

TOWNSHIP OF DEPTFORD
COUNTY OF GLOUCESTER
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2025

TOWNSHIP OF DEPTFORD

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TOWNSHIP OF DEPTFORD

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the Township Council
Township of Deptford
Deptford, New Jersey

Report on the Audit of the Regulatory Basis Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various funds of the Township of Deptford, in the County of Gloucester, State of New Jersey ("Township"), as of December 31, 2025, and the related statements of operations and changes in fund balance - regulatory basis for the year then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts – regulatory basis for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the balance sheets - regulatory basis of the various funds of the Township, as of December 31, 2025, and the results of its operations and changes in fund balance - regulatory basis of such funds for the year then ended, and the statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts – regulatory basis for the year ended December 31, 2025, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (Division), as described in Note 1.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

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

Basis for Opinions on Regulatory Basis of Accounting

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township 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 Accounting Principles Generally Accepted in the United States of America

As described in Note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the 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.

Report on Prior Year Financial Statements

The financial statements of the Township of Deptford as of December 31, 2024, were audited by Bowman & Company LLP, whose owners became partners with PKF O'Connor Davies, LLP, and whose report dated September 3, 2025, expressed unmodified opinions on the regulatory basis of accounting and an adverse opinion on accounting principles generally accepted in the United States of America.

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. 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, requirements prescribed by the Division, and *Government Auditing Standards*, we:

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

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The accompanying supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division, 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 accompanying supplemental statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 23, 2026 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Woodbury, New Jersey
September 28, 2026

Stefanie J. DeSantis

Stefanie J. DeSantis
Certified Public Accountant
Registered Municipal Accountant

**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**

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and
Members of the Township Council
Township of Deptford
Deptford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement 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 (Division), the financial statements prepared on a regulatory basis of accounting prescribed by the division, of the Township of Deptford (Township) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated September 28, 2026. That report indicated that the Township's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division, in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Woodbury, New Jersey
September 28, 2026

Stefanie J. DeSantis

Stefanie J. DeSantis
Certified Public Accountant
Registered Municipal Accountant

TOWNSHIP OF DEPTFORD
CURRENT FUND
Comparative Balance Sheets - Regulatory Basis
As of December 31, 2025 and 2024

	Ref.	2025	2024
Assets and Deferred Charges:			
Regular Fund:			
Cash - Chief Financial Officer	SA-1	\$ 27,884,634.09	\$ 26,632,533.43
Cash - Change Fund	A	<u>2,400.00</u>	<u>2,400.00</u>
		<u>27,887,034.09</u>	<u>26,634,933.43</u>
Other Receivables:			
Due From State of New Jersey	SA-8	<u>6,175.68</u>	<u>2,039.72</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable	SA-3	1,301,883.94	1,317,594.95
Tax Title Liens Receivable	SA-4	1,110,096.96	1,018,784.57
Property Acquired / Assessed Valuation	SA-5	3,087,300.00	3,087,300.00
Maintenance Special Charges	SA-6	1,501.00	9,001.00
Improvement/Maintenance Liens	A	54,991.57	54,378.51
Revenue Accounts Receivable	SA-7	12,742.41	15,550.61
Due from Deptford Township Library	SA-9	74,079.33	15,174.21
Due from Deptford Township MUA	SA-10	7,576.97	1,514.70
Due from FEMA	A	<u>8,333.48</u>	<u>8,333.48</u>
	A	<u>5,658,505.66</u>	<u>5,527,632.03</u>
Deferred Charges:			
Special Emergency Appropriations	SA-11	<u>8,000.00</u>	<u>12,000.00</u>
		<u>33,559,715.43</u>	<u>32,176,605.18</u>
Federal and State Grant Fund:			
Due from Current Fund	SA-22	1,061,831.90	1,037,184.17
Grants Receivable	SA-23	<u>784,149.97</u>	<u>280,886.76</u>
		<u>1,845,981.87</u>	<u>1,318,070.93</u>
		<u>\$ 35,405,697.30</u>	<u>\$ 33,494,676.11</u>

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Comparative Balance Sheets - Regulatory Basis
As of December 31, 2025 and 2024

	Ref.	2025	2024
Liabilities, Reserves, and Fund Balance:			
Regular Fund:			
Appropriation Reserves	A-3; SA-12	\$ 4,611,900.57	\$ 3,342,542.63
Reserve for Encumbrances	A-3; SA-12	657,465.20	933,511.21
Accounts Payable	SA-13	35,202.21	30,769.30
Prepaid Taxes	SA-16	1,130,699.34	1,102,912.94
Tax Overpayments	SA-17	151,456.06	108,066.25
Due County for Added and Omitted Taxes	SA-19	78,712.38	57,055.47
Local School District Taxes Payable	SA-20	6,167,935.00	7,178,415.00
Fire District Taxes Payable	SA-21	-	13,412.00
Due to Federal and State Grant Fund	SA-22	1,061,831.90	1,037,184.17
Due to Trust Other	SB-6	8,445.76	8,330.89
Due to State - DCA Fees	SA-14	14,474.00	10,038.00
Due to State - Marriage Fees	SA-15	825.00	825.00
Due to State - Lead Fees	SA-1	420.00	440.00
Due to Vendor	SA-1	36,652.39	36,652.39
Reserve for:			
Codification of Ordinances	SA-11	5,117.50	8,880.00
Insurance Proceeds	SA-1	34,659.76	24,459.96
Insurance Proceeds - Township Library	A	9,414.52	9,414.52
Maintenance/Performance Bond Settlements	A	197,881.62	197,881.62
Judgements	A	180,000.00	180,000.00
		<u>14,383,093.21</u>	<u>14,280,791.35</u>
Reserves for Receivables	A	5,658,505.66	5,527,632.03
Fund Balance	A-1	<u>13,518,116.56</u>	<u>12,368,181.80</u>
		<u>33,559,715.43</u>	<u>32,176,605.18</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-25	337,383.55	241,353.04
Appropriated Grant Reserves	SA-25	1,412,868.78	997,112.47
Unappropriated Grant Reserves	SA-24	95,729.54	79,605.42
		<u>1,845,981.87</u>	<u>1,318,070.93</u>
		<u>\$ 35,405,697.30</u>	<u>\$ 33,494,676.11</u>

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

TOWNSHIP OF DEPTFORD
CURRENT FUND

Statements of Operations and Changes in Fund Balance - Regulatory Basis
For the Years Ended December 31, 2025 and 2024

	Ref.	2025	2024
Revenue and Other Income Realized			
Fund Balance Utilized	A-2	\$ 5,820,000.00	\$ 4,369,000.00
Miscellaneous Revenues Anticipated	A-2	8,807,355.04	10,175,820.36
Receipts from Delinquent Taxes	A-2	1,308,342.07	1,373,248.05
Receipts from Current Taxes	A-2	101,619,357.89	99,026,380.37
Nonbudget Revenues	A-2	711,357.97	433,100.35
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves	SA-12	2,434,451.01	2,096,914.06
Change in Receivables from Other Township Entities			388,819.41
Liquidation of Sales Contract Receivable			51,500.00
Cancellation of Due to State of New Jersey			10,030.47
Tax Overpayments Cancelled			1,482.90
Prior Year Accounts Payable Cancelled	SA-13	8,369.80	5,491.34
Federal and State Grant Fund Adjustment			1,750.00
		<u>120,709,233.78</u>	<u>117,933,537.31</u>
Expenditures:			
Budget and Emergency Appropriations:			
Appropriations Within "CAPS":			
Salaries and Wages	A-3	12,773,600.00	12,500,600.00
Other Expenses	A-3	15,170,125.00	14,630,500.00
Deferred Charges and Regulatory Expenditures	A-3	3,759,500.00	3,888,000.00
Appropriations Excluded from "CAPS":			
Salaries and Wages	A-3	445,475.09	403,853.68
Other Expenses	A-3	2,662,972.69	2,175,144.65
Capital Improvements	A-3	1,379,569.00	1,306,500.00
Municipal Debt Service	A-3	3,330,748.66	3,316,168.11
Deferred Charges	A-3	4,000.00	4,000.00
County Taxes	SA-18	18,963,443.99	18,913,244.76
Due County for Added and Omitted Taxes	SA-19	78,712.38	57,055.47
Local District School Tax	SA-20	48,866,131.00	48,887,091.00
Special District Taxes	SA-21	6,233,036.00	5,987,460.00
Prior Year Senior Citizens Deductions Disallowed	SA-8	5,110.96	4,507.28
Refund of Prior Year Revenue	A-1	1,906.86	1,441,949.44
Interfund Created	A-1	64,967.39	
Change in Receivables from Other Township Entities			8,333.48
		<u>113,739,299.02</u>	<u>113,524,407.87</u>
Excess in Revenues		6,969,934.76	4,409,129.44
Fund Balance January 1	A	<u>12,368,181.80</u>	<u>12,328,052.36</u>
Total		19,338,116.56	16,737,181.80
Decreased by:			
Utilization as Anticipated Revenue	A-1 / A-2	<u>5,820,000.00</u>	<u>4,369,000.00</u>
Fund Balance December 31	A	<u>\$ 13,518,116.56</u>	<u>\$ 12,368,181.80</u>

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

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2025

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Fund Balance Anticipated	A-1; A-2	\$ 5,820,000.00		\$ 5,820,000.00	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	SA-7	45,000.00		56,191.37	\$ 11,191.37
Other	SA-7	250,000.00		343,032.00	93,032.00
Fees and Permits	SA-7	500,000.00		558,412.89	58,412.89
Fines and Costs - Municipal Court	SA-7	150,000.00		195,866.90	45,866.90
Interest and Costs on Taxes	SA-7	265,000.00		293,468.44	28,468.44
Interest on Investments and Deposits	SA-7	750,000.00		1,332,322.16	582,322.16
Cable Television - Franchise Fees	SA-7	165,000.00		169,533.87	4,533.87
Cannabis Excise Tax	SA-7	325,000.00		231,439.23	(93,560.77)
Hotel Tax	SA-7	400,000.00		466,291.21	66,291.21
MUA Surplus as per N.J.S.A. 40A:5A-12.1	SA-7	609,231.00		609,231.00	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)	SA-7	2,245,072.00		2,245,071.81	(0.19)
Uniform Construction Codes Fee	SA-7	515,000.00		750,417.00	235,417.00
Deptford Mall Police Agreement	SA-7	158,101.76		158,101.76	
Interlocal Services Agreements:					
City of Woodbury	SA-7	296,200.00		297,400.00	1,200.00
Deptford Township MUA	SA-7	50,000.00		50,000.00	
Public and Private Revenues Offset With Appropriations:					
Aggressive Driving Grant	SA-25		\$ 6,720.00	6,720.00	
Body Armor Fund	SA-25	5,265.65		5,265.65	
Clean Communities Program	SA-25		83,811.77	83,811.77	
Click It or Ticket	SA-25		3,920.00	3,920.00	
COPS Grant	SA-25	83,333.33		83,333.33	
Distracted Driving Grant	SA-25		7,000.00	7,000.00	
Drive Sober, Get Pulled Over - Labor Day 2025	SA-25		7,000.00	7,000.00	
Drive Sober, Get Pulled Over - Holiday 2025	SA-25		1,400.00	1,400.00	

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2025

	<u>Ref.</u>	<u>Anticipated Budget</u>	<u>Special N.J.S.A. 40A:4-87</u>	<u>Realized</u>	<u>Excess or (Deficit)</u>
Miscellaneous Revenues (Cont'd):					
Public and Private Revenues Offset With					
Appropriations (Cont'd):					
JIF Safety Incentive	SA-25	\$ 4,500.00		\$ 4,500.00	
Local Recreation Improvements	SA-25		\$ 84,000.00	84,000.00	
NJDOT Road Program - Yardley	SA-25	181,744.00		181,744.00	
NJDOT Road Program - Deptford Center Road LTP	SA-25	351,000.00		351,000.00	
NJDOT Road Program - Deptford Center Road MA	SA-25	121,825.00		121,825.00	
National Opioids Settlement	SA-25	74,339.77		74,339.77	
Recycling Tonnage Grant	SA-25		34,715.88	34,715.88	
Total Miscellaneous Revenues	A-1	<u>7,545,612.51</u>	<u>228,567.65</u>	<u>8,807,355.04</u>	<u>\$ 1,033,174.88</u>
Receipts from Delinquent Taxes	A-1; A-2	<u>1,300,000.00</u>		<u>1,308,342.07</u>	<u>8,342.07</u>
Subtotal General Revenues		14,665,612.51	228,567.65	15,935,697.11	1,041,516.95
Amount to be Raised by Taxes for Support of Municipal Budget					
Local Tax for Municipal Purposes		25,383,794.32		28,229,567.22	2,845,772.90
Minimum Library Tax		<u>1,387,009.62</u>		<u>1,387,009.62</u>	
Total Amount to be Raised by Taxes for Support of Municipal Budget	A-2	<u>26,770,803.94</u>		<u>29,616,576.84</u>	<u>2,845,772.90</u>
Budget Totals		41,436,416.45	228,567.65	45,552,273.95	3,887,289.85
Nonbudget Revenues	A-1; A-2			711,357.97	711,357.97
		<u>\$ 41,436,416.45</u>	<u>\$ 228,567.65</u>	<u>\$ 46,263,631.92</u>	<u>\$ 4,598,647.82</u>
	<u>Ref.</u>	<u>A-3</u>	<u>A-3</u>		

