appropriations	Cash Received	Balance December 31, 2025
Clean Communities	$ 25,482.14	$ 25,482.14	$ 25,273.59	$ 25,273.59
Recycling Tonnage Grant	4,995.87	4,995.87	-	-
Body Worn Camera Grant	45,150.00	45,150.00	-	-
NJ Division of Motor Vehicles	-	-	550.00	550.00
Body Armor	7,118.34	7,118.34	3,062.13	3,062.13
Division of Highway Safety	10,476.05	10,476.05	5,390.00	5,390.00
DLGS Local Efficiency Grant	-	250,000.00	250,000.00	-
Stormwater Assistance Grant	-	-	10,000.00	10,000.00
	$ 93,222.40	$ 343,222.40	$ 294,275.72	$ 44,275.72

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance, December 31, 2024	Transfer from Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
GENERAL GOVERNMENT					
Borough Council:					
Other Expenses	$ 6,257.89	$ -	$ 6,257.89	$ -	$ 6,257.89
Office of the Borough Manager:					
Salaries and Wages	6,330.88	-	6,330.88	4,330.88	2,000.00
Other Expenses	15,328.68	1,045.97	16,374.65	937.32	15,437.33
Office of the Borough Clerk:					
Salaries and Wages	2,817.45	-	2,817.45	1,817.45	1,000.00
Other Expenses	1,079.91	129.31	1,209.22	361.96	847.26
Legal Services and Costs:					
Other Expenses	56,272.42	22,550.50	73,822.92	12,573.00	61,249.92
DEPARTMENT OF FINANCE					
Office of Director of Finance:					
Salaries and Wages	497.73	-	497.73	-	497.73
Other Expenses	853.95	474.00	1,327.95	474.00	853.95
Annual Audit	63,000.00	-	63,000.00	63,000.00	-
Division of Tax Collector:					
Salaries and Wages	631.89	-	631.89	631.89	-
Other Expenses	6,833.53	-	6,833.53	2,840.00	3,993.53
Division of Tax Assessor:					
Other Expenses	20,179.01	-	20,179.01	383.00	19,796.01
DEPARTMENT OF PUBLIC SAFETY					
Police:					
Salaries and Wages	145,938.59	-	145,938.59	145,500.00	438.59
Other Expenses	18,463.77	47,314.38	65,778.15	61,233.82	4,544.33
Dispatchers:					
Salaries and Wages	1,032.99	-	1,032.99	-	1,032.99
Other Expenses	1,000.00	-	1,000.00	-	1,000.00
Detective Bureau:					
Other Expenses	3,704.62	1,516.40	5,221.02	1,516.40	3,704.62
Bureau of Street Crossing Guards:					
Other Expenses	2,930.00	405.00	3,335.00	405.00	2,930.00
Public Defender:					
Other Expenses	14,000.00	-	14,000.00	-	14,000.00
DIVISION OF FIRE					
Fire Department:					
Other Expenses	15,510.01	18,273.64	33,783.65	21,153.51	12,630.14
Emergency Medical Services					
Other Expenses	30.30	11,347.28	11,377.58	10,996.04	381.54
UNIFORM CONSTRUCTION CODE					
Code Enforcement:					
Salaries and Wages	44,293.86	-	44,293.86	26,243.36	18,050.50
Other Expenses	302.43	426.75	729.18	426.75	302.43
Uniform Safety Act:					
Other Expenses	262.56	-	262.56	-	262.56
DEPARTMENT OF ENGINEERING AND PUBLIC WORKS					
Division of Engineering:					
Other Expenses	40,568.79	-	40,568.79	18,358.19	22,210.60
Division of Streets and Roads:					
Salaries and Wages	4.52	-	4.52	-	4.52
Other Expenses	21,435.79	14,370.69	35,806.48	11,264.77	24,541.71
Division of Snow Removal:					
Salaries and Wages	3,775.00	-	3,775.00	3,500.00	275.00
Other Expenses	4,848.56	2,600.00	7,448.56	6,960.46	488.10
Division of Parking Meter Maintenance:					
Other Expenses	4,841.77	-	4,841.77	-	4,841.77
Division of Buildings and Grounds:					
Other Expenses	16,455.25	6,550.13	23,005.38	5,075.01	17,930.37
Municipal Garage:					
Salaries and Wages	8.05	-	8.05	-	8.05
Other Expenses	19,191.33	18,730.91	37,922.24	14,901.86	23,020.38
Sanitation:					
Contract	-	53,350.04	53,350.04	49,416.66	3,933.38
Landfill Solid Waste Disposal Fees	3,224.80	28,149.92	31,374.72	31,374.72	-
BUILDING DEMOLITIONS					
Other Expenses	1,000.00	-	1,000.00	-	1,000.00
DEPARTMENT OF HEALTH AND WELFARE					
Division of Health:					
Salaries and Wages	242.65	-	242.65	242.65	-
Other Expenses	287.00	-	287.00	-	287.00
Dog Regulation	1,427.70	-	1,427.70	1,427.70	-

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance, December 31, 2024	Transfer from Encumbrances	Balance after Modifications	Paid or Charged	Lapsed
DEPARTMENT OF RECREATION PARKS AND PLAYGROUNDS					
Division of Recreation Parks and Playgrounds:					
Other Expenses	6,118.40	1,147.60	7,266.00	1,147.60	6,118.40
Historical Society:					
Other Expenses	4,000.00	-	4,000.00	-	4,000.00
MUNICIPAL PROSECUTOR					
Salaries and Wages	1,000.04	-	1,000.04	-	1,000.04
OTHER MUNICIPAL OPERATIONS					
MUNICIPAL LAND USE LAW (N.J.S.A. 40:55D-1)					
Planning Board of Adjustment:					
Salaries and Wages	2,283.30	-	2,283.30	-	2,283.30
Other Expenses	3,716.81	1,991.75	5,708.56	3,965.75	1,742.81
Emergency Management Services:					
Salaries and Wages	500.24	-	500.24	230.76	269.48
Other Expenses	2,500.00	-	2,500.00	-	2,500.00
INSURANCES: N.J.S.A. 40A:4-45.3(00)					
Group Insurance Plan for Employees	50,395.09	245,114.57	295,509.66	4,825.03	290,684.63
Group Salary Insurance	4,768.89	-	4,768.89	4,768.89	-
Workers Compensation	8,023.00	-	8,023.00	-	8,023.00
Other Insurance - Liability Insurance	6,834.83	-	6,834.83	-	6,834.83
SENIOR CITIZENS					
Senior Citizens Center:					
Other Expenses	2,800.00	1,200.00	4,000.00	1,200.00	2,800.00
MUNICIPAL COURT					
Salaries and Wages	2.22	-	2.22	-	2.22
Other Expenses	72.71	1,658.80	1,731.51	1,701.30	30.21
MUNICIPAL LIBRARY					
Salaries and Wages	2,338.29	-	2,338.29	1,320.34	1,017.95
Other Expenses	1,979.06	402.04	2,381.10	401.44	1,979.66
UNIFORM CONSTRUCTION CODE APPROPRIATIONS					
OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17)					
State Uniform Construction Code Officials:					
Salaries and Wages	19,013.37	-	19,013.37	-	19,013.37
Other Expenses	17,439.46	1,128.31	18,567.77	1,230.89	17,336.88
UNCLASSIFIED					
Utilities:					
Electricity	7,435.78	5,000.00	12,435.78	8,447.07	3,988.71
Street Lighting	7,039.01	5,500.00	12,539.01	1,930.99	10,608.02
Telephone	10,774.65	12,000.00	22,774.65	8,157.97	14,616.68
Natural Gas	8,524.49	4,000.00	17,524.49	4,883.74	12,640.75
Gasoline and Fuel Oil	35,530.89	22,152.05	57,682.94	7,152.05	50,530.89
Telecommunications Costs	9,093.99	-	9,093.99	-	9,093.99
Celebration of Public Events	2,805.00	-	2,805.00	-	2,805.00
CONTINGENT	51,900.00	-	51,900.00	-	51,900.00
Contribution To:					
Social Security System (O.A.S.I.)	29,565.70	-	29,565.70	-	29,565.70
911 Emergency Dispatch - Police					
Other Expenses	913.00	-	913.00	-	913.00
Length of Service Award Program ("LOSAP")	4,200.00	-	4,200.00	-	4,200.00
Storm Water Improvements	50,000.00	-	50,000.00	-	50,000.00
CAPITAL IMPROVEMENT FUND:					
Acquisition of Equipment/Various Improvements	25,000.00	-	25,000.00	-	25,000.00
Total General Appropriations	$ 921,431.90	$ 528,530.04	$ 1,449,961.94	$ 548,710.22	$ 901,251.72

2024 Appropriation Reserves	$ 921,431.90	
Encumbrances Payable	528,530.04	
	$ 1,449,961.94	
Cash Disbursements		$ 548,710.22

EXHIBIT A-13

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 159,601.44
Increased By:	
Adjustment to Accounts Payable	193.50
	159,794.94
Decreased By:	
Cash Disbursements	12,267.19
Balance, December 31, 2025	$ 147,527.75

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 528,530.04
Increased By:	
Transferred From Appropriations	459,483.06
	988,013.10
Decreased By:	
Transferred To Appropriation Reserves	528,530.04
Balance, December 31, 2025	$ 459,483.06

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PREPAID TAXES
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 191,845.11
Increased By:	
Cash Receipts - 2025 Taxes	191,253.85
	383,098.96
Decreased By:	
Applied to Current Year Taxes Receivable	191,845.11
Balance, December 31, 2025	$ 191,253.85

EXHIBIT A-16

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PROPERTY TAX OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 7,051.18
Increased By:		
2025 Tax Overpayments		44,474.52
		51,525.70
Decreased By:		
Overpayments Refunded	$ 28,406.48	
Applied	11,559.61	
		39,966.09
Balance, December 31, 2025		$ 11,559.61

EXHIBIT A-17

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAX PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ -
Increased By:	
Levy Calendar Year 2025	9,101,800.00
	9,101,800.00
Decreased By:	
Cash Disbursed	9,101,800.00
Balance, December 31, 2025	$ -

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF COUNTY TAXES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ -
Increased By:		
2025 Tax Levy		
County Tax	$ 1,914,102.54	
County Library Tax	121,950.38	
County Open Space Fund Tax	288,973.08	
County Health Tax	33,349.37	
Due County for Added and Omitted Taxes	10,343.75	
		2,368,719.12
		2,368,719.12
Decreased By:		
Cash Disbursements		2,368,719.12
Balance, December 31, 2025		$ -

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF OUTSIDE LIENS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 42,506.78
Increased By:		
Cash Receipts	$ 469,461.79	
Reclassifications	40,011.11	
		509,472.90
		551,979.68
Decreased By:		
Cash Disbursements		551,979.68
Balance, December 31, 2025		$ -

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 124,737.29
Increased By:	
Cash Receipts	14,128,367.44
	14,253,104.73
Decreased By:	
Cash Disbursements	14,141,955.29
Balance, December 31, 2025	$ 111,149.44

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE TO STATE
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Cash Receipts	Cash Disbursed	Balance December 31, 2025
Marriage Licenses	$ 3,048.00	$ 925.00	$ 3,050.00	$ 923.00
	$ 3,048.00	$ 925.00	$ 3,050.00	$ 923.00

EXHIBIT A-22

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF VARIOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2025 & 2024
Tax Appeals	$ 188,166.55
Land Sale	27,000.00
	$ 215,166.55

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Budget Revenue Realized	Cash Received	Transferred From Unappropriated	Balance December 31, 2025
State Programs					
Safe and Secure Grant	$ 53,250.00	$ -	$ 19,667.86	$ 25,482.14	$ 8,100.00
Clean Communities Grant	-	25,482.14	25,482.14	-	-
Body Armor Grant	-	7,118.34	-	7,118.34	-
Recycling Tonnage Grant	-	4,995.87	-	4,995.87	-
Local Recreation Improvement Grant	83,000.00	-	83,000.00	-	-
Body Worn Camera Grant	-	45,150.00	-	45,150.00	-
Highway Safety Grant	-	10,476.05	-	10,476.05	-
Local Government Efficiency Grant	-	250,000.00	-	250,000.00	-
Bulletproof Vest Partnership Grant	5,138.80	-	1,094.23	-	4,044.57
Click It or Ticket	245.48	-	-	-	245.48
2025 Risk Control Grant	-	10,825.00	-	-	10,825.00
County Programs - Open Space	10,000.00	-	-	-	10,000.00
	$ 151,634.28	$ 354,047.40	$ 129,244.23	$ 343,222.40	$ 33,215.05

Original Budget (Less Match)	$ 93,222.40
Chapter 159	260,825.00
Total	$ 354,047.40

EXHIBIT A-24

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$	14,741.15
Increased By:		
Transferred From Grants Appropriated		246,196.50
		260,937.65
Decreased By:		
Transferred To Grants Appropriated		14,741.15
Balance, December 31, 2025	$	246,196.50

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GRANT FUND
SCHEDULE OF DUE TO/(FROM) OTHER TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$	-
Increased By:		
Cash Receipt Due From Other Trust Fund		83,000.00
Balance, December 31, 2025	$	83,000.00

EXHIBIT A-26

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
CURRENT FUND
SCHEDULE OF DUE (TO)/FROM ANIMAL CONTROL TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$	-
Increased By:		
Transfer Excess to Current Fund		2,233.77
Balance, December 31, 2025	$	2,233.77

TRUST FUND

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BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
TRUST FUND
SCHEDULE OF CASH
FOR THE YEAR ENDED DECEMBER 31, 2025

	Animal Control Fund	Other Trust Funds
Balance, December 31, 2024	$ 4,443.10	$ 1,640,694.65
Increased By Receipts:		
Due To State of New Jersey	261.00	-
Dog License Fees	1,555.00	-
Interest	140.94	-
Due To Grant Fund	-	83,000.00
Various Reserves	-	1,366,626.80
	1,956.94	1,449,626.80
	6,400.04	3,090,321.45
Decreased By Disbursements:		
N.J. State Department of Health	193.20	-
Encumbrances Paid	4.20	-
Due to Current Fund	197.40	-
Adjustment to Change Fund	-	-
Various Reserves	-	1,593,216.45
	394.80	1,593,216.45
Balance, December 31, 2025	$ 6,005.24	$ 1,497,105.00