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Revenues - Regulatory Basis
For the Year Ended December 31, 2025

<u>Analysis of Realized Revenue:</u>	<u>Ref.</u>	
<u>Allocation of Current Tax Collections:</u>		
Revenue from Collections	A-1; SA-3	\$ 101,619,357.89
Allocated to:		
School, County, and Special District Taxes	SA-18 - SA-21	<u>74,141,323.37</u>
Balance for Support of Municipal Budget Revenues		27,478,034.52
Add:		
Appropriation: "Reserve for Uncollected Taxes"	A-3	<u>2,138,542.32</u>
Amount for Support of Municipal Budget Appropriations	A-2	<u><u>\$ 29,616,576.84</u></u>
<u>Receipts from Delinquent Taxes:</u>		
Delinquent Tax Collections	SA-3	\$ 1,277,358.28
Tax Title Lien Collections	SA-4	<u>30,983.79</u>
		<u><u>\$ 1,308,342.07</u></u>
<u>Analysis of Non-Budget Revenue:</u>		
Administrative Fee - State Of New Jersey		\$ 4,972.56
Off Duty Administration Fee		67,602.04
Appropriation Refund		86,333.16
Sale of Assets		28,300.00
Kinsley's Host Fee		64,051.02
Vertical Bridge Easement Rental		24,600.00
Premiums Escheated		12,600.00
Taxes In-Lieu		158,694.75
Improvement/Maintenance Special Charge Collections		8,000.00
Miscellaneous Other - Treasurer		242,575.55
Miscellaneous Other - Tax Collector		<u>13,628.89</u>
		<u><u>\$ 711,357.97</u></u>
Chief Financial Officer		\$ 691,991.68
Tax Collector		21,628.89
Interfunds		<u>(2,262.60)</u>
		<u><u>\$ 711,357.97</u></u>

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

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS":						
GENERAL GOVERNMENT FUNCTIONS:						
General Administration:						
Salaries and Wages	\$ 315,000.00	\$ 315,000.00	\$ 280,194.05		\$ 34,805.95	
Other Expenses	20,000.00	20,000.00	15,207.37	\$ 733.95	4,058.68	
Division of Central Services:						
Salaries and Wages	142,000.00	139,000.00	86,919.43		52,080.57	
Other Expenses	300,000.00	300,000.00	191,649.27	14,659.76	93,690.97	
Mayor and Council:						
Salaries and Wages	74,000.00	74,000.00	73,000.00		1,000.00	
Other Expenses	15,000.00	17,000.00	13,212.89	774.88	3,012.23	
Municipal Clerk:						
Salaries and Wages	335,000.00	330,000.00	304,342.90		25,657.10	
Other Expenses	48,000.00	48,000.00	29,373.08	695.46	17,931.46	
Human Resources:						
Salaries and Wages	55,000.00	30,000.00	26,917.76		3,082.24	
Other Expenses	15,000.00	15,000.00	4,356.81	1,885.19	8,758.00	
Financial Administration - Treasury:						
Salaries and Wages	296,000.00	314,000.00	286,042.03		27,957.97	
Other Expenses	19,000.00	19,000.00	13,951.15	332.65	4,716.20	
Purchasing Division:						
Salaries and Wages	72,000.00	72,000.00	67,307.62		4,692.38	
Other Expenses	5,000.00	5,000.00	283.62		4,716.38	
Audit Services:						
Other Expenses	70,000.00	70,000.00	62,365.00		7,635.00	
Centralized Computerized Data Processing:						
Salaries and Wages	100.00	100.00			100.00	
Other Expenses	260,000.00	260,000.00	199,002.93	7,254.82	53,742.25	
Revenue Administration - Tax Collection:						
Salaries and Wages	235,000.00	235,000.00	217,501.79		17,498.21	
Other Expenses	30,000.00	30,000.00	17,189.05	1,020.94	11,790.01	
Legal Services:						
General Legal Services	520,000.00	445,000.00	174,033.19		270,966.81	
Engineering Services:						
Other Expenses	185,000.00	160,000.00	69,113.07	4,457.55	86,429.38	
LAND USE ADMINISTRATION:						
Planning Board:						
Salaries and Wages	60,000.00	65,000.00	53,487.63		11,512.37	
Other Expenses	200,000.00	200,000.00	122,706.90	18,565.31	58,727.79	
Zoning Board of Adjustment:						
Salaries and Wages	54,000.00	49,000.00	38,854.26		10,145.74	
Other Expenses	25,000.00	25,000.00	4,926.02		20,073.98	

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D):</u>						
<u>LAND USE ADMINISTRATION (CONT'D)</u>						
Environmental Commission:						
Salaries and Wages	\$ 500.00	\$ 500.00			\$ 500.00	
Other Expenses	1,500.00	1,500.00	\$ 519.50		980.50	
<u>STATE UNIFORM CONSTRUCTION CODE:</u>						
Construction Official:						
Salaries and Wages	310,000.00	325,000.00	276,012.47		48,987.53	
Other Expenses	80,500.00	80,500.00	13,666.98	\$ 42,011.30	24,821.72	
Plumbing Inspector:						
Salaries and Wages	35,000.00	35,000.00	22,117.50		12,882.50	
Electrical Inspector:						
Salaries and Wages	60,000.00	60,000.00	52,155.13		7,844.87	
Fire Protection Official:						
Salaries and Wages	25,000.00	25,000.00	17,943.75		7,056.25	
Building Inspector:						
Salaries and Wages	145,000.00	145,000.00	125,786.14		19,213.86	
INSURANCE:						
Liability Insurance	465,750.00	465,750.00	447,454.50		18,295.50	
Workers Compensation	791,775.00	791,775.00	791,015.00		760.00	
Health Waiver Benefit	140,000.00	143,000.00	142,409.26		590.74	
Employee Group Insurance	5,467,600.00	5,467,600.00	4,842,181.83	580.00	624,838.17	
Unemployment Insurance	500.00	500.00			500.00	
PUBLIC SAFETY FUNCTIONS:						
Police Department:						
Salaries and Wages	7,375,000.00	7,175,000.00	5,957,522.45		1,217,477.55	
Other Expenses	425,000.00	625,000.00	305,583.87	268,346.37	51,069.76	
Prosecutor's Office:						
Other Expenses	60,000.00	63,000.00	54,500.00	3,600.00	4,900.00	
PUBLIC WORKS FUNCTIONS:						
Streets and Roads:						
Salaries and Wages	1,162,000.00	1,057,000.00	958,000.50		98,999.50	
Other Expenses	150,000.00	135,000.00	65,337.33	430.77	69,231.90	
Storm Recovery:						
Other Expenses	25,000.00	25,000.00	24,404.36	15.49	580.15	
Solid Waste Collection:						
Other Expenses	2,100,000.00	2,125,000.00	1,816,186.98	2,497.15	306,315.87	
Buildings and Grounds:						
Salaries and Wages	360,000.00	360,000.00	295,398.78		64,601.22	
Other Expenses	255,000.00	263,500.00	233,778.26	15,847.61	13,874.13	

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D):</u>						
<u>PUBLIC WORKS FUNCTIONS (CONT'D):</u>						
Vehicle Maintenance:						
Salaries and Wages	\$ 305,000.00	\$ 305,000.00	\$ 265,764.11	\$ 21,525.89	\$ 39,235.89	
Other Expenses	240,000.00	270,000.00	230,258.29		18,215.82	
<u>HEALTH AND HUMAN SERVICES FUNCTIONS:</u>						
Public Health Services:						
Salaries and Wages	252,000.00	242,000.00	185,618.01		56,381.99	
Other Expenses	40,000.00	40,000.00	9,570.36	1,732.88	28,696.76	
<u>PARK AND RECREATION FUNCTIONS:</u>						
Recreation Services and Programs:						
Salaries and Wages	135,000.00	135,000.00	103,408.28		31,591.72	
Other Expenses	88,000.00	88,000.00	28,205.94	501.05	59,293.01	
Maintenance of Parks:						
Salaries and Wages	418,000.00	408,000.00	368,669.86		39,330.14	
Other Expenses	140,000.00	140,000.00	78,010.54	796.86	61,192.60	
<u>OTHER COMMON OPERATING FUNCTIONS:</u>						
Accumulated Leave Compensation:						
Salaries and Wages	5,000.00	168,000.00	-		168,000.00	
Celebration of Public Events:						
Other Expenses	90,000.00	105,000.00	103,691.07	1,001.00	307.93	
Senior Citizens Transportation:						
Salaries and Wages	62,000.00	62,000.00	54,392.57		7,607.43	
Other Expenses	1,000.00	1,000.00	925.00		75.00	
Senior Citizens Committee:						
Salaries and Wages	25,000.00	25,000.00	22,812.50		2,187.50	
Other Expenses	42,000.00	52,000.00	46,413.29	45.00	5,541.71	
<u>UTILITY EXPENSES AND BULK PURCHASES:</u>						
Electricity	235,000.00	255,000.00	215,668.68	2,151.55	37,179.77	
Street Lighting	500,000.00	535,000.00	486,943.35	343.99	47,712.66	
Telephone	150,000.00	150,000.00	122,977.20	4,621.02	22,401.78	
Gas (Natural or Propane)	130,000.00	130,000.00	100,007.77	21,746.89	8,245.34	
Gasoline	315,000.00	265,000.00	170,853.11	22,269.46	71,877.43	
<u>LANDFILL / SOLID WASTE DISPOSAL COSTS:</u>						
Tipping Fees	1,400,000.00	1,375,000.00	1,160,267.50	8,858.60	205,873.90	
<u>COURT AND PUBLIC DEFENDER FUNCTIONS:</u>						
Municipal Court:						
Salaries and Wages	480,000.00	480,000.00	434,187.93		45,812.07	
Other Expenses	48,000.00	48,000.00	28,276.35	681.81	19,041.84	
Public Defender:						
Other Expenses	58,000.00	58,000.00	43,045.50		14,954.50	

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
<u>OPERATIONS WITHIN "CAPS" (CONT'D):</u>						
Total Operations Within "CAPS"	\$ 27,944,225.00	\$ 27,943,725.00	\$ 23,053,879.62	\$ 469,985.20	\$ 4,419,860.18	
Detail:						
Salaries and Wages	12,932,600.00	12,773,600.00	10,716,766.71	-	2,056,833.29	
Other Expenses	15,011,625.00	15,170,125.00	12,337,112.91	469,985.20	2,363,026.89	
<u>DEFERRED CHARGES AND STATUTORY</u>						
<u>EXPENDITURES - MUNICIPAL WITHIN "CAPS":</u>						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	749,000.00	749,000.00	747,511.00		1,489.00	
Social Security System (O.A.S.I.)	925,000.00	925,000.00	839,365.76		85,634.24	
Police and Firemen's Retirement System of N.J.	2,084,000.00	2,084,000.00	2,081,503.00		2,497.00	
Defined Contribution Retirement Program	1,000.00	1,500.00	1,249.44		250.56	
TOTAL DEFERRED CHARGES AND STATUTORY						
EXPENDITURES - MUNICIPAL WITHIN "CAPS"	3,759,000.00	3,759,500.00	3,669,629.20	-	89,870.80	-
TOTAL GENERAL APPROPRIATIONS FOR						
MUNICIPAL PURPOSES WITHIN "CAPS"	31,703,225.00	31,703,225.00	26,723,508.82	469,985.20	4,509,730.98	-
<u>OPERATIONS EXCLUDED FROM "CAPS" :</u>						
Maintenance of Free Public Library (P.L. 1985 Ch. 82 & 541)	1,387,009.62	1,387,009.62	1,387,009.62			
SFSP Fire District Payment	9,455.00	9,455.00	9,455.00			
NJPDES/Municipal Stormwater (N.J.S.A. 40A:4-45.3(cc)):						
Salaries and Wages	178,000.00	178,000.00	164,565.79		13,434.21	
Other Expenses	200,000.00	200,000.00	31,314.90	130,120.00	38,565.10	
Reserve for Tax Appeals	75,000.00	75,000.00	-	57,360.00	17,640.00	
Insurance:						
General Liability	19,250.00	19,250.00	19,250.00			
Worker's Compensation	53,225.00	53,225.00	53,225.00			
Employee Group Health insurance	632,400.00	632,400.00	632,400.00			
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES:						
Deptford Mall Police	158,101.76	158,101.76	125,571.48		32,530.28	
Aggressive Driving Rant (N.J.S.A. 40A:4-87)		6,720.00	6,720.00			
Body Armor Fund	5,265.65	5,265.65	5,265.65			
Clean Communities (N.J.S.A. 40A:4-87)		83,811.77	83,811.77			
Click It or Ticket (N.J.S.A. 40A:4-87)		3,920.00	3,920.00			
COPS Grant	83,333.33	83,333.33	83,333.33			
Distracted Driving Grant (N.J.S.A. 40A:4-87)		7,000.00	7,000.00			