EXHIBIT B-2

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO STATE OF NEW JERSEY
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ -
Increased By:	
State Registration Fees	261.00
	261.00
Decreased By:	
Disbursed To State	197.40
Balance, December 31, 2025	$ 63.60

EXHIBIT B-3

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 4,488.90
Increased By:		
License Fees Collected	$ 1,555.00	
Interest	140.94	
		1,695.94
		6,184.84
Decreased By:		
Expenditures Per R.S. 4:19-15.11	$ 193.20	
Transfer to Encumbrances Payable	135.79	
Transfer Excess to Current Fund	2,233.77	
		2,562.76
Balance, December 31, 2025		$ 3,622.08

License Fees Collected

2024	$ 1,697.08
2023	1,925.00
	$ 3,622.08

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 4.20
Increased By:	
Encumbrances Recorded	135.79
	139.99
Decreased By:	
Encumbrances Paid	4.20
Balance, December 31, 2025	$ 135.79

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF RESERVE FOR VARIOUS TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Receipts	Disbursements	Balance December 31, 2025
Tax Sale Premiums	$ 597,700.00	$ 384,700.00	$ 450,700.00	$ 531,700.00
Omni Lease Deposit	136,534.61	128,736.49	230,301.32	34,969.78
Recycling	24,955.30	6,429.10	2,968.33	28,416.07
Recreation Activities and Programs	54,159.27	31,713.30	29,479.92	56,392.65
Library & Art Camp Fees	10,759.85	2,448.01	1,663.50	11,544.36
Tree Beautification	435.70	-	-	435.70
Public Defender Fees	3.60	6,115.00	6,118.60	-
Accumulated Absences	137,495.52	-	-	137,495.52
Parking Offenses Adjudication Act	24,193.09	6,924.00	9,080.61	22,036.48
Off Duty Police	115,732.94	468,592.50	486,724.80	97,600.64
Forfeiture Funds	3,590.51	-	-	3,590.51
Law Enforcement Trust	17,265.78	6,505.72	2,200.00	21,571.50
Unemployment Compensation				
Insurance	528.30	75,251.79	75,686.49	93.60
Escrow Deposits	259,054.84	336,467.15	303,116.28	292,405.71
Reserve for:				
Redevelopment	14,391.97	-	-	14,391.97
Storm Recovery	122,720.39	16,300.00	16,319.45	122,700.94
Fire Safety	9,936.24	200.00	-	10,136.24
Hurricane Sandy Relief	7,480.48	-	-	7,480.48
	$ 1,536,938.39	$ 1,470,383.06	$ 1,614,359.30	$ 1,392,962.15
Cash Receipts/Disbursements		$ 1,366,626.80	$ 1,593,216.45	
Encumbrances		103,756.26	21,142.85	
		$ 1,470,383.06	$ 1,614,359.30	

EXHIBIT B-6

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF RESERVE FOR FUNDS HELD BY TRUSTEE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 575,739.03
Increased By:		
Borough Contributions	$ 42,500.00	
Appreciation on Investments	44,367.53	
		86,867.53
		662,606.56
Decreased By:		
Withdrawals	44,515.12	
Accounting Charges	1,225.00	
		45,740.12
Balance, December 31, 2025		$ 616,866.44

EXHIBIT B-7

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")
SCHEDULE OF INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 575,739.03
Increased By:		
Borough Contributions	$ 42,500.00	
Appreciation on Investments	44,367.53	
		86,867.53
		662,606.56
Decreased By:		
Withdrawals	44,515.12	
Accounting Charges	1,225.00	
		45,740.12
Balance, December 31, 2025		$ 616,866.44

EXHIBIT B-8

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ -
Increased By:	
Cash Disbursements Paid By Current Fund	197.40
	197.40
Decreased By:	
Cash Disbursements to Current Fund	197.40
Balance, December 31, 2025	$ -

EXHIBIT B-9

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
TRUST - OTHER FUND
SCHEDULE OF DUE (TO)/FROM GRANT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ -
Increased By:	
Cash Receipt Due to Grant Fund	(83,000.00)
Balance, December 31, 2025	$ (83,000.00)

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
ANIMAL CONTROL TRUST
SCHEDULE OF DUE (TO)/FROM CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$	-
Increased By:		
Transfer Excess to Current Fund		(2,233.77)
Balance, December 31, 2025	$	(2,233.77)

GENERAL CAPITAL FUND

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BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 22,058.85
Increased By:		
Grants Receivable	$ 143,992.50	
Bond Anticipation Notes	7,635,000.00	
Bond Anticipation Notes (Water Sewer Capital)	860,000.00	
Premium on BAN Sale	99,136.65	
Due To Current Fund	406,648.58	
Due To Water Sewer Capital Fund	103,374.78	
		9,248,152.51
		9,270,211.36
Decreased By:		
Bond Anticipation Notes	4,990,000.00	
Bond Anticipation Notes (Water Sewer Capital - Net)	614,000.00	
Due To Current Fund	2,000,000.00	
Due To Water Sewer Capital Fund	213,288.45	
Improvement Authorizations	21,650.18	
		7,838,938.63
Balance, December 31, 2025		$ 1,431,272.73

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH
FOR THE YEAR ENDED DECEMBER 31, 2025

		Balance December 31, 2025
Capital Improvement Fund		$ 21,598.96
State, Federal, Local Grants Receivable		(1,606,176.09)
Reserve for:		
Encumbrances		1,842,328.00
Payment of Debt Service		46,250.00
Capital Repairs - Pump Station/Stormwater		150,000.00
Excess Financing		85,000.00
Fund Balance		20,473.52
Ordinance Number	Improvement Description	
1062/1253/1371	RCA Holmdel Mt. Laurel Housing	$ 49,715.08
1145	Removal of Underground Storage Tank	(18,632.33)
1184	Reconstruction of Twilight Avenue	(10,760.00)
1210/1272	Improvements - St. John's Park	(143,961.00)
1320	Improvements to Carr Avenue	326.78
1322	Improvements to Center, Raritan and Seabreeze	193.49
1325	Construction of Library and Recreation Fields	6,355.76
1352/1426	St. John's Park	80,740.60
1448	Acquisition Fire Truck/Energy Efficient Devices	2,009.00
1467	Improvements to Storm Water System	528.34
1494	Improvements to Parks and Playgrounds	100.00
1510	Improvements to Main St. Business Area	5,768.85
1522	Terrace Place Vacinity Road Improvements	31,868.19
1524	Various Road Improvement	37.08
1525	Park Improvements	0.09
1526	Bulkhead Creek Rd/Laurel	3,309.32
1549	Outfall Extension - Beachway	16,761.61
1553/1574/1584	New Police Facility	(1.00)
1547	Acquisition of Property	1,981.57
1568	Acquisition of Property	10,296.20
1594	Road Improvements - Leola Ave & Highlands Blvd	(140,000.00)
1654	Improvements to Seabreeze Way and Oakwood Place	53,241.36
1673	Maple Ave. Roadway Improvements, Seeley Ave. Drainage Improvements, Raritan Ave. Stormwater Pump Station Upgrades	240,789.88
1698	Various Capital Equipment	8,539.54
1707	Demolition of Various Structures	75,885.41
1726	Acquisition of Various Vehicles and Capital Equipment	65,276.90
1729	Beachway Road Reconstruction/Beaconlight Ave Drainage	70,797.62
1732	Friendship Park Improvements	189,239.00
1750	Roadway Improvement - Line Repairs	104,391.00
1752	Collins Field/Tennis/Pickleball Courts	167,000.00
		$ 1,431,272.73

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 6,881,462.18
Decreased By:		
Serial Bonds Paid	$ 420,000.00	
M.C.I.A. Leases Paid	100,000.00	
Green Trust Loan Paid	7,504.51	
		527,504.51
Balance, December 31, 2025		$ 6,353,957.67

	Analysis of Balance
Funded	$ 5,899,957.67
Funded - Leases	454,000.00
	$ 6,353,957.67

EXHIBIT C-5

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DEFFERRED CHARGES TO FUTURE TAXATION - UNFUNDED
FOR THE YEAR ENDED DECEMBER 31, 2025

							Analysis of Balance			
Ordinance Number	Improvement Description	Balance December 31, 2024	Current Year Authorizations	Payments of BAN's	Transfer from Reserves	Balance December 31, 2025	Bond Anticipation Notes	Excess Financing	Expenditures	Unexpended Improvement Authorizations
1145	Removal of Underground Storage Tanks	$ 25,000.00	$ -	$ -	$ -	$ 25,000.00	$ -	$ -	$ 18,632.33	$ 6,367.67
1184	Reconstruction of Twilight Ave.	10,760.00	-	-	-	10,760.00	-	-	10,760.00	-
1210/1272	Improvements - St. John's Park	143,961.00	-	-	-	143,961.00	-	-	143,961.00	-
1553/1574/1584	New Police Facility	1.00	-	-	-	1.00	-	-	1.00	-
1594	Road Improvements - Leola Ave & Highland Blvd	140,000.00	-	-	-	140,000.00	-	-	140,000.00	-
1617	Improvements - Twilight & Beacon Roads	392,150.00	-	122,150.00	-	270,000.00	270,000.00	-	-	-
1640	Improvements - Highlands Blvd.	128,000.00	-	-	-	128,000.00	128,000.00	-	-	-
1654	Improvements to Seabreeze Way and Oakwood Place	212,500.00	-	25,000.00	-	187,500.00	187,500.00	-	-	-
1665	Reconstruction of Baywalk West	176,500.00	-	30,000.00	-	146,500.00	231,500.00	(85,000.00)	-	-
1673	Maple Ave. Roadway Improvements, Seeley Ave. Drainage Improvements, Raritan Ave. Stormwater Pump Station Upgrades	356,500.00	-	40,500.00	-	316,000.00	316,000.00	-	-	-
1684	Road Improvement Program	1,180,000.00	-	100,000.00	-	1,080,000.00	1,080,000.00	-	-	-
1705	H20 Main Replacement/Road Construction	2,293,100.00	-	100.00	-	2,293,000.00	2,293,000.00	-	-	-
1707	Demolition of Various Structures	166,250.00	-	250.00	-	166,000.00	166,000.00	-	-	-
1726	Acquisition of Various Vehicles and Capital Equipment	1,897,150.00	-	-	-	1,897,150.00	1,897,000.00	-	150.00	-
1729	Beachway Road Reconstruction/Beaconlight Ave Drainage	962,809.00	-	-	-	962,809.00	962,000.00	-	809.00	-
1732	Friendship Park Improvements	104,761.00	-	-	-	104,761.00	104,000.00	-	761.00	-
1750	Roadway Improvement - Line Repairs	-	1,691,709.00	-	-	1,691,709.00	-	-	-	1,691,709.00
		$ 8,189,442.00	$ 1,691,709.00	$ 318,000.00	$ -	$ 9,563,151.00	$ 7,635,000.00	$ (85,000.00)	$ 315,074.33	$ 1,698,076.67

8,495,000.00

Improvement Authorizations - Unfunded		$ 2,309,787.84
Less: Unexpended Proceeds of Bond Anticipation Notes - Issued:		
	1654	53,241.36
	1673	240,789.88
	1707	75,885.41
	1726	65,426.90
	1729	71,606.62
	1732	104,761.00
		$ 1,698,076.67

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF STATE, FEDERAL, AND LOCAL GRANTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 1,184,357.59
Increased By:	
Grant Awards	565,811.00
	1,750,168.59
Decreased By:	
Cash Receipts	143,992.50
Balance, December 31, 2025	$ 1,606,176.09

Analysis of Balance	Ordinance Number	
D.O.T. Grant:		
Waterfront Bicycle & Pedestrian Corridor	1346	$ 53,359.87
Maple Ave. Roadway Improvements	1673	89,719.70
Road Improvement Program	1684	58,150.00
H20 Main Replacement/Road Construction	1705	47,907.50
Beaconlight and Beachway	1729	191,000.00
CDBG - Road Improvements:		
Improvements to Highlands Blvd	1640	23,398.40
Improvements to Seabreeze Way and Oakwood Place	1654	50,000.00
CDBG - Improvement Main St. Businesses	1477	125,075.10
Monmouth County:		
CDBG Improvements - Twilight & Eacon Roads	1617	4,754.52
CDBG Improvements - Beaconlight and Beachway	1729	167,000.00
Municipal Open Space Program	1732	80,000.00
Due from Developer - Raritan Ave. Stormwater Pump Station Upgrades	1673	150,000.00
Due from NJDOT - Line Repairs	1750	398,811.00
Due from DCA - Collins Field	1752	92,000.00
Due from Monmouth County Open Space	1752	75,000.00
		$ 1,606,176.09

EXHIBIT C-7

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 1,592,149.74
Increased By:	
Transferred From Improvement Authorizations	1,842,328.00
	3,434,477.74
Decreased By:	
Transferred To Improvement Authorizations	1,592,149.74
Balance, December 31, 2025	$ 1,842,328.00

EXHIBIT C-8

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Purpose	Date of Issue	Original Issue	Outstanding December 31, 2025 Date	Outstanding December 31, 2025 Amount	Interest Rate	Balance December 31, 2024	Decreased	Balance December 31, 2025
MCIA Pooled Loan Series 2019B	12/03/19	$ 8,065,000.00	12/01/26	$ 420,000.00	5.00%	$ 6,300,000.00	$ 420,000.00	$ 5,880,000.00
			12/01/27	420,000.00	5.00%			
			12/01/28	420,000.00	5.00%			
			12/01/29	420,000.00	5.00%			
			12/01/30	420,000.00	5.00%			
			12/01/31	420,000.00	5.00%			
			12/01/32	420,000.00	5.00%			
			12/01/33	420,000.00	4.00%			
			12/01/34	420,000.00	4.00%			
			12/01/35	420,000.00	4.00%			
			12/01/36	420,000.00	4.00%			
			12/01/37	420,000.00	4.00%			
			12/01/38	420,000.00	4.00%			
			12/01/39	420,000.00	4.00%			
						$ 6,300,000.00	$ 420,000.00	$ 5,880,000.00