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Expended			Unexpended
	Budget	Budget After Modification	Paid	Encumbered	Reserved	Balance Canceled
<u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D):</u>						
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES (CONT'D):						
Drive Sober or Get Pulled Over:						
Labor Day 2025 (N.J.S.A. 40A:4-87)		\$ 7,000.00	\$ 7,000.00			
Holiday 2025 (N.J.S.A. 40A:4-87)		1,400.00	1,400.00			
JIF Safety Incentive Program	\$ 4,500.00	4,500.00	4,500.00			
Local Recreation Improvements (N.J.S.A. 40A:4-87)		84,000.00	84,000.00			
National Opioids Settlement	74,339.77	74,339.77	74,339.77			
Recycling Tonnage Grant (N.J.S.A. 40A:4-87)		34,715.88	34,715.88			
TOTAL OPERATIONS - EXCLUDED FROM "CAPS"	2,879,880.13	3,108,447.78	2,818,798.19	\$ 187,480.00	\$ 102,169.59	-
Detail:						
Salaries and Wages	419,435.09	445,475.09	399,510.60	-	45,964.49	-
Other Expenses	2,460,445.04	2,662,972.69	2,419,287.59	187,480.00	56,205.10	-
<u>CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS":</u>						
Capital Improvement Fund	725,000.00	725,000.00	725,000.00			
New Jersey Department of Transportation:						
Deptford Center Road - Local Aid	351,000.00	351,000.00	351,000.00			
Deptford Center Road - Municipal Aid	121,825.00	121,825.00	121,825.00			
Yardley Avenue	181,744.00	181,744.00	181,744.00			
TOTAL CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"	1,379,569.00	1,379,569.00	1,379,569.00	-	-	-
<u>MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS":</u>						
Payment of Bond Principal	2,700,000.00	2,700,000.00	2,700,000.00			
Interest on Bonds	606,000.00	606,000.00	605,612.50			\$ 387.50
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	25,200.00	25,200.00	25,136.16			63.84
TOTAL MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"	3,331,200.00	3,331,200.00	3,330,748.66	-	-	451.34

(Continued)

TOWNSHIP OF DEPTFORD
CURRENT FUND
Statement of Expenditures - Regulatory Basis
For the Year Ended December 31, 2025

	Appropriations		Expended			Unexpended Balance Canceled
	Budget	Budget After Modification	Paid	Encumbered	Reserved	
DEFERRED CHARGES - EXCLUDED FROM "CAPS":						
Special Emergency Authorizations - 5 years (N.J.S. 40A:4-55)	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00			
TOTAL DEFERRED CHARGES - EXCLUDED FROM "CAPS"	<u>4,000.00</u>	<u>4,000.00</u>	<u>4,000.00</u>			
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	<u>7,594,649.13</u>	<u>7,823,216.78</u>	<u>7,533,115.85</u>	<u>\$ 187,480.00</u>	<u>\$ 102,169.59</u>	<u>\$ 451.34</u>
SUBTOTAL GENERAL APPROPRIATIONS	<u>39,297,874.13</u>	<u>39,526,441.78</u>	<u>34,256,624.67</u>	<u>657,465.20</u>	<u>4,611,900.57</u>	<u>451.34</u>
RESERVE FOR UNCOLLECTED TAXES	<u>2,138,542.32</u>	<u>2,138,542.32</u>	<u>2,138,542.32</u>			
TOTAL GENERAL APPROPRIATIONS	<u>\$ 41,436,416.45</u>	<u>\$ 41,664,984.10</u>	<u>\$ 36,395,166.99</u>	<u>\$ 657,465.20</u>	<u>\$ 4,611,900.57</u>	<u>\$ 451.34</u>
	<u>Ref.</u>	<u>A-2</u>		<u>A</u>	<u>A</u>	
	<u>Ref.</u>					
N.J.S.A. 40A: 4-87	A-2	\$ 228,567.65				
Budget	A-2	<u>41,436,416.45</u>				
		<u>\$ 41,664,984.10</u>				
Deferred Charges	SA-11		\$ 4,000.00			
Federal and State Grants	SA-25		1,050,575.40			
Reserve for Uncollected Taxes	A-3		2,138,542.32			
Disbursed	SA-1		<u>33,202,049.27</u>			
			<u>\$ 36,395,166.99</u>			

TOWNSHIP OF DEPTFORD
TRUST FUND
Comparative Balance Sheets - Regulatory Basis
As of December 31, 2025 and 2024

	<u>Ref.</u>	<u>2025</u>	<u>2024</u>
Assets:			
Animal Control Fund:			
Cash - Chief Financial Officer	SB-1	\$ 4,938.74	\$ 6,958.74
Other Funds:			
Cash - Chief Financial Officer	SB-1	7,408,469.43	7,490,824.35
Cash - Collector	SB-2	861,127.33	714,593.10
Due from Current Fund	SB-6	8,445.76	8,330.89
		<u>8,278,042.52</u>	<u>8,213,748.34</u>
		<u>\$ 8,282,981.26</u>	<u>\$ 8,220,707.08</u>
Liabilities, Reserves, and Fund Balance:			
Animal Control Fund:			
Due to State of New Jersey	SB-4	\$ 1.20	\$ 2.40
Encumbrances Payable	SB-5	-	1,693.75
Reserve for Animal Control Fund Expenditures	SB-5	4,937.54	5,262.59
		<u>4,938.74</u>	<u>6,958.74</u>
Other Funds:			
Miscellaneous Trust Reserves:			
Encumbrances	SB-7	63,848.38	62,863.49
Payroll Deductions Payable	SB-7	17,373.09	104,559.20
Community Police Donations	SB-7	52,629.54	51,210.03
Compensated Sick Fund	SB-7	1,183,829.33	1,592,777.14
Curb and Sidewalk Deposits	SB-7	31,262.66	30,362.66
Donations - Recreation	SB-7	271,605.88	270,436.11
Donations - Nemours Andolro Farm	SB-7	100,000.00	100,000.00
Escrow Deposits	SB-7	1,394,297.91	1,176,669.71
Flexible Spending Account	SB-7	2,934.23	2,128.39
Federal Forfeited Funds	SB-7	4,895.02	4,750.93
Municipal Forfeited Funds	SB-7	62,346.94	44,223.54
Public Defender	SB-7	10,820.50	8,640.50
Recreation Commission	SB-7	238,674.28	175,662.38
Program Escrow Recycling	SB-7	904.74	1,705.10
Street Opening Deposits	SB-7	452,798.98	406,014.08
Tax Sale Premiums	SB-7	844,100.00	687,000.00
Redemption of Tax Sale Certificates	SB-7	17,027.33	27,593.10
Unemployment Compensation Trust	SB-7	61,595.09	100,214.44
Multiple Dwelling Emergency Commission	SB-7	56,270.02	55,959.59
Storm Recovery	SB-7	710,087.93	693,140.48
Housing Impact Trust Fund	SB-7	2,588,387.81	2,517,557.43

(Continued)

TOWNSHIP OF DEPTFORD
TRUST FUND
Comparative Balance Sheets - Regulatory Basis
As of December 31, 2025 and 2024

	<u>Ref.</u>	<u>2025</u>	<u>2024</u>
Liabilities, Reserves, and Fund Balance (Cont'd):			
Other Funds (Cont'd):			
Miscellaneous Trust Reserves (Cont'd):			
Tree Replacement Fund	SB-7	\$ 3,150.00	
Outside Employment of Police	SB-7	30,669.77	\$ 23,302.27
Police Seized Evidence	SB-7	56,392.77	56,824.77
P.O.A.A.	SB-7	2,136.00	1,503.00
Veteran's Commission	SB-7	20,004.32	18,650.00
		<u>8,278,042.52</u>	<u>8,213,748.34</u>
		<u>\$ 8,282,981.26</u>	<u>\$ 8,220,707.08</u>

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

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Comparative Balance Sheets - Regulatory Basis
As of December 31, 2025 and 2024

Assets:	Ref.	2025	2024
Cash - Chief Financial Officer	SC-1	\$ 6,189,761.02	\$ 6,293,829.20
Deferred Charges to Future Taxation:			
Funded	SC-3	16,427,658.42	19,150,301.21
Unfunded	SC-4	14,361,150.00	16,736,150.00
State Road Aid Receivable	SC-5	26,107.50	26,107.50
		<u>\$ 37,004,676.94</u>	<u>\$ 42,206,387.91</u>
Liabilities, Reserves and Fund Balance:			
Capital Improvement Fund	SC-6	\$ 3,068,975.15	\$ 2,549,485.08
Encumbrances Payable	SC-7	645,808.50	676,241.02
Improvement Authorizations:			
Funded	SC-7	3,792,686.22	4,353,917.87
Unfunded	SC-7	12,946,346.56	15,353,240.64
General Serial Bonds	SC-8	16,320,000.00	19,020,000.00
Green Trust Loan Payable	SC-9	107,658.42	130,301.21
Fund Balance	C-1	123,202.09	123,202.09
		<u>\$ 37,004,676.94</u>	<u>\$ 42,206,387.91</u>

There were Bonds and Notes Authorized but Not Issued of \$14,361,150.00 and \$16,736,150.00 at December 31, 2025 and 2024, respectively (Statement SC-10).

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

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Fund Balance - Regulatory Basis
For the Year Ended December 31, 2025

Balance December 31, 2025 and 2024	\$ <u>123,202.09</u>
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The accompanying Notes to Financial Statements are an integral part of this statement.

TOWNSHIP OF DEPTFORD
GENERAL FIXED ASSET ACCOUNT GROUP
Statement of General Fixed Assets Group of Accounts - Regulatory Basis
For the Year Ended December 31, 2025

	Balance Dec. 31, 2024	Additions	Deletions	Balance Dec. 31, 2025
General Fixed Assets:				
Land and Buildings	\$ 21,441,693.01			\$ 21,441,693.01
Improvements - Other than Buildings	1,453,771.47			1,453,771.47
Machinery and Equipment	11,335,131.27	\$ 361,639.58	\$ 312,437.42	11,384,333.43
Total General Fixed Assets	\$ <u>34,230,595.75</u>	\$ <u>361,639.58</u>	\$ <u>312,437.42</u>	\$ <u>34,279,797.91</u>
Investment in General Fixed Assets	\$ <u>34,230,595.75</u>	\$ <u>361,639.58</u>	\$ <u>312,437.42</u>	\$ <u>34,279,797.91</u>

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

TOWNSHIP OF DEPTFORD
Notes to Financial Statements
For the Year Ended December 31, 2025

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The Township of Deptford (hereafter referred to as the "Township") was incorporated as a township by an act of the New Jersey legislature in January 1695. The Township, located in Gloucester County, New Jersey, has a total area of approximately 17.5 square miles, and is located approximately ten miles from the City of Philadelphia. The Township borders the Gloucester County municipalities of Mantua Township, Washington Township, Wenonah Borough, Westville Borough, Woodbury Heights Borough and Woodbury City, and the Camden County municipalities of Bellmawr Borough, Gloucester Township and Runnemede Borough. According to the 2020 census, the population was 31,977.

The Township has a Council-Manager form of government under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor is elected annually by a seven member Township Council. Executive and administrative responsibility rests with the Township Manager, who is appointed by the Mayor and Council. The members of the Township Council are elected for staggered four-year terms in elections held every two years.

Component Units - The financial statements of the component units of the Township are not presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended. If the provisions of the aforementioned GASB Statement, as amended had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the Township, the primary government:

Deptford Municipal Utilities Authority
898 Cattell Road
Deptford, New Jersey 08096

Deptford Free Public Library
670 Ward Drive
Deptford, New Jersey 08096

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

Measurement Focus, Basis of Accounting and Financial Statement Presentation - The financial statements of the Township contain all funds and account groups in accordance with the *Requirements of Audit* (the "*Requirements*") as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services (Division). The principles and practices established by the *Requirements* 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 States of America applicable to local government units. The more significant differences are explained in this Note.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

In accordance with the *Requirements*, the Township accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

Current Fund - The current fund accounts for resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

Trust Funds - The various trust funds account for receipts, custodianship, and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The general capital fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the current fund.

General Fixed Asset Group of Accounts - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

Budgets and Budgetary Accounting - The Township must adopt an annual budget for its current fund in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall 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 the Division, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

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. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

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 authorities and other state agencies.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash, Cash Equivalents and Investments (Cont'd) - 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 ("GUDPA"), a multiple financial institutional collateral pool, 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 Township requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

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

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

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's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR Part 200), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000.00; however, the maximum amount allowed by the Uniform Guidance is \$10,000.00. 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. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that include 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. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Foreclosed Property - Foreclosed property 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 municipality 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 asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

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.

Liens Sold for Other Governmental Units - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

Fund Balance - Fund balances included in the current fund represent amounts available for anticipation as revenue in future years' budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from federal and state grants is realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Township's current fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Property Tax Revenues - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Gloucester, the Township of Deptford School District, and the Township of Deptford Fire District No. 1. Unpaid property taxes are subject to tax sale in accordance with the statutes.