EXHIBIT C-9

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2024	Increase	Decrease	Balance December 31, 2025
1617	Roadway Drainage	8/15/2018	3/14/2024	3/14/2025	4.00%	$ 392,150.00	$ -	$ 392,150.00	$ -
1617	Roadway Drainage	8/15/2018	3/13/2025	3/12/2026	4.00%	-	270,000.00	-	270,000.00
1654	Improvements to Seabreeze Way and Oakwood Place	5/20/2020	3/14/2024	3/14/2025	4.00%	212,500.00	-	212,500.00	-
1654	Improvements to Seabreeze Way and Oakwood Place	5/20/2020	3/13/2025	3/12/2026	4.00%	-	187,500.00	-	187,500.00
1665	Reconstruction of Baywalk West	10/21/2020	3/14/2024	3/14/2025	4.00%	261,500.00	-	261,500.00	-
1665	Reconstruction of Baywalk West	10/21/2020	3/13/2025	3/12/2026	4.00%	-	231,500.00	-	231,500.00
1673	Maple Ave. Roadway Improvements, Seeley Ave. Drainage	5/19/2021	3/14/2024	3/14/2025	4.00%	356,500.00	-	356,500.00	-
1673	Maple Ave. Roadway Improvements, Seeley Ave. Drainage	5/19/2021	3/13/2025	3/12/2026	4.00%	-	316,000.00	-	316,000.00
1684	Road Improvement Program	1/26/2022	3/14/2024	3/14/2025	4.00%	1,180,000.00	-	1,180,000.00	-
1684	Road Improvement Program	1/26/2022	3/13/2025	3/12/2026	4.00%	-	1,080,000.00	-	1,080,000.00
1640	Highlands Blvd Improvements	3/14/2024	3/14/2024	3/14/2025	4.00%	128,000.00	-	128,000.00	-
1640	Highlands Blvd Improvements	3/14/2024	3/13/2025	3/12/2026	4.00%	-	128,000.00	-	128,000.00
1705	Water Main Drainage	3/14/2024	3/14/2024	3/14/2025	4.00%	2,293,100.00	-	2,293,100.00	-
1705	Water Main Drainage	3/14/2024	3/13/2025	3/12/2026	4.00%	-	2,293,000.00	-	2,293,000.00
1707	Demo - Various Structures	3/14/2024	3/14/2024	3/14/2025	4.00%	166,250.00	-	166,250.00	-
1707	Demo - Various Structures	3/14/2024	3/13/2025	3/12/2026	4.00%	-	166,000.00	-	166,000.00
1726	Acquisition of Various Vehicles and Capital Equipment	3/13/2025	3/13/2025	3/12/2026	4.00%	-	1,897,000.00	-	1,897,000.00
1729	Beachway Road Reconstruction/Beaconlight Ave Drainage	3/13/2025	3/13/2025	3/12/2026	4.00%	-	962,000.00	-	962,000.00
1732	Friendship Park Improvements	3/13/2025	3/13/2025	3/12/2026	4.00%	-	104,000.00	-	104,000.00
						$ 4,990,000.00	$ 7,635,000.00	$ 4,990,000.00	$ 7,635,000.00
						Renewals	$ 4,672,000.00		

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF MCIA EQUIPMENT LEASE PURCHASE OBLIGATIONS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Purpose	Original Issue	Outstanding December 31, 2025 Date	Outstanding December 31, 2025 Amount	Interest Rate	Balance December 31, 2024	Decreased	Balance December 31, 2025
MCIA 2019	$ 1,249,000.00	10/01/26	$ 105,000.00	5.00%	$ 554,000.00	$ 100,000.00	$ 454,000.00
		10/01/27	111,000.00	5.00%			
		10/01/28	116,000.00	5.00%			
		10/01/29	122,000.00	5.00%			
					$ 554,000.00	$ 100,000.00	$ 454,000.00

EXHIBIT C-11

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF GENERAL CAPITAL LOAN PAYABLE - GREEN ACRES LOAN
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 27,462.18
Decreased By:	
Paid By Current Fund	7,504.51
Balance, December 31, 2025	$ 19,957.67

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance December 31, 2024 Funded	Balance December 31, 2024 Unfunded	2025 Authorizations	Transferred From Encumbrances Payable	Expended	Transferred To Encumbrances Payable	Balance December 31, 2025 Funded	Balance December 31, 2025 Unfunded
1062/1253	RCA Holmdel Mt. Laurel Housing	03/09/05	$ 169,788.79	$ 49,715.08	$ -	$ -	$ -	$ -	$ -	$ 49,715.08	$ -
1145	Removal of Underground Storage Tank	08/31/93	75,000.00	-	6,367.67	-	-	-	-	-	6,367.67
1320	Improvements to Carr Avenue	01/22/02	410,000.00	326.78	-	-	11,000.00	-	11,000.00	326.78	-
1322	Improvements to Center, Raritan and Seabreeze	02/12/02	750,000.00	193.49	-	-	7,000.00	-	7,000.00	193.49	-
1325	Construction of Library and Recreation Fields	06/06/02	1,800,000.00	32,605.76	-	-	-	26,250.00	-	6,355.76	-
1352/1426	St. John's Park	11/13/03	201,106.00	80,740.60	-	-	-	-	-	80,740.60	-
1432	Reconstruction & Improvements to Highland Blvd.	SFY 2008	310,000.00	-	-	-	33,530.91	-	33,530.91	-	-
1448	Acquisition Fire Truck/Energy Efficient Devices	SFY 2008	625,000.00	2,009.00	-	-	-	-	-	2,009.00	-
1467	Improvements to Storm Water System	SFY 2009	585,000.00	528.34	-	-	127.27	-	127.27	528.34	-
1484	Improvements Highland Blvd./Center Ave.	TY 2009	425,000.00	-	-	-	32,955.80	-	32,955.80	-	-
1494	Improvements to Parks and Playgrounds	03/24/10	190,000.00	100.00	-	-	-	-	-	100.00	-
1510	Improvements to Main St. Business Area	08/24/11	410,000.00	5,768.85	-	-	-	-	-	5,768.85	-
1522	Terrace Place Vicinity Road Improvements	06/13/12	640,000.00	31,868.19	-	-	-	-	-	31,868.19	-
1524	Various Road Improvement	07/25/12	1,800,000.00	37.08	-	-	-	-	-	37.08	-
1525	Park Improvements	07/25/12	200,000.00	0.09	-	-	-	-	-	0.09	-
1526	Bulkhead Creek Rd/Laurel	08/22/12	690,000.00	3,309.32	-	-	-	-	-	3,309.32	-
1549	Outfall Extension - Beachway	03/26/14	440,000.00	16,761.61	-	-	-	-	-	16,761.61	-
1550	Raritan Avenue Drainage	04/23/14	560,000.00	-	-	-	364.81	-	364.81	-	-
1553/1574/1584	New Police Facility	06/25/14	6,947,474.00	-	-	-	9,195.31	-	9,195.31	-	-
1547	Acquisition of Property	02/26/14	347,000.00	1,981.57	-	-	-	-	-	1,981.57	-
1568	Acquisition of Property	09/23/15	70,000.00	10,296.20	-	-	-	-	-	10,296.20	-
1594	Improvements to Leola/Highlands Blvd.	05/17/17	628,000.00	-	-	-	2,822.44	-	2,822.44	-	-
1617	Roadway/Drainage Improv/Twilight	08/15/18	972,276.00	-	1,471.60	-	905.65	1,471.60	905.65	-	-
1631	Various Capital Improvements	02/20/19	400,000.00	-	-	-	10,443.44	10,424.00	19.44	-	-
1654	Improvements to Seabreeze Way and Oakwood Place	05/20/20	437,500.00	-	62,053.14	-	-	8,811.78	-	-	53,241.36
1665	Reconstruction of Baywalk West	10/21/20	295,000.00	-	2,174.52	-	-	2,174.52	-	-	-
1673	Maple Ave. Roadway Improvements, Seeley Ave. Drainage Improvements, Raritan Ave. Stormwater Pump Station Upgrades	07/01/21	999,800.00	-	249,601.66	-	-	8,811.78	-	-	240,789.88
1684	Road Improvement Program	01/26/22	1,475,000.00	-	380.50	-	5,315.67	380.50	5,315.67	-	-
1698	Various Capital Equipment	10/19/22	400,000.00	8,539.54	-	-	-	-	-	8,539.54	-
1705	H20 Main Replacement/Road Construction	04/24/23	2,897,500.00	-	-	-	27,090.77	-	27,090.77	-	-
1707	Demolition of Various Structures	05/17/23	175,000.00	-	75,885.41	-	2,000.00	-	2,000.00	-	75,885.41
1726	Acquisition of Various Vehicles and Capital Equipment	09/18/24	1,997,000.00	-	437,063.20	-	1,320,048.58	597,445.38	1,094,239.50	-	65,426.90
1729	Beachway Road Reconstruction/Beaconlight Ave Drainage	10/16/24	1,350,000.00	214,941.00	962,809.00	-	129,349.09	953,875.04	281,617.43	-	71,606.62
1732	Friendship Park Improvements	10/16/24	190,000.00	85,239.00	104,761.00	-	-	-	-	85,239.00	104,761.00
1750	Roadway Improvement - Line Repairs	10/19/25	2,145,600.00	-	-	2,145,600.00	-	15,357.00	334,143.00	104,391.00	1,691,709.00
1752	Collins Field/Tennis/Pickleball Courts	10/19/25	167,000.00	-	-	167,000.00	-	-	-	167,000.00	-
				$ 544,961.50	$ 1,902,567.70	$ 2,312,600.00	$ 1,592,149.74	$ 1,625,001.60	$ 1,842,328.00	$ 575,161.50	$ 2,309,787.84

Cash Disbursements	$ 21,650.18
Interfund	1,603,351.42
	$ 1,625,001.60

Capital Improvement Fund	$ 55,080.00
Bond & Notes Authorized But Not Issued	1,691,709.00
NJDOT Grant	398,811.00
NJ DCA Grant	92,000.00
Monmouth County Open Space Grant	75,000.00
	$ 2,312,600.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Increased	Decreased	Balance December 31, 2025
Reserve for:				
Capital Improvement Fund	$ 1,678.96	$ 75,000.00	$ 55,080.00	$ 21,598.96
Payment of Debt Service	46,250.00	-	-	46,250.00
Capital Repairs - Pump Station/Stormwater	150,000.00	-	-	150,000.00
	$ 197,928.96	$ 75,000.00	$ 55,080.00	$ 217,848.96

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description	Balance December 31, 2024	Improvement Authorizations	BAN's Issued	Balance December 31, 2025
1145	Removal of Underground Storage Tank	$ 25,000.00	$ -	$ -	$ 25,000.00
1184	Reconstruction of Twilight Avenue	10,760.00	-	-	10,760.00
1210	Improvements - St. John's Park	143,961.00	-	-	143,961.00
1553/1574	New Police Facility	1.00	-	-	1.00
1594	Improvements - Leola/Highland Blvd.	140,000.00	-	-	140,000.00
1726	Acquisition of Various Vehicles and Capital Equipment	1,897,150.00	-	1,897,000.00	150.00
1729	Beachway Road Reconstruction/Beaconlight Ave Drainage	962,809.00	-	962,000.00	809.00
1732	Friendship Park Improvements	104,761.00	-	104,000.00	761.00
1750	Roadway Improvement - Line Repairs	-	1,691,709.00	-	1,691,709.00
		$ 3,284,442.00	$ 1,691,709.00	$ 2,963,000.00	$ 2,013,151.00

EXHIBIT C-15

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE TO WATER/SEWER CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 100,000.00
Increased By:		
Bond Anticipation Notes	$ 860,000.00	
Bond Anticipation Notes Premium	9,913.67	
Cash Receipts from Utility Fund	103,374.78	
		973,288.45
		1,073,288.45
Decreased By:		
Bond Anticipation Notes	$ 860,000.00	
Cash Disbursements to Utility Fund	213,288.45	
		1,073,288.45
Balance, December 31, 2025		$ -

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL CAPITAL FUND
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ -
Increased By:		
Cash Disbursements Paid By Current Fund	$ 1,603,351.42	
Cash Receipts from Current	406,648.58	
Capital Improvement Fund	65,000.00	
		2,075,000.00
		2,075,000.00
Decreased By:		
Cash Disbursements to Current Fund	$ 2,000,000.00	
Capital Improvement Fund	75,000.00	
		2,075,000.00
Balance, December 31, 2025		$ -

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WATER AND SEWER UTILITY FUND

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BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY FUND
SCHEDULE OF CASH AND INVESTMENTS - TREASURER
FOR THE YEAR ENDED DECEMBER 31, 2025

	Operating		Capital	
Balance, December 31, 2024		$ 3,789,188.40		$ 1,154,032.54
Increased By Receipts:				
Consumer Accounts Receivable	$ 4,795,093.28		$ -	
Interest on Sewer Rents	49,549.92		-	
Interest on Investments	130,134.61		-	
Non-Budget Revenue	127.18		-	
Prepaid Rents	37,549.90		-	
2% Revenues Collected from Operating Fund	-		97,845.82	
Premium on Bond Anticipation Notes	-		9,913.67	
Interfunds Returned	-		100,000.00	
		5,012,454.89		207,759.49
		8,801,643.29		1,361,792.03
Decreased By Disbursements:				
2025 Budget Appropriations	4,483,276.78		-	
2024 Appropriation Reserves	281,087.51		-	
Accounts Payable Paid	28,273.28		-	
Improvement Authorizations	-		22,800.00	
Rent Overpayments	647.90		-	
Accrued Interest	142,958.34		-	
		4,936,243.81		22,800.00
Balance, December 31, 2025		$ 3,865,399.48		$ 1,338,992.03

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF ANALYSIS OF WATER AND SEWER UTILITY CAPITAL CASH
FOR THE YEAR ENDED DECEMBER 31, 2025