School Taxes - The Township is responsible for levying, collecting, and remitting school taxes for the Township of Deptford School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from July 1, 2025 to June 30, 2026, increased by the amount deferred at December 31, 2024 and decreased by the amount deferred at December 31, 2025.

County Taxes - The municipality is responsible for levying, collecting, and remitting county taxes for the County of Gloucester. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due to the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 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 10 of the current year, and due to be paid to the County by February 15 of the following year.

Fire District Taxes - The municipality is responsible for levying, collecting, and remitting fire district taxes for the Township of Deptford Fire District No. 1. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

Library Taxes - The municipality is responsible for levying, collecting and remitting library taxes for the Deptford Free Public Library. The amount of the library tax is a separate local levy tax and is remitted to the Library through the municipal budget.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Reserve for Uncollected Taxes - The inclusion of the "reserve for uncollected taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediately 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 - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are 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 principal and interest payments on outstanding general capital bonds and notes are provided on the cash basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments, or contracts incurred during the preceding year. Lapsed appropriation reserves are recorded as income.

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

Compensated Absences and Postemployment Benefits - Compensated absences for paid time off (PTO), sick leave, vacation leave, compensatory time, and certain types of sabbatical leave, and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

Impact of Recently Issued Accounting Principles

Recently Issued Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statements that have an effective date that may affect future financial presentations:

Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve financial reporting requirements for subsequent events. The purposes of the improvements are to (a) clarify the subsequent events time frame and the subsequent events that constitute recognized and nonrecognized events and (b) specifying the information items that are required to be disclosed about subsequent events. The Statement will become effective for the Township in the year ending December 31, 2027. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the Township.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of December 31, 2025, the Township's bank balances of \$42,632,892.14 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 39,948,395.89
Uninsured and Uncollateralized	<u>2,684,496.25</u>
Total	<u>\$ 42,632,892.14</u>

New Jersey Cash Management Fund - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribes standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2025, the Township's deposits with the New Jersey Cash Management Fund were \$1,453.59.

Note 3: PROPERTY TAXES

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

Comparative Schedule of Tax Rates

	<u>Year Ended</u>				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Apportionment of Tax Rate:					
Municipal	\$.952	\$.946	\$.899	\$.896	\$.874
County	.634	.635	.647	.677	.690
County Open Space Preservation	.042	.042	.041	.041	.043
Local School	<u>1.812</u>	<u>1.748</u>	<u>1.681</u>	<u>1.650</u>	<u>1.617</u>
General Tax Rate	<u>\$ 3.440</u>	<u>\$ 3.371</u>	<u>\$ 3.268</u>	<u>\$ 3.264</u>	<u>\$ 3.224</u>
Special District Tax Rate:					
Fire District	<u>\$.222</u>	<u>\$.214</u>	<u>\$.202</u>	<u>\$.181</u>	<u>\$.172</u>

Note 3: PROPERTY TAXES (CONT'D)

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (Cont'd):

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2025	\$ 2,808,176,000.00
2024	2,797,878,600.00
2023	2,851,637,498.00
2022	2,849,254,255.00
2021	2,838,348,378.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2025	\$ 103,258,770.38	\$ 101,619,357.89	98.41%
2024	100,621,053.71	99,026,380.37	98.42%
2023	99,164,631.34	97,534,077.87	98.36%
2022	98,397,053.71	96,721,208.51	98.30%
2021	96,729,061.51	95,573,735.00	98.81%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Tax Title Liens</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2025	\$ 1,110,096.96	\$ 1,301,883.94	\$ 2,411,980.90	2.34%
2024	1,018,784.57	1,317,594.95	2,336,379.52	2.32%
2023	1,021,250.10	1,298,746.38	2,319,996.48	2.34%
2022	951,690.94	1,336,687.56	2,288,378.50	2.33%
2021	891,061.78	970,484.05	1,861,545.83	1.92%

The following comparison is made of the number of tax title liens receivable on December 31 for the current and previous four calendar years:

Number of Tax Title Liens

<u>Year</u>	<u>Number</u>
2025	123
2024	129
2023	148
2022	133
2021	160

Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

<u>Year</u>	<u>Amount</u>
2025	\$ 3,087,300.00
2024	3,087,300.00
2023	3,113,300.00
2022	3,738,400.00
2021	3,666,600.00

Note 5: FUND BALANCES APPROPRIATED

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

Current Fund

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2025	\$ 13,518,116.56	\$ 6,580,000.00	48.68%
2024	12,368,181.80	5,820,000.00	47.06%
2023	12,328,052.36	4,369,000.00	35.44%
2022	11,943,287.94	4,620,000.00	38.68%
2021	11,650,475.16	4,325,000.00	37.12%

Note 6: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various balance sheets as of December 31, 2025:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current		\$ 1,070,277.66
Federal and State Grant	\$ 1,061,831.90	
Trust - Other	8,445.76	
	<u>\$ 1,070,277.66</u>	<u>\$ 1,070,277.66</u>

The interfund receivables and payables above are primarily the result of collections and payments made by certain funds on behalf of other funds. During the year 2026, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 7: PENSION PLANS

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, certain Township employees may be eligible to participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Empower for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. As a local participation employer of these pension plans, the Township is referred to as "Employer" throughout this Note. The Division issues a publicly available financial report that includes financial statements, required supplementary information and detailed information about the PERS and PFRS plans' fiduciary net position which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>

General Information about the Pension Plans**Plan Descriptions**

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Employer, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Police and Firemen's Retirement System - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan, which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Employer. The PFRS' Board of Trustees is primarily responsible for the administration of the PFRS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are state or local officials who are elected or appointed on or after July 1, 2007; employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A. The 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

Service retirement benefits of 1/55th of final average salary for each year of service credit are 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 are 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 years or more 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.

Police and Firemen's Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

Tier Definition

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

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service 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 of 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.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 7.5% of base salary. The rate for members who are eligible for the Prosecutors Part of PERS (P.L. 2001, C. 366) is 10.0%. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, 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. One of such legislation, which legally obligates the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

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 nonemployer 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 or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Employer's contractually required contribution rate for the year ended December 31, 2025 was 15.97% of the Employer's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - Based on the most recent PERS measurement date of June 30, 2025, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2025 is \$753,593.00, and is payable by April 1, 2026. Due to the basis of accounting described in Note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2024, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2024 was \$747,503.00, which was paid on April 1, 2025.

Employee contributions to the Plan for the year ended December 31, 2025 were \$358,055.15.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Employer, under Chapter 133, P.L. 2001, for the year ended December 31, 2025 was .49% of the Employer's covered payroll.

Based on the most recent PERS measurement date of June 30, 2025, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2025 was \$23,301.00. For the prior year measurement date of June 30, 2024, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the Employer, to the pension plan for the year ended December 31, 2024 was \$24,066.00.

Police and Firemen's Retirement System - The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate is currently 10.0% of base salary. 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.

Special Funding Situation Component - 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 nonemployer 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 or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Employer's contractually required contribution rate for the year ended December 31, 2025 was 38.61% of the Employer's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Note 7: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Police and Firemen's Retirement System (Cont'd) - Based on the most recent PFRS measurement date of June 30, 2025, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2025 is \$2,226,197.00, and is payable by April 1, 2026. Due to the basis of accounting described in Note 1, no liability has been recorded in the financial statements for this amount. For the prior year measurement date of June 30, 2024, the Employer's contractually required contribution to the pension plan for the year ended December 31, 2024 was \$2,081,503.00, which was paid on April 1, 2025.

Employee contributions to the Plan for the year ended December 31, 2025 were \$583,121.73.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Employer, for the year ended December 31, 2025 was 6.52% of the Employer's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2025, the State's contractually required contribution, on-behalf of the Employer, to the pension plan for the year ended December 31, 2025 was \$375,987.00, and is payable by April 1, 2026. For the prior year measurement date of June 30, 2024, the State's contractually required contribution, on-behalf of the Employer, to the pension plan for the year ended December 31, 2024 was \$352,440.00, which was paid on April 1, 2025.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Employer contributes 3.0% of the employees' base salary, for each pay period.

For the year ended December 31, 2025, employee contributions totaled \$2,847.67, and the Employer's contributions were \$1,304.24. There were no forfeitures during the year.

Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**Public Employees' Retirement System**

Pension Liability - As of December 31, 2025, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The Employer's proportionate share of the PERS net pension liability was \$6,781,560.00. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2025. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2025 measurement date, the Employer's proportion was .0551406820%, which was an increase of .0002063280% from its proportion measured as of June 30, 2024.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Pension (Benefit) Expense - For the year ended December 31, 2025, the Employer's proportionate share of the PERS pension (benefit) expense, calculated by the Plan as of the June 30, 2025 measurement date was (\$170,417.00). This (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in Note 1; however, as previously mentioned, for the year ended December 31, 2025, the Employer's contribution to PERS was \$747,503.00, and was paid on April 1, 2025.

For the year ended December 31, 2025, the State's proportionate share of the PERS pension (benefit) expense, associated with the Employer, under Chapter 133, P.L. 2001, calculated by the Plan as of the June 30, 2025 measurement date, was \$23,201.00. This on-behalf (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in Note 1.

Police and Firemen's Retirement System

Pension Liability - As of December 31, 2025, the Employer's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

Employer's Proportionate Share of Net Pension Liability	\$ 15,626,297.00
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Employer	3,172,096.00
	<u>\$ 18,798,393.00</u>

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2025. The Employer's proportion of the net pension liability was based on a projection of the Employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2025 measurement date, the Employer's proportion was .1558106000%, which was an increase of .0053302900% from its proportion measured as of June 30, 2024. Likewise, at June 30, 2025, the State of New Jersey's proportion, on-behalf of the Employer, was .1558107800%, which was an increase of .0053304400% from its proportion, on-behalf of the Employer, measured as of June 30, 2024.

Pension (Benefit) Expense - For the year ended December 31, 2025, the Employer's proportionate share of the PFRS pension (benefit) expense, calculated by the Plan as of the June 30, 2024 measurement date was \$449,581.00. This (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in Note 1; however, as previously mentioned, for the year ended December 31, 2025, the Employer's contribution to PFRS was \$2,081,503.00, and was paid on April 1, 2025.

For the year ended December 31, 2025, the State's proportionate share of the PFRS pension (benefit) expense, associated with the Employer, calculated by the Plan as of the June 30, 2025 measurement date, was \$375,987.00. This on-behalf (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in Note 1.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources - As of December 31, 2025, the Employer had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between Expected and Actual Experience	\$ 193,355.00	\$ 1,280,209.00	\$ 1,473,564.00	\$ 7,247.00	\$ 296,991.00	\$ 304,238.00
Changes of Assumptions	1,071.00	781,624.00	782,695.00	78,130.00	197,547.00	275,677.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	-	-	565,493.00	765,493.00	1,330,986.00
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions	367,173.00	930,072.00	1,297,245.00	106,174.00	1,404,103.00	1,510,277.00
Employer's Contributions Subsequent to the Measurement Date	376,797.00	1,113,099.00	1,489,896.00	-	-	-
	<u>\$ 938,396.00</u>	<u>\$ 4,105,004.00</u>	<u>\$ 5,043,400.00</u>	<u>\$ 757,044.00</u>	<u>\$ 2,664,134.00</u>	<u>\$ 3,421,178.00</u>

Deferred outflows of resources in the amounts of \$376,797.00 and \$1,113,099.00 for PERS and PFRS, respectively, will be included as a reduction of the net pension liability during the year ending December 31, 2026. These amounts were based on an estimated April 1, 2027 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2025 to the Employer's year end of December 31, 2025.