		Balance December 31, 2025
Excess Financing		$ 15,000.00
Capital Improvement Fund		18,500.00
Encumbrances Payable		57,920.26
Fund Balance		10,795.51
Reserve for Debt Service		296,236.39
Ordinance Number	Improvement Authorizations	
441/1466/149	Design Desalination System Water Plant	$ 8,897.00
1513	Design Desalination System Water Plant	6,237.91
1565	Various Water/Sewer Improvements	2,158.36
13/04/1648	Well #5	6,785.00
1683	Rehabiliation of Water Storage Tank	916,461.60
		$ 1,338,992.03

EXHIBIT D-7

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF CHANGE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2025 and 2024	$ 150.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 96,955.02
Increased By:		
Rents Levied		4,782,221.87
		4,879,176.89
Decreased By:		
Collections	$ 4,795,093.28	
Overpayments Applied	647.90	
		4,795,741.18
Balance, December 31, 2025		$ 83,435.71

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF DEPOSIT WITH BAYSHORE REGIONAL SEWERAGE AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 280,006.38
Increased By:	
Rent Adjustments	22,364.75
Balance, December 31, 2025	$ 302,371.13

EXHIBIT D-10

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2025

Account	Balance December 31, 2025 & 2024
Acquired from KMUA:	
Phase I Construction	$ 5,443,148.00
Phase II Construction	404,547.00
Phase III Construction	9,801,025.00
Phase IV Construction	6,653,481.00
Additional Construction	106,787.00
Office Renovations	28,369.00
Equipment	102,237.00
Engineering and Inspection	145,020.83
Vehicles	67,190.00
Office Annex	211,219.00
Pump	13,590.00
95 Construction	1,097,337.00
Improvements to Well #3	148,000.00
Improvements to Well #5	100,000.00
Equipment	3,660.00
Well #5	895,000.00
Various Water/Sewer Improvements	675,000.00
	$ 25,895,610.83

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description		Balance December 31, 2025 & 2024
1441/1466/	Design Desalination System		
1493	Water Plant	$	3,125,000.00
1513	Desalinization System Water Plant		400,000.00
1565	Various Water/Sewer Improvements		1,200,000.00
1683/1712	Rehabiliation of Water Storage Tank		3,300,000.00
		$	8,025,000.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Encumbrances	Balance After Modifications	Paid or Charged	Lapsed
Operating:					
Salaries and Wages	$ 19,502.07	$ -	$ 19,502.07	$ 19,500.00	$ 2.07
Other Expenses	300,918.62	170,968.12	471,886.74	261,587.51	210,299.23
Total Operating	320,420.69	170,968.12	491,388.81	281,087.51	210,301.30
Statutory Expenditures:					
Social Security System (O.A.S.I.)	11,285.58	-	11,285.58	-	11,285.58
Total Statutory Expenditures	11,285.58	-	11,285.58	-	11,285.58
Total Sewer Utility Fund Appropriations	$ 331,706.27	$ 170,968.12	$ 502,674.39	$ 281,087.51	$ 221,586.88

EXHIBIT D-13

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF PREPAID RENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$	7,296.28
Increased By:		
Cash Receipts		37,549.90
Balance, December 31, 2025	$	44,846.18

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ENCUMBRANCES PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 170,968.12
Increased By:	
Appropriations	221,623.16
	392,591.28
Decreased By:	
Transferred to Appropriation Reserves	170,968.12
Balance, December 31, 2025	$ 221,623.16

EXHIBIT D-15

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF WATER AND SEWER RENTS OVERPAYMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 18,641.38
Decreased By:	
Cash Disbursements	647.90
Balance, December 31, 2025	$ 17,993.48

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF DUE FROM WATER AND SEWER UTILITY CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ -
Increased By:	
Interest	39,395.84
	39,395.84
Decreased By:	
Transferred to Water/Sewer Operating Fund	39,395.84
Balance, December 31, 2025	$ -

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 39,920.54
Increased By:		
Budget Appropriations for:		
Interest on Bonds, Loans and Notes	$ 142,958.34	
Accrued Interest Adjustment	208.00	
		143,166.34
		183,086.88
Decreased By:		
Cash Disbursed		142,958.34
Balance, December 31, 2025		$ 40,128.54

Analysis of Balance - December 31, 2025

	Outstanding December 31, 2025	Interest Rate	From	To	Period	Amount
N.J.E.I.T. Loan:						
	$ 175,000.00	5.00%	08/01/25	12/31/25	5 Months	$ 2,833.33
MCIA Pooled Loan:						
	$ 2,290,000.00	5.00%	12/01/25	12/31/25	30 Days	8,550.00
Bond Anticipation Notes:						
	$ 860,000.00	4.00%	3/1/24	12/31/25	10 Months	28,745.21
						$ 40,128.54

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS
FOR THE YEAR ENDED DECEMBER 31, 2025

Purpose	Date of Issue	Original Issue	Outstanding December 31, 2025 Date	Outstanding December 31, 2025 Amount	Interest Rate	Balance December 31, 2024	Decreased	Balance December 31, 2025
MCIA Pooled Loan Series 2019 B	12/03/19	$ 2,890,000.00	12/01/26	$ 135,000.00	5.00%	$ 2,420,000.00	$ 130,000.00	$ 2,290,000.00
			12/01/27	145,000.00	5.00%			
			12/01/28	150,000.00	5.00%			
			12/01/29	160,000.00	5.00%			
			12/01/30	170,000.00	5.00%			
			12/01/31	170,000.00	5.00%			
			12/01/32	170,000.00	5.00%			
			12/01/33	170,000.00	4.00%			
			12/01/34	170,000.00	4.00%			
			12/01/35	170,000.00	4.00%			
			12/01/36	170,000.00	4.00%			
			12/01/37	170,000.00	4.00%			
			12/01/38	170,000.00	4.00%			
			12/01/39	170,000.00	4.00%			
						$ 2,420,000.00	$ 130,000.00	$ 2,290,000.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS
FOR THE YEAR ENDED DECEMBER 31, 2025

Improvement Description	Amount	Date of Loan	Date	Amount	Interest Rate	Balance December 31, 2024	Decreased	Balance December 31, 2025
Trust Loan - Series A (DW-ARRA)	$ 655,000.00	03/10/10	08/01/26	$ 40,000.00	3.50%	$ 215,000.00	$ 40,000.00	$ 175,000.00
			08/01/27	45,000.00	4.00%			
			08/01/28	45,000.00	4.00%			
			08/01/29	45,000.00	4.00%			
Fund Loan - Winter 2010	1,964,000.00	03/10/10	02/01/26	11,101.69	0.00%	166,525.64	33,305.07	133,220.57
			08/01/26	22,203.38	0.00%			
			02/01/27	11,101.69	0.00%			
			08/01/27	22,203.38	0.00%			
			02/01/28	11,101.69	0.00%			
			08/01/28	22,203.38	0.00%			
			02/01/29	11,101.69	0.00%			
			08/01/29	22,203.67	0.00%			
						$ 381,525.64	$ 73,305.07	$ 308,220.57

EXHIBIT D-20

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
RESERVE FOR CAPITAL PROJECTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024	$ 198,390.57
Increased By:	
2% Revenue Collected from Utility Operating Fund	97,845.82
Balance, December 31, 2025	$ 296,236.39