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) -**

The Employer will amortize the other deferred outflows of resources and deferred inflows of resources related to pensions over the following number of years:

	PERS		PFRS	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience				
Year of Pension Plan Deferral:				
June 30, 2020	5.16	-	5.90	-
June 30, 2021	-	5.13	-	6.17
June 30, 2022	-	5.04	6.22	-
June 30, 2023	5.08	-	6.16	-
June 30, 2024	5.08	-	6.09	-
June 30, 2025	5.15	-	5.86	-
Changes of Assumptions				
Year of Pension Plan Deferral:				
June 30, 2020	-	5.16	-	5.90
June 30, 2021	5.13	-	6.17	-
June 30, 2022	-	5.04	-	6.22
June 30, 2025	-	5.15	5.86	-
Difference between Projected and Actual Earnings on Pension Plan Investments				
Year of Pension Plan Deferral:				
June 30, 2021	-	5.00	-	5.00
June 30, 2022	5.00	-	5.00	-
June 30, 2023	-	5.00	-	5.00
June 30, 2024	-	5.00	-	5.00
June 30, 2025	-	5.00	-	5.00
Changes in Proportion				
Year of Pension Plan Deferral:				
June 30, 2020	5.16	5.16	5.90	5.90
June 30, 2021	5.13	5.13	6.17	6.17
June 30, 2022	5.04	5.04	6.22	6.22
June 30, 2023	5.08	5.08	6.16	6.16
June 30, 2024	5.08	5.08	6.09	6.09
June 30, 2025	5.15	5.15	5.86	5.86

Note 7: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

<u>Year Ending Dec 31,</u>	<u>PERS</u>	<u>PFRS</u>	<u>Total</u>
2026	\$ 177,593.00	\$ 861,383.00	\$ 1,038,976.00
2027	(106,957.00)	(411,089.00)	(518,046.00)
2028	(157,362.00)	(277,592.00)	(434,954.00)
2029	(110,397.00)	(136,787.00)	(247,184.00)
2030	1,678.00	291,856.00	293,534.00
	<u>\$ (195,445.00)</u>	<u>\$ 327,771.00</u>	<u>\$ 132,326.00</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2025. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PERS</u>	<u>PFRS</u>
Inflation Rate:		
Price	2.75%	2.50%
Wage	3.25%	3.00%
Salary Increases:	3.25% - 7.75%	4.00% - 17.50%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2021 - June 30, 2024	July 1, 2021 - June 30, 2024

Note 7: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Public Employees' Retirement System**

Pre-retirement mortality rates were based on the Pub-2016 General Below-Median Income Employee mortality table with an 86.3% adjustment for males and 97.6% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Post-retirement mortality rates were based on the Pub-2016 General Below-Median Income Healthy Retiree mortality table with a 93.3% adjustment for males and 99.5% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2016 Non-Safety Disabled Retiree mortality table with a 156.9% adjustment for males and 139.0% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Mortality improvement is based on Scale MP-2021.

Police and Firemen's Retirement System

Employee mortality rates were based on the Pub-2016 Safety Employee mortality tables projected generationally from 2016 with Scale MP-2021. 5% of deaths are assumed to be accidental. Healthy annuitants, mortality rates were 100% of the Pub-2016 Safety Retiree Below Median amount-weighted mortality tables for males and 98% of the Pub-2016 Safety Retiree Below Median amount-weighted mortality tables for females, projected generationally from 2016 with Scale MP-2021 mortality projection. For contingent annuitants, mortality rates were 100% of the Pub-2016 Contingent Survivor Below Median amount-weighted mortality tables for males and 102% Pub-2016 Contingent Survivor Below Median amount-weighted tables for females, projected generationally from 2016 with Scale MP-2021. Disability mortality rates were 134% of the Pub-2016 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2016 Safety Disabled Retiree amount-weighted table for females, projected generationally from 2016 with Scale MP-2021 mortality projection.

For both PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2025) 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.

Note 7: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

Best estimates of arithmetic rates of return for each major asset class included in PERS' and PFRS' target asset allocation as of June 30, 2025 are summarized in the table that follows:

<u>PERS</u>			<u>PFRS</u>		
<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.55%	U.S. Large-Cap Equity	24.00%	6.90%
Non-U.S. Developed Markets Equity	12.75%	8.77%	U.S. Small/Mid Cap Equity	4.00%	7.40%
International Small Cap Equity	1.25%	8.77%	Non-U.S. Developed Large-Cap Equity	9.50%	6.70%
Emerging Markets Equity	5.50%	10.30%	Non-U.S. Developed Small-Cap Equity	2.00%	7.50%
Private Equity	13.00%	12.00%	Emerging Markets Large-Cap Equity	6.00%	9.60%
Real Estate	8.00%	10.78%	Emerging Markets Small-Cap Equity	1.50%	9.60%
Real Assets	3.00%	7.90%	U.S. Treasury Bond	7.00%	4.10%
High Yield	4.50%	6.63%	U.S. Corporate Bond	5.00%	5.90%
Private Credit	8.00%	9.00%	U.S. Mortgage-Backed Securities	5.00%	4.40%
Investment Grade Credit	7.00%	5.47%	Global Multisector Fixed Income	6.00%	6.50%
Cash Equivalents	2.00%	3.61%	Cash	2.00%	3.40%
U.S. Treasuries	4.00%	3.61%	Real Estate Core	3.00%	5.10%
Risk Mitigation Strategies	3.00%	7.26%	Real Estate Non-Core	4.00%	6.50%
	<u>100.00%</u>		Infrastructure	3.00%	7.00%
			Private Debt/Credit	8.00%	9.10%
			Private Equity	10.00%	10.10%
				<u>100.00%</u>	

Discount Rate -

For both PERS and PFRS, the discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. 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 would be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Public Employees' Retirement System (PERS) - The following presents the Employer's proportionate share of the net pension liability as of the June 30, 2025 measurement date, calculated using a discount rate of 7.00%, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the Net Pension Liability	<u>\$ 9,283,552.00</u>	<u>\$ 6,781,560.00</u>	<u>\$ 4,649,198.00</u>

Note 7: PENSION PLANS (CONT'D)**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

Police and Firemen's Retirement System (PFRS) - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Employer's annual required contribution. As such, the net pension liability as of the June 30, 2025 measurement date, for the Employer and the State of New Jersey, calculated using a discount rate of 7.00%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the Net Pension Liability	\$ 22,732,286.00	\$ 15,626,297.00	\$ 9,697,663.00
State of New Jersey's Proportionate Share of Net Pension Liability	<u>4,614,593.00</u>	<u>3,172,096.00</u>	<u>1,968,600.00</u>
	<u>\$ 27,346,879.00</u>	<u>\$ 18,798,393.00</u>	<u>\$ 11,666,263.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension (benefit) expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

N.J.A.C. 5:30-6.1 allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension's reporting on GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. As of the date of this report, the information for the measurement period ended June 30, 2025 was not available; therefore, the information from the measurement period ended June 30, 2024 is disclosed below.

General Information about the State Health Benefits Local Government Retired Employees Plan

Plan Description and Benefits Provided - The Township contributes to the State Health Benefits Local Government Retired Employees Plan (the "Plan"), which 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. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions* (GASB Statement No. 75); therefore, assets are accumulated to pay associated benefits. For additional information about the Plan, please refer to the State of New Jersey (the "State"), Division of Pensions and Benefits' (the "Division") annual financial statements, which can be found at <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>. As a local participating employer of the Plan, the Township is referred to as "Employer" throughout this Note.

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

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

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

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**General Information about the State Health Benefits Local Government Retired Employees Plan (Cont'd)**

Contributions - The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members.

The Employer was billed monthly by the Plan and paid \$2,172,741.23, for the year ended December 31, 2024, representing 20.90% of the Employer's covered payroll. During the year ended December 31, 2024, retirees were required to contribute \$9,398.07 to the Plan.

OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

OPEB Liability - At December 31, 2024, the Employer's proportionate share of the net OPEB liability was \$49,368,715.00.

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024.

The Employer's proportion of the net OPEB liability was based on the ratio of the Plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2023 through June 30, 2024. For the June 30, 2024 measurement date, the Employer's proportion was .275719%, which was an increase of .001664% from its proportion measured as of the June 30, 2023 measurement date.

OPEB (Benefit) Expense - At December 31, 2024, the Employer's proportionate share of the OPEB (benefit) expense, calculated by the Plan as of the June 30, 2024 measurement date, is \$1,903,246.00. This (benefit) expense is not recognized by the Employer because of the regulatory basis of accounting as described in Note 1; however, as previously mentioned, for the year ended December 31, 2024, the Employer made contributions to the Plan totaling \$2,172,741.23.

Deferred Outflows of Resources and Deferred Inflows of Resources - At December 31, 2024, the Employer had deferred outflows of resources and deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 2,500,177.00	\$ 8,364,758.00
Changes of Assumptions	8,253,515.00	8,194,895.00
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	22,348.00
Changes in Proportion	13,418,800.00	745,616.00
Contributions Subsequent to the Measurement Date	1,071,651.30	-
	<u>\$ 25,244,143.30</u>	<u>\$ 17,327,617.00</u>

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**OPEB Liability, OPEB (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)**

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd) - Deferred outflows of resources in the amount of \$1,071,651.30 will be included as a reduction of the Employer's net OPEB liability during the year ending December 31, 2025. The Employer will amortize the above other deferred outflows of resources and deferred inflows of resources related to the OPEB liability over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience			Net Difference between Projected and Actual Investment Earnings on OPEB Plan Investments		
Year of OPEB Plan Deferral:			Year of OPEB Plan Deferral:		
June 30, 2018	-	8.14	June 30, 2020	5.00	-
June 30, 2019	-	8.05	June 30, 2021	5.00	-
June 30, 2020	7.87	-	June 30, 2022	-	5.00
June 30, 2021	-	7.82	June 30, 2023	-	5.00
June 30, 2022	7.82	-	June 30, 2024	-	5.00
June 30, 2023	-	7.89			
June 30, 2024	7.89	-			
Changes of Assumptions			Changes in Proportion		
Year of OPEB Plan Deferral:			Year of OPEB Plan Deferral:		
June 30, 2017	-	8.04	June 30, 2017	8.04	8.04
June 30, 2018	-	8.14	June 30, 2018	8.14	8.14
June 30, 2019	-	8.05	June 30, 2019	8.05	8.05
June 30, 2020	7.87	-	June 30, 2020	7.87	7.87
June 30, 2021	7.82	-	June 30, 2021	7.82	7.82
June 30, 2022	-	7.82	June 30, 2022	7.82	7.82
June 30, 2023	7.89	-	June 30, 2023	7.89	7.89
June 30, 2024	7.89	-	June 30, 2024	7.89	7.89

Other amounts included as deferred outflows of resources and deferred inflows of resources related to the OPEB liability will be recognized in future periods as follows:

<u>Year Ending Dec. 31,</u>	
2025	\$ (140,408.00)
2026	1,244,825.00
2027	2,389,808.00
2028	1,271,218.00
2029	331,689.00
Thereafter	1,747,743.00
	<u>\$ 6,844,875.00</u>

Note 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Actuarial Assumptions**

The actuarial assumptions vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024, used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases *

PERS – Rates for all future years	2.75% to 6.55% based on years of service
PFRS – Rates for all future years	3.25% to 16.25% based on years of service

Mortality

Pre-Retirement Healthy – PERS	PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Post-Retirement Healthy – Other Retirees	
Disabled Retiree – PERS Future Retirees	
Disabled Retiree – Other Current Retirees	
Pre-Retirement Healthy – PFRS	PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021
Post-Retirement Healthy – Chapter 330 Retirees	
Disabled Retiree – PFRS Future Retirees	
Disabled Retiree – Chapter 330 Retirees	

* salary increases are based on years of service within the respective Plan.

Actuarial assumptions used in the 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.

All of the Plan’s investments are in the State of New Jersey Cash Management Fund (the “CMF”). The New Jersey Division of Investments manages the CMF, which is available on a voluntary basis for investment by State and certain non-State participants. The CMF is considered to be an investment trust fund as defined in GASB Statement No. 31, *Certain Investments and External Investment Pools*. The CMF invests in U.S. government and agency obligations, commercial paper, corporate obligations and certificates of deposit. Units of ownership in the CMF may be purchased or redeemed on any given business day (excluding State holidays) at the unit cost / value of \$1.00. Participant shares are valued on a fair value basis. The CMF pays interest to participants on a monthly basis.

Discount Rate - The discount rate used to measure the OPEB liability at 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 8: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)**Actuarial Assumptions (Cont'd)**

Health Care Trend Assumptions - The health care trend assumptions used is as follows:

Fiscal Year Ending	Annual Rate of Increase					
	Medical Trend			Prescription Drug Trend		
	Pre-65	PPO Post-65	HMO Post-65	Pre-65	Post-65	EGWP
2025	7.50%	2.42%	2.25%	12.75%	12.25%	21.78%
2026	7.00%	19.38%	20.15%	12.25%	11.75%	10.92%
2027	6.50%	22.62%	23.58%	11.25%	10.75%	8.19%
2028	6.00%	14.93%	15.47%	10.00%	9.75%	9.79%
2029	5.50%	12.87%	13.31%	9.00%	9.00%	8.92%
2030	5.25%	11.35%	11.71%	8.00%	8.00%	5.74%
2031	5.00%	10.16%	10.46%	7.00%	7.00%	4.87%
2032	4.75%	9.18%	9.44%	6.00%	6.00%	6.00%
2033	4.50%	6.54%	6.65%	5.00%	5.00%	5.00%
2034 and Later	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

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

The net OPEB liability, calculated using a discount rate of 3.93%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used, is as follows:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Proportionate Share of the Net OPEB Liability	\$ 57,509,232.00	\$ 49,368,715.00	\$ 42,848,884.00

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

The net OPEB liability, using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rates used, is as follows:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Proportionate Share of the Net OPEB Liability	\$ 41,755,856.00	\$ 49,368,715.00	\$ 59,156,712.00

OPEB Plan Fiduciary Net Position

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB (benefit) expense, information about the respective fiduciary net position of the State Health Benefits Local Government Retired Employees Plan and additions to/deductions from the Plan's respective fiduciary net position have been determined on the same basis as they are reported by the Plan. Accordingly, contributions (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 9: COMPENSATED ABSENCES

Police employees of the Township accumulate 15 sick days per year. These days can accumulate and carry forward with no maximum. At separation or retirement, sick days are paid out with a cap of 1,400 hours at 65% of the value. Officers hired after January 1, 2015 will be capped at a value of \$15,000.00. Vacation days are accumulated based on number of years employed at the Township and can carry no more than two years of entitlement unless approved by the Chief of Police. At separation or retirement, accumulated vacation time is paid out 100%.

The Township has contracted with the AFL/CIO for clerical and administrative, and separately the public works employees. Both contracts allow for the employees to accumulate vacation days based on years of employment. The employees can carry forward one year of entitlement. At separation or retirement, 100% of vacation time is paid. The contracts with the AFL/CIO compensate employees for unused sick leave under the following criteria. Sick leave accrued from the date of hire through December 31, 1985, is frozen and banked and shall be used only for extended illness. At separation or retirement, for clerical and administrative employees, the banked accumulated sick leave will be paid out at 65%. For public works employees, banked time will be paid out at 55%. For sick leave accrued starting January 31, 1986, sick time can accumulate without limit; however, at separation or retirement, a maximum of \$5,000.00 will be paid out to the employees. Those employees with an accrued value of less than \$5,000.00 will be compensated for 100% of the accumulation. The employees accumulate 15 sick days per year.

Non-contracted employees accrue vacation time based on number of years employed by the Township. These vacation days can be carried over with proper approval with no limit. Vacation time is paid out at 100% at retirement or separation. Non-contracted employees are granted 15 sick days per year and can carry over days without limit. At retirement, 65% of the accumulated sick time is paid out to the employees.

The Township has established a compensated absences trust fund to set aside funds for future payments of compensated absences. At December 31, 2025, the balance of the fund was \$1,183,829.33. It is estimated that, at December 31, 2025, accrued benefits for compensated absences are valued at \$3,431,988.32.

Note 10: DEFERRED COMPENSATION SALARY ACCOUNT

The Township offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division. 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 benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

Note 11: CAPITAL DEBT**General Improvement Bonds**

General Improvement Bonds, Series 2018 - On November 1, 2018, the Township issued \$14,145,000.00 of general improvement bonds with interest rates ranging from 3.0% to 3.25%. The final maturity of the bonds is November 1, 2028.

General Improvement Bonds, Series 2023 - On July 10, 2023, the Township issued \$13,865,000.00 of general improvement bonds with interest rates ranging from 3.0% to 4.00%. The final maturity of the bonds is June 15, 2033.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,795,000.00	\$ 523,787.50	\$ 3,318,787.50
2027	2,880,000.00	439,187.50	3,319,187.50
2028	2,985,000.00	350,025.00	3,335,025.00
2029	1,435,000.00	255,725.00	1,690,725.00
2030	1,480,000.00	212,000.00	1,692,000.00
2031-2033	4,745,000.00	288,500.00	5,033,500.00
	<u>\$ 16,320,000.00</u>	<u>\$ 2,069,225.00</u>	<u>\$ 18,389,225.00</u>

General Debt - New Jersey Green Acres Loans

On April 5, 2010, the Township entered into a loan agreement with the New Jersey Department of Environmental Protection to provide \$404,227.67, at an interest rate of 2.0%. The proceeds were used to fund Fasola Park Improvements. Semiannual debt payments are due January 5th and July 5th through 2030.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Green Acres loans:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 23,097.91	\$ 2,038.25	\$ 25,136.16
2027	23,562.18	1,573.99	25,136.17
2028	24,035.78	1,100.38	25,136.16
2029	24,518.90	617.27	25,136.17
2030	12,443.65	124.44	12,568.09
	<u>\$ 107,658.42</u>	<u>\$ 5,454.33</u>	<u>\$ 113,112.75</u>

Note 11: CAPITAL DEBT (CONT'D)

The following schedule represents the Township's summary of debt for the current and two previous years:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<u>Issued</u>			
General:			
Bonds, Loans and Notes	\$ 16,427,658.42	\$ 19,150,301.21	\$ 21,582,497.85
<u>Authorized but not Issued</u>			
General:			
Bonds, Loans and Notes	14,361,150.00	16,736,150.00	
Net Debt	<u>\$ 30,788,808.42</u>	<u>\$ 35,886,451.21</u>	<u>\$ 21,582,497.85</u>

Summary of Statutory Debt Condition - Annual Debt Statement

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
School Purposes	\$ 34,320,000.00	\$ 34,320,000.00	
General	30,788,808.42		\$ 30,788,808.42
	<u>\$ 65,108,808.42</u>	<u>\$ 34,320,000.00</u>	<u>\$ 30,788,808.42</u>

Net debt \$30,788,808.42 divided by the equalized valuation basis per N.J.S.A. 40A:2-2, as amended, \$4,142,676,497.67, equals .743%.

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 144,993,677.42
Less: Net Debt	<u>30,788,808.42</u>
Remaining Borrowing Power	<u>\$ 114,204,869.00</u>

Note 12: 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 following deferred charges are shown on the balance sheet of the following fund(s):

<u>Description</u>	<u>Balance December 31, 2025</u>	<u>2026 Budget Appropriation</u>
Current Fund:		
Special Emergency Authorization	\$ 8,000.00	\$ 4,000.00

The appropriations in the 2026 Budget as adopted are not less than that required by the statutes.

Note 14: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) – The following coverages are provided to the Fund's member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Excess Workers' Compensation
Excess General Liability
Non-Owned Aircraft Liability
Excess Auto Liability
Fidelity and Performance (Blanket)
Excess Property including Boiler and Machinery
Crime including Excess Public Employee and Public Official Coverage

Environmental Impairment Liability coverage is provided to the Fund's member local units by the Fund's membership in the New Jersey Municipal Environmental Risk Management Fund.

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations.

The Township's agreement with the Pool provides that the Pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund, which is an insurance pool formed by all the other joint insurance funds.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report which can be obtained from:

Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund
P.O. Box 490
Marlton, New Jersey 08053

Note 15: DEBT SERVICE AGREEMENT (FINANCIAL GUARANTEE)

On March 1, 1973, the Township entered into a debt service agreement with the Deptford Township Municipal Utilities Authority, a component unit of the Township. This agreement obligates the Township to advance payment for any debt service deficiency of the Authority. The Authority is obligated, by the agreement, to repay to the Township all advances paid on their behalf, upon the financial ability to do so. As of December 31, 2025, the Authority has \$6,887,768.82 in outstanding debt covered by this agreement. The Township has never made a debt service payment on behalf of the Authority.

Note 16: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

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

Note 17: CONCENTRATIONS

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 18: SUBSEQUENT EVENTS

Tax Appeals - As of December 31, 2025, several tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material.

Authorization of Debt - Subsequent to December 31, 2025 the Township authorized additional bonds and notes as follows:

<u>Purpose</u>	<u>Adoption</u>	<u>Authorization</u>
General Improvements		
Reconstruction and/or Repaving of Various Streets	7/6/2026	\$ 2,042,500.00
Various Stormwater Repairs and Improvements	7/6/2026	332,500.00
		<u>\$ 2,375,000.00</u>

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

TOWNSHIP OF DEPTFORD
Statement of Current Cash - Chief Financial Officer
For the Year Ended December 31, 2025

	Current Fund	
Balance December 31, 2024		\$ 26,632,533.43
Increased by Receipts:		
Tax Collector	\$ 103,186,428.97	
Due from State - Senior Citizens & Veterans	248,628.08	
Grants Receivable	562,316.31	
Revenue Accounts Receivable	7,463,311.20	
Miscellaneous Revenue Not Anticipated	691,991.68	
Due Trust Other Fund	16,385.04	
Due to Vendor	14,639.50	
Due to State - DCA Fees	59,335.00	
Due to State - Marriage Fees	4,000.00	
Due to State - Lead Fees	2,460.00	
Due Deptford Township MUA	17,054.92	
Due Deptford Township Library	508,535.62	
Reserve for Insurance Proceeds	10,199.80	
	<u>112,785,286.12</u>	
		139,417,819.55
Decreased by Disbursements:		
2024 Appropriation Reserves	1,827,327.62	
2025 Appropriations	33,202,049.27	
County Taxes	18,963,443.99	
Due County for Added and Omitted Taxes	57,055.47	
Local District School Tax	49,876,611.00	
Special District Tax	6,246,448.00	
Refund Tax Overpayments	132,237.33	
Accounts Payable	22,399.50	
Reserve for Codification of Ordinances	3,762.50	
Grant Expenditures	537,668.58	
Due to Vendor	14,639.50	
Due to State - DCA Fees	54,899.00	
Due to State - Marriage Fees	4,000.00	
Due to State - Lead Fees	2,480.00	
Due Trust Other Fund	18,532.77	
Due Deptford Township MUA	23,117.19	
Due Deptford Township Library	546,513.74	
	<u>111,533,185.46</u>	
Balance December 31, 2025		\$ <u><u>27,884,634.09</u></u>

TOWNSHIP OF DEPTFORD
Statement of Current Cash - Collector
For the Year Ended December 31, 2025

Increased by:

Taxes Receivable	\$ 101,533,225.50	
Tax Title Liens	30,983.79	
Prepaid Taxes	1,130,699.34	
Tax Overpayments	176,423.01	
Revenue Accounts Receivable	293,468.44	
Miscellaneous Revenue Not Anticipated	<u>21,628.89</u>	
		\$ <u>103,186,428.97</u>

Decreased by:

Payment to Treasurer		\$ <u><u>103,186,428.97</u></u>
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TOWNSHIP OF DEPTFORD
Statement of Taxes Receivable and Analysis of Property Tax Levy
For the Year Ended December 31, 2025

Year	Balance Dec. 31, 2024	2025 Levy	Added Taxes	Collections		Over- Payments Applied	Canceled	Transferred To Tax Title Liens	Balance Dec. 31, 2025
				2024	2025				
2021	\$ 2,379.94				\$ 723.13				\$ 1,656.81
2022	8,292.12								8,292.12
2023	16,634.33				8,155.10				8,479.23
2024	<u>1,290,288.56</u>		<u>\$ 7,853.59</u>		<u>1,268,480.05</u>		<u>\$ 12,598.93</u>	<u>\$ 17,003.65</u>	<u>59.52</u>
	1,317,594.95	-	7,853.59	-	1,277,358.28	-	12,598.93	17,003.65	18,487.68
2025		<u>\$ 103,258,770.38</u>		<u>\$ 1,102,912.94</u>	<u>100,513,742.22</u>	<u>\$ 2,702.73</u>	<u>252,808.74</u>	<u>103,207.49</u>	<u>1,283,396.26</u>
	<u>\$ 1,317,594.95</u>	<u>\$ 103,258,770.38</u>	<u>\$ 7,853.59</u>	<u>\$ 1,102,912.94</u>	<u>\$ 101,791,100.50</u>	<u>\$ 2,702.73</u>	<u>\$ 265,407.67</u>	<u>\$ 120,211.14</u>	<u>\$ 1,301,883.94</u>
	Taxes Receivable				\$ 101,533,225.50				
	Senior Citizens and Veterans				<u>257,875.00</u>				
					<u>\$ 101,791,100.50</u>				
<u>Analysis of 2025 Property Tax Levy</u>									
<u>Tax Yield:</u>									
	General Property Tax				\$ 102,846,275.15				
	Added Taxes (54:4-63.1 et. seq.)				<u>412,495.23</u>				
						<u>\$ 103,258,770.38</u>			
<u>Tax Levy:</u>									
	Local School District Tax (Abstract)				\$ 50,866,131.00				
County Taxes:									
	County Tax (Abstract)				\$ 18,963,443.99				
	Due County for Added Taxes				<u>78,712.38</u>				
	Total County Taxes					19,042,156.37			
Special District Taxes:									
	Fire District No. 1					6,233,036.00			
	Local Tax for Municipal Purposes				26,770,803.94				
	Add: Additional Tax Levied				<u>346,643.07</u>				
					<u>27,117,447.01</u>	<u>\$ 103,258,770.38</u>			

TOWNSHIP OF DEPTFORD
Statement of Tax Title Liens
For the Year Ended December 31, 2025

Balance December 31, 2024		\$	1,018,784.57
Increased by:			
Transfers from Taxes Receivable	\$	120,211.14	
Interest and Costs on Sale		<u>7,767.99</u>	
			<u>127,979.13</u>
			1,146,763.70
Decreased by:			
Collections		30,983.79	
Canceled		<u>5,682.95</u>	
			<u>36,666.74</u>
Balance December 31, 2025		\$	<u><u>1,110,096.96</u></u>

TOWNSHIP OF DEPTFORD
Statement of Property Acquired for Taxes (At Assessed Valuation)
For the Year Ended December 31, 2025

Balance December 31, 2025 and 2024	\$	<u><u>3,087,300.00</u></u>
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TOWNSHIP OF DEPTFORD
Statement of Maintenance Special Charges
For the Year Ended December 31, 2025