EXHIBIT D-21

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description	Ordinance Amount	Balance, December 31, 2024 Funded	Balance, December 31, 2024 Unfunded	Transferred from Encumbrances Payable	Expended	Transferred to Encumbrances Payable	Balance, December 31, 2025 Funded	Balance, December 31, 2025 Unfunded
1441/1466/ 1493	Design Desalination System Water Plant	$ 3,125,000.00	$ 8,897.00	$ -	$ -	$ -	$ -	$ 8,897.00	$ -
1513	Desalinization System Water Plant	400,000.00	6,237.91	-	-	-	-	6,237.91	-
1565	Various Water/Sewer Improvements	1,200,000.00	2,158.36	-	8,202.41	-	8,202.41	2,158.36	-
1604/1648	Well #5	895,000.00	-	-	22,401.02	-	15,616.02	6,785.00	-
1636	Various Water/Sewer Improvements	675,000.00	-	-	34,052.98	-	34,052.98	-	-
1683/1712	Rehabiliation of Water Storage Tank	2,700,000.00	-	1,266,427.70	72,882.75	22,800.00	48.85	-	1,316,461.60
			$ 17,293.27	$ 1,266,427.70	$ 137,539.16	$ 22,800.00	$ 57,920.26	$ 24,078.27	$ 1,316,461.60

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 28,596,791.92
Increased By:		
Bonds Paid By Operating Budget	$ 130,000.00	
Loans Paid By Operating Budget	73,305.07	
		203,305.07
Balance, December 31, 2025		$ 28,800,096.99

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2025 and 2024	$ 1,277,293.27

EXHIBIT D-24

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2025 and 2024	$ 18,500.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description	Balance December 31, 2025 & 2024
1683/1712	Rehabiliation of Water Storage Tank	$ 400,000.00
		$ 400,000.00

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF DUE FROM GENERAL CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 100,000.00
Increased By:		
Bond Anticipation Notes	$ 860,000.00	
Bond Anticipation Notes Premium	9,913.67	
Cash Disbursements	103,374.78	
		973,288.45
		1,073,288.45
Decreased By:		
Cash Received		1,073,288.45
Balance, December 31, 2025		$ -

EXHIBIT D-27

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES
FOR THE YEAR ENDED DECEMBER 31, 2025

Ordinance Number	Improvement Description	Date of Issue of Original Note	Date of Issue	Date of Maturity	Interest Rate	Balance December 31, 2024	Increase	Decrease	Balance December 31, 2025
1683/1712	Rehabiliation of Water Storage Tank	3/14/2024	3/14/2024	3/14/2025	4.00%	$ 860,000.00	$ -	$ 860,000.00	$ -
1683/1712	Rehabiliation of Water Storage Tank	3/14/2024	3/13/2025	3/12/2026	4.00%	-	860,000.00	-	860,000.00
						$ 860,000.00	$ 860,000.00	$ 860,000.00	$ 860,000.00

EXHIBIT D-28

BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCOUNTS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2025

Balance, December 31, 2024		$ 39,045.83
Decreased By:		
Cash Disbursements	$ 28,273.28	
Cancelled	992.40	
		29,265.68
Balance, December 31, 2025		$ 9,780.15

GENERAL FIXED ASSETS ACCOUNT GROUP

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BOROUGH OF KEANSBURG
COUNTY OF MONMOUTH, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
SCHEDULE OF GENERAL FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance December 31, 2024	Additions	Balance December 31, 2025
Land	$ 5,649,364.47	$ -	$ 5,649,364.47
Buildings	7,429,963.26	-	7,429,963.26
Improvements	12,671,189.00	135,868.08	12,807,057.08
Machinery and Equipment	9,703,509.84	543,016.54	10,246,526.38
	$ 35,454,026.57	$ 678,884.62	$ 36,132,911.19

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BOROUGH OF KEANSBURG

PART II

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

FOR THE YEAR ENDED DECEMBER 31, 2025

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BOROUGH OF KEANSBURG
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section II – Financial Statement Findings

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

Finding No. 2025-001

Criteria or specific requirement:

N.J.A.C 5:30-11.3(a)10 states: "If proposed change orders do exceed the 20 percent limitation of (a)9 above, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed. If the governing body determines issuance of the change order is not justifiable, a new contract shall be executed in accordance with the Local Public Contracts Law". N.J.A.C. 5:30-11.3(a)11 further states "Before authorizing any change orders resulting in additional expenditures, the availability of funds shall be certified in writing by the chief financial officer or certifying finance officer, as appropriate"

Condition:

The Borough authorized additional expenditures under an awarded contract without an approved change order and without written certification of fund availability by the chief financial officer.

Cause:

This condition was due to a deficiency in internal controls over the authorization and approval of contract change orders and related expenditures.

Effect or potential effect:

Failure to obtain proper authorization and certification of available funds may result in expenditures being incurred without appropriate approval and may result in noncompliance with N.J.A.C. 5:30 requirements.

Recommendation:

Internal control policies and procedures should be strengthened to ensure that all additional contract work and related expenditures are authorized through approved change orders and that written certification of available funds is obtained from the Chief Financial Officer prior to authorization.

View of responsible official:

The responsible official agrees with this finding and will address the matter as part of their corrective action plan.

BOROUGH OF KEANSBURG
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.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings.

STATE FINANCIAL ASSISTANCE

N/A – No State Single Audit in prior year.

FEDERAL AWARDS

N/A – No Federal Single Audit in prior year.

BOROUGH OF KEANSBURG

PART III

LETTER OF COMMENTS AND RECOMMENDATIONS – REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2025

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OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office at December 31, 2025

Name	Title
George F. Hoff	Mayor
Thomas Foley	Deputy Mayor
James Cocuzza, Sr.	Councilmember
Michael Donaldson	Councilmember
Sean Tonne	Councilmember
Raymond O'Hare	Borough Manager
Patrick DeBlasio	Chief Financial Officer
Thomas Cusick	Borough Clerk/Tax Collector
John O. Bennett, III, Esq.	Borough Attorney
Sharon Devaney	Court Administrator
James DellaPietro	Department of Public Works Supervisor
Steve Ussman	Water and Sewer Department Supervisor

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Honorable Mayor and Members
of the Borough Council
Borough of Keansburg
Keansburg, New Jersey 07734

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 months January through June 2025. As of July 1, 2025, the bid threshold increased to $53,000 for the year ended December 31, 2025

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

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

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

Collection of Interest on Delinquent Taxes and Assessments

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

The governing body on January 8, 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 Borough Council of the Borough of Keansburg, 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 Borough Council of the Borough of Keansburg, 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):

<u>Finding No. 2025-001</u>

The Borough authorized additional expenditures under an awarded contract without an approved change order and without written certification of fund availability by the chief financial officer.

RECOMMENDATIONS:

<u>Finding No. 2025-001</u>

Internal control policies and procedures should be strengthened to ensure that all additional contract work and related expenditures are authorized through approved change orders and that written certification of available funds is obtained from the Chief Financial Officer prior to authorization.

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.

Robert W. Allison
Certified Public Accountant
Registered Municipal Accountant
RMA No. 483

Lakewood, New Jersey
April 6, 2026