Balance December 31, 2024		\$	9,001.00
Increased by:			
Maintenance Special Charges Assessed			<u>1,000.00</u>
			10,001.00
Decreased by:			
Collected (Non-Budget Revenue)	\$	8,000.00	
Transfer to Improvement/Maintenance Lien		<u>500.00</u>	
			<u>8,500.00</u>
Balance December 31, 2025		\$	<u><u>1,501.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2025

	Balance Dec. 31, 2024	Accrued in 2025	Collected	Balance Dec. 31, 2025
Licenses:				
Alcoholic Beverages		\$ 56,191.37	\$ 56,191.37	
Other		343,032.00	343,032.00	
Fees and Permits		558,412.89	558,412.89	
Fines and Costs:				
Municipal Court	\$ 15,550.61	193,058.70	195,866.90	\$ 12,742.41
Interest on Taxes		293,468.44	293,468.44	
Interest on Investments and Deposits		1,332,322.16	1,332,322.16	
Cable Television and Franchise Fees		169,533.87	169,533.87	
Cannabis Excise Tax		231,439.23	231,439.23	
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		2,245,071.81	2,245,071.81	
Uniform Construction Code Fees		750,417.00	750,417.00	
Hotel Tax		466,291.21	466,291.21	
Deptford Mall Police		158,101.76	158,101.76	
MUA Surplus as per N.J.S.A. 40A:5A-12.1		609,231.00	609,231.00	
Interlocal Services Agreements:				
City of Woodbury		297,400.00	297,400.00	
Deptford Township MUA		50,000.00	50,000.00	
	<u>\$ 15,550.61</u>	<u>\$ 7,753,971.44</u>	<u>\$ 7,756,779.64</u>	<u>\$ 12,742.41</u>
Current Fund - Treasurer			\$ 7,463,311.20	
Current Fund - Collector			<u>293,468.44</u>	
			<u>\$ 7,756,779.64</u>	

TOWNSHIP OF DEPTFORD

Statement of Due State of New Jersey - Veterans and Senior Citizens Deductions
For the Year Ended December 31, 2025

Balance December 31, 2024		\$	2,039.72
Increased by:			
Deductions per Tax Billing:			
Senior Citizen	\$	63,625.00	
Veterans		185,000.00	
Deductions Allowed by Collector - 2025 Taxes		<u>16,750.00</u>	
			<u>265,375.00</u>
			267,414.72
Decreased by:			
Received from State of New Jersey		248,628.08	
Deductions Disallowed by Collector - 2024 Taxes		5,110.96	
Deductions Disallowed by Collector - 2025 Taxes		<u>7,500.00</u>	
			<u>261,239.04</u>
Balance December 31, 2025		\$	<u><u>6,175.68</u></u>
<u>Analysis of Amount Realized:</u>			
Senior Citizens' and Veterans' Deductions Per Tax Billings	\$	248,625.00	
Senior Citizens' and Veterans'			
Deductions Allowed by Tax Collector - 2025		<u>16,750.00</u>	
			\$ 265,375.00
Less:			
Senior Citizens' and Veterans'			
Deductions Disallowed by Tax Collector - 2025			<u>7,500.00</u>
			\$ <u><u>257,875.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Due From Deptford Township Library
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 15,174.21
Increased by:		
Salaries and Wages	\$ 448,882.98	
Other Expenditures	97,630.76	
Accounts Payable	<u>20,927.00</u>	
		<u>567,440.74</u>
		582,614.95
Decreased by:		
Collections		<u>508,535.62</u>
Balance December 31, 2025		<u><u>\$ 74,079.33</u></u>

TOWNSHIP OF DEPTFORD
Statement of Due Deptford Township MUA
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 1,514.70
Increased by:		
Pre-Tax Sale Disbursements	\$ 8,472.22	
Other Expenditures	<u>14,644.97</u>	
		<u>23,117.19</u>
		24,631.89
Decreased by:		
Pre-Tax Sale Receipts	8,472.22	
Other Receipts	<u>8,582.70</u>	
		<u>17,054.92</u>
Balance December 31, 2025		<u><u>\$ 7,576.97</u></u>

TOWNSHIP OF DEPTFORD
Statement of Deferred Charges - Special Emergency Authorizations
For the Year Ended December 31, 2025

Date	Purpose	Amount Authorized	Annual Budget Requirement	Balance Dec. 31, 2024	Raised in 2025 Budget	Balance Dec. 31, 2025
3/20/23	Codification of Ordinances	\$ 20,000.00	\$ 4,000.00	\$ <u>12,000.00</u>	\$ <u>4,000.00</u>	\$ <u>8,000.00</u>

TOWNSHIP OF DEPTFORD
Statement of Appropriation Reserves
For the Year Ended December 31, 2025

	Balance December 31, 2024		Balance After	Paid or	Balance
	Encumbered	Reserved	Transfers	Charged	Lapsed
Operations Within "CAP":					
General Administration:					
Salaries and Wages		\$ 26,312.31	\$ 26,312.31	\$ 9,649.43	\$ 16,662.88
Other Expenses	\$ 3,935.75	11,017.37	14,953.12	4,118.45	10,834.67
Division of Central Services:					
Salaries and Wages		20,575.55	20,575.55	3,746.93	16,828.62
Other Expenses	105,866.96	54,063.69	159,930.65	107,455.97	52,474.68
Mayor and Council:					
Salaries and Wages		4,210.41	4,210.41		4,210.41
Other Expenses	499.28	1,443.01	1,942.29	499.28	1,443.01
Municipal Clerk:					
Salaries and Wages		19,651.74	19,651.74	10,105.70	9,546.04
Other Expenses	54.40	10,916.77	10,971.17	3,782.70	7,188.47
Human Resources:					
Salaries and Wages		21,711.87	21,711.87	1,400.00	20,311.87
Other Expenses		5,818.79	5,818.79	1,051.57	4,767.22
Financial Administration - Treasury:					
Salaries and Wages		18,742.25	18,742.25	10,704.09	8,038.16
Other Expenses	4,665.15	4,517.30	9,182.45	4,717.15	4,465.30
Purchasing Division:					
Salaries and Wages		12,619.68	12,619.68	2,692.31	9,927.37
Other Expenses	349.50	3,412.05	3,761.55	349.50	3,412.05
Audit Services:					
Other Expenses		9,880.00	9,880.00	3,500.00	6,380.00
Centralized Computerized Data Processing:					
Salaries and Wages		100.00	100.00		100.00
Other Expenses	68,941.34	6,019.74	74,961.08	71,602.34	3,358.74
Revenue Administration - Tax Collection:					
Salaries and Wages		27,415.05	27,415.05	8,106.82	19,308.23
Other Expenses	137.00	11,117.03	11,254.03	137.00	11,117.03
Legal Services:					
General Legal Services	15,622.91	255,711.93	271,334.84	54,777.07	216,557.77
Engineering Services:					
Other Expenses	25,803.50	37,952.23	63,755.73	42,412.91	21,342.82
Planning Board:					
Salaries and Wages		4,882.69	4,882.69	3,529.41	1,353.28
Other Expenses	11,463.56	28,662.20	40,125.76	17,828.75	22,297.01
Zoning Board of Adjustment:					
Salaries and Wages		2,492.64	2,492.64	1,297.49	1,195.15
Other Expenses	3,387.50	10,666.13	14,053.63	3,387.50	10,666.13
Environmental Commission:					
Salaries and Wages		500.00	500.00		500.00
Other Expenses		1,075.00	1,075.00		1,075.00
Construction Official:					
Salaries and Wages		35,771.58	35,771.58	10,118.40	25,653.18
Other Expenses	65,052.63	32,808.92	97,861.55	68,302.58	29,558.97
Plumbing Inspector:					
Salaries and Wages		11,893.75	11,893.75	978.75	10,915.00
Electrical Inspector:					
Salaries and Wages		8,364.31	8,364.31	1,772.15	6,592.16
Fire Protection Official:					
Salaries and Wages		7,978.75	7,978.75	765.00	7,213.75
Building Inspector:					
Salaries and Wages		15,619.96	15,619.96	4,738.00	10,881.96

(Continued)

TOWNSHIP OF DEPTFORD
Statement of Appropriation Reserves
For the Year Ended December 31, 2025

	Balance December 31, 2024		Balance After	Paid or	Balance
	Encumbered	Reserved	Transfers	Charged	Lapsed
Operations Within "CAP" (Cont'd):					
Insurance:					
Liability Insurance		\$ 3,409.86	\$ 3,409.86		\$ 3,409.86
Workers Compensation		1,939.00	1,939.00		1,939.00
Health Waiver Benefit		13,506.60	13,506.60		13,506.60
Employee Group Insurance	\$ 495.90	243,721.11	244,217.01	\$ 14,746.68	229,470.33
Unemployment Compensation Insurance		500.00	500.00		500.00
Police Department:					
Salaries and Wages		651,977.69	651,977.69	230,699.29	421,278.40
Other Expenses	187,740.30	10,876.35	198,616.65	185,846.43	12,770.22
Prosecutor's Office:					
Other Expenses	3,600.00	5,200.00	8,800.00	3,600.00	5,200.00
Streets and Roads:					
Salaries and Wages		122,774.98	122,774.98	33,227.61	89,547.37
Other Expenses	37,829.27	24,446.76	62,276.03	38,132.22	24,143.81
Storm Recovery:					
Other Expenses		43,084.57	43,084.57	43,084.57	
Solid Waste Collection:					
Other Expenses	159,053.93	127,577.46	286,631.39	252,920.39	33,711.00
Buildings and Grounds:					
Salaries and Wages		46,422.85	46,422.85	10,416.73	36,006.12
Other Expenses	22,761.10	25,535.32	48,296.42	28,727.86	19,568.56
Vehicle Maintenance:					
Salaries and Wages		30,192.67	30,192.67	9,812.40	20,380.27
Other Expenses	16,974.05	16,343.89	33,317.94	18,623.49	14,694.45
Public Health Services:					
Salaries and Wages		39,160.73	39,160.73	8,252.91	30,907.82
Other Expenses	8,608.70	18,440.26	27,048.96	13,015.63	14,033.33
Recreation Services and Programs:					
Salaries and Wages		25,398.25	25,398.25	3,654.85	21,743.40
Other Expenses	90.00	63,896.32	63,986.32	18,391.55	45,594.77
Maintenance of Parks:					
Salaries and Wages		33,160.56	33,160.56	14,775.99	18,384.57
Other Expenses	35,383.76	34,378.11	69,761.87	23,083.79	46,678.08
Accumulated Leave Compensation:					
Salaries and Wages		255,000.00	255,000.00		255,000.00
Celebration of Public Events:					
Other Expenses	2,587.06	12,307.08	14,894.14	3,016.12	11,878.02
Senior Citizens Transportation:					
Salaries and Wages		6,605.96	6,605.96	2,031.38	4,574.58
Other Expenses		84.00	84.00		84.00
Senior Citizens Committee:					
Salaries and Wages		2,500.00	2,500.00	900.00	1,600.00
Other Expenses	190.45	133.80	324.25	65.45	258.80
Utility Expenses and Bulk Purchases:					
Electricity	11,031.62	39,740.74	50,772.36	26,983.27	23,789.09
Street Lighting	36,784.00	53,007.31	89,791.31	85,507.32	4,283.99
Telephone	4,594.11	23,743.57	28,337.68	7,156.38	21,181.30
Gas (Natural or Propane)	13,983.95	31,487.25	45,471.20	21,418.76	24,052.44
Gasoline	12,843.97	47,779.50	60,623.47	18,451.51	42,171.96
Landfill / Solid Waste Disposal Costs:					
Tipping Fees	150.00	259,041.94	259,191.94	130,448.82	128,743.12

(Continued)

TOWNSHIP OF DEPTFORD
Statement of Appropriation Reserves
For the Year Ended December 31, 2025

	Balance December 31, 2024		Balance After	Paid or	Balance
	Encumbered	Reserved	Transfers	Charged	Lapsed
Operations Within "CAP" (Cont'd):					
Municipal Court:					
Salaries and Wages		\$ 38,311.27	\$ 38,311.27	\$ 16,386.03	\$ 21,925.24
Other Expenses	\$ 1,194.31	13,878.64	15,072.95	1,323.51	13,749.44
Public Defender:					
Other Expenses	1,047.50	17,952.50	19,000.00	1,047.50	17,952.50
Contribution to:					
Public Employees' Retirement System		1,003.00	1,003.00		1,003.00
Social Security System (O.A.S.I.)		143,800.85	143,800.85	32,559.85	111,241.00
Police and Firemen's Retirement System		1,375.00	1,375.00		1,375.00
Defined Contribution Retirement Program		337.40	337.40		337.40
Total General Appropriations for Municipal Purposes Within "CAP"	<u>862,723.46</u>	<u>3,253,957.85</u>	<u>4,116,681.31</u>	<u>1,751,835.54</u>	<u>2,364,845.77</u>
Operations Excluded from "CAP":					
Deptford Mall Police		20,543.66	20,543.66	14,400.00	6,143.66
NJPDES/Municipal Stormwater:					
Salaries and Wages		16,156.55	16,156.55	8,339.58	7,816.97
Other Expenses	<u>70,787.75</u>	<u>51,884.57</u>	<u>122,672.32</u>	<u>67,027.71</u>	<u>55,644.61</u>
Total Operations - Excluded from "CAPS"	<u>70,787.75</u>	<u>88,584.78</u>	<u>159,372.53</u>	<u>89,767.29</u>	<u>69,605.24</u>
Total General Appropriations for Municipal Purposes Excluded from "CAP"	<u>70,787.75</u>	<u>88,584.78</u>	<u>159,372.53</u>	<u>89,767.29</u>	<u>69,605.24</u>
Grand Total	<u>\$ 933,511.21</u>	<u>\$ 3,342,542.63</u>	<u>\$ 4,276,053.84</u>	<u>\$ 1,841,602.83</u>	<u>\$ 2,434,451.01</u>
			Disbursements	\$ 1,827,327.62	
			Accounts Payable	<u>14,275.21</u>	
				<u>\$ 1,841,602.83</u>	

TOWNSHIP OF DEPTFORD
Statement of Accounts Payable
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 30,769.30
Increased by:		
2024 Appropriations Reserves	\$ 14,275.21	
Due from Deptford Township Library	<u>20,927.00</u>	
		<u>35,202.21</u>
		65,971.51
Decreased by:		
Disbursements	22,399.50	
Canceled to:		
Fund Balance	<u>8,369.80</u>	
		<u>30,769.30</u>
Balance December 31, 2025		\$ <u><u>35,202.21</u></u>

TOWNSHIP OF DEPTFORD
Statement of Due State - DCA Fees
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 10,038.00
Increased by:	
DCA Fees Collected	<u>59,335.00</u>
	69,373.00
Decreased by:	
Disbursements	<u>54,899.00</u>
Balance December 31, 2025	<u><u>\$ 14,474.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Due State - Marriage Fees
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 825.00
Increased by:	
Marriage License Collected	<u>4,000.00</u>
	4,825.00
Decreased by:	
Disbursements	<u>4,000.00</u>
Balance December 31, 2025	<u><u>\$ 825.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Prepaid Taxes
For the Year Ended December 31, 2025

Balance December 31, 2024 (2025 Taxes)	\$ 1,102,912.94
Increased by:	
Collection (2026 Taxes)	<u>1,130,699.34</u>
	2,233,612.28
Decreased by:	
Application to 2025 Taxes	<u>1,102,912.94</u>
Balance December 31, 2025 (2026 Taxes)	<u><u>\$ 1,130,699.34</u></u>

TOWNSHIP OF DEPTFORD
Statement of Tax Overpayments
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 108,066.25
Increased by:	
Cash Receipts	\$ 176,423.01
Created by:	
Prior Year Taxes Cancelled	<u>1,906.86</u>
	<u>178,329.87</u>
	286,396.12
Decreased by:	
Refunded:	
Cash Disbursements	132,237.33
Applied	<u>2,702.73</u>
	<u>134,940.06</u>
Balance December 31, 2025	<u><u>\$ 151,456.06</u></u>

TOWNSHIP OF DEPTFORD
Statement of County Taxes Payable
For the Year Ended December 31, 2025

Increased by:		
2025 Levy -		
County General	\$ 17,788,717.28	
County Open Space	<u>1,174,726.71</u>	
		\$ 18,963,443.99
Decreased by:		
Disbursements		<u>\$ 18,963,443.99</u>

TOWNSHIP OF DEPTFORD
Statement of Amount Due to County For Added Taxes
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 57,055.47
Increased by:	
County Share of 2025 Added Levy	<u>78,712.38</u>
	135,767.85
Decreased by:	
Disbursements	<u>57,055.47</u>
Balance December 31, 2025	<u>\$ 78,712.38</u>

TOWNSHIP OF DEPTFORD
Statement of Local School District Tax
For the Year Ended December 31, 2025

Balance December 31, 2024			
School Tax Payable	\$	7,178,415.00	
Deferred School Tax Payable		<u>17,255,860.50</u>	
	\$		<u>24,434,275.50</u>
Increased by:			
Levy-School Year July 1, 2025 to June 30, 2026			<u>50,866,131.00</u>
			75,300,406.50
Decreased by:			
Disbursements			<u>49,876,611.00</u>
Balance December 31, 2025			
School Tax Payable		6,167,935.00	
Deferred School Tax Payable		<u>19,255,860.50</u>	
	\$		<u><u>25,423,795.50</u></u>
<u>2025 Liability for Local School Tax:</u>			
Tax Paid	\$	49,876,611.00	
Tax Payable December 31, 2025		<u>6,167,935.00</u>	
			56,044,546.00
Less:			
Tax Payable December 31, 2024			<u>7,178,415.00</u>
Amount Charged to 2025 Operations	\$		<u><u>48,866,131.00</u></u>

TOWNSHIP OF DEPTFORD
Statement of Special District Taxes Payable - Fire District
For the Year Ended December 31, 2025

Balance Dec. 31, 2024	\$ 13,412.00
Increased by:	
Levy -- Calendar Year	<u>6,233,036.00</u>
	6,246,448.00
Decreased by:	
Disbursements	<u>\$ 6,246,448.00</u>

TOWNSHIP OF DEPTFORD
FEDERAL AND STATE GRANT FUND
Statement Due Current Fund
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 1,037,184.17
Increased by:	
Grant Receipts Deposited in Current Fund	\$ 562,316.31
Grant Receivables Cancelled	<u>1,120.00</u>
	<u>563,436.31</u>
	1,600,620.48
Decreased by:	
Grant Expenditures Paid by Current Fund	537,668.58
Grant Appropriations Cancelled	<u>1,120.00</u>
	<u>538,788.58</u>
Balance December 31, 2025	<u>\$ 1,061,831.90</u>

TOWNSHIP OF DEPTFORD
FEDERAL AND STATE GRANT FUND
Statement of Grants Receivable
For the Year Ended December 31, 2025

	Balance Dec. 31, 2024	Accrued	Received	Canceled	Balance Dec. 31, 2025
Federal Grants:					
Aggressive Driving Campaign		\$ 6,720.00	\$ 3,360.00		\$ 3,360.00
Bulletproof Vest Fund	\$ 9,542.24		9,080.00		462.24
Click It or Ticket		3,920.00	3,920.00		
Community Development Block Grant:					
Locust Grove Blvd	75,000.00				75,000.00
COPS Hiring Grant	20,833.37	83,333.33	62,499.97		41,666.73
Distracted Driving Grant		7,000.00	7,000.00		
Drive Sober or Get Pulled Over - Holiday 2024	6,440.00		6,160.00	\$ 280.00	
Drive Sober or Get Pulled Over - Labor Day 2025		7,000.00	6,160.00	840.00	
Drive Sober or Get Pulled Over - Holiday 2025		1,400.00			1,400.00
Total Federal Grants	111,815.61	109,373.33	98,179.97	1,120.00	121,888.97
State Grants:					
Bicycle Facilities Plan	50,000.00				50,000.00
Clean Communities Program		83,811.77	83,811.77		
Emergency Management Assistance Grant	10,000.00		10,000.00		
Local Recreation Grant	76,000.00	84,000.00	76,000.00		84,000.00
NJDOT Transportation Grants:					
Local Aid - Deptford Center Road		351,000.00			351,000.00
Municipal Aid - Deptford Center Road		121,825.00			121,825.00
Yardley Avenue		181,744.00	136,308.00		45,436.00
Recycling Tonnage Grant		34,715.88	34,715.88		
Safe & Secure Communities Program	23,071.15		23,071.15		
Stormwater Management Grant	10,000.00				10,000.00
Total State Grants	169,071.15	857,096.65	363,906.80	-	662,261.00
Private Grants:					
JIF Safety Incentive Program		4,500.00	4,500.00		
National Opioids Settlement		95,729.54	95,729.54		
Total Private Grants	-	100,229.54	100,229.54	-	-
	\$ 280,886.76	\$ 1,066,699.52	\$ 562,316.31	\$ 1,120.00	\$ 784,149.97

TOWNSHIP OF DEPTFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Unappropriated Grant Reserves
For the Year Ended December 31, 2025

<u>Program</u>	<u>Balance Dec. 31, 2024</u>	<u>Federal and State Grants Receivable</u>	<u>Realized as Revenue in 2025 Budget</u>	<u>Balance Dec. 31, 2025</u>
Federal Grants:				
Aggressive Driving Campaign		\$ 6,720.00	\$ 6,720.00	
Click It or Ticket		3,920.00	3,920.00	
COPS Hiring Grant		83,333.33	83,333.33	
Drive Sober or Get Pulled Over - Labor Day 2025		7,000.00	7,000.00	
Drive Sober or Get Pulled Over - Holiday 2025		1,400.00	1,400.00	
Distracted Driving Grant		7,000.00	7,000.00	
Total Federal Grants	-	109,373.33	109,373.33	-
State Grants:				
Body Armor Fund	\$ 5,265.65		5,265.65	
Clean Communities Program		83,811.77	83,811.77	
Local Recreation Grant		84,000.00	84,000.00	
NJDOT Transportation Grants:				
Local Aid - Deptford Center Road		351,000.00	351,000.00	
Municipal Aid - Deptford Center Road		121,825.00	121,825.00	
Yardley Avenue		181,744.00	181,744.00	
Recycling Tonnage Grant		34,715.88	34,715.88	
Total State Grants	5,265.65	857,096.65	862,362.30	-
Private Grants:				
JIF Safety Incentive Program		4,500.00	4,500.00	
National Opioids Settlement	74,339.77	95,729.54	74,339.77	\$ 95,729.54
	74,339.77	100,229.54	78,839.77	95,729.54
	<u>\$ 79,605.42</u>	<u>\$ 1,066,699.52</u>	<u>\$ 1,050,575.40</u>	<u>\$ 95,729.54</u>

TOWNSHIP OF DEPTFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Appropriated Grant Reserves
For the Year Ended December 31, 2025

Program	Balance Dec. 31, 2024		Transferred From 2025 Budget Appropriation	Paid or Charged	Encumbered	Cancelled	Balance Dec. 31, 2025
	Appropriated	Encumbered					
Federal Grants:							
Aggressive Driving 2025-2026			\$ 6,720.00	\$ 3,360.00			\$ 3,360.00
American Rescue Plan:							
Stormwater Repair and Improvements		\$ 155,405.54		155,405.54			
Police Protective Equipment		2,498.40		2,498.40			
Bulletproof Vest Funds - 2024	\$ 5,569.74	2,837.50		8,407.24			
Click It or Ticket			3,920.00	3,920.00			
Community Development Block Grant:							
Locust Grove Blvd	75,000.00						75,000.00
COPS Hiring Grant	20,833.37		83,333.33	62,500.01			41,666.69
Distracted Driving Grant			7,000.00	7,000.00			
Drive Sober or Get Pulled Over - Holiday 2024	6,440.00			6,160.00		\$ 280.00	
Drive Sober or Get Pulled Over - Labor Day 2025			7,000.00	6,160.00		840.00	
Drive Sober or Get Pulled Over - Holiday 2025			1,400.00				1,400.00
Total Federal Grants	107,843.11	160,741.44	109,373.33	255,411.19	-	1,120.00	121,426.69
State Grants:							
Alcohol, Education, Rehabilitation and Enforcement Grant	12,284.75						12,284.75
Bike Facilities Plan	50,000.00						50,000.00
Body Armor Grant - 2024	51.94			51.94			
Body Armor Replacement - 2025			5,265.65	5,265.65			
Clean Communities Program - 2020	40,466.04			15,065.72			25,400.32
Clean Communities Program - 2021	61,635.75						61,635.75
Clean Communities Program - 2022	66,331.05						66,331.05
Clean Communities Program - 2023	44,716.04			2,568.50			42,147.54
Clean Communities Program - 2024	84,503.44						84,503.44
Clean Communities Program - 2025			83,811.77				83,811.77
Emergency Management Assistance Grant - 2022	4,860.55			1,354.29			3,506.26
Emergency Management Assistance Grant - 2023	10,000.00						10,000.00
Emergency Management Assistance Grant - 2024	10,000.00						10,000.00
Lead Assistance Grant	16,200.00			16,200.00			
Local Recreation Improvements - 2024	76,000.00			76,000.00			
Local Recreation Improvements - 2025			84,000.00		\$ 84,000.00		
NJDOT Transportation Grants:							
Local Aid - Deptford Center Road			351,000.00				351,000.00
Municipal Aid - Deptford Center Road			121,825.00				121,825.00
Yardley Avenue			181,744.00		181,744.00		

(Continued)

TOWNSHIP OF DEPTFORD
FEDERAL AND STATE GRANT FUND
Statement of Reserve for Appropriated Grant Reserves
For the Year Ended December 31, 2025

<u>Program</u>	Balance Dec. 31, 2024		Transferred From 2025 Budget Appropriation	Paid or Charged	Encumbered	Cancelled	Balance Dec. 31, 2025
	<u>Appropriated</u>	<u>Encumbered</u>					
State Grants (Cont'd):							
Recycling Tonnage Grant - 2022		\$ 20,882.67			\$ 20,882.67		
Recycling Tonnage Grant - 2023	\$ 10,311.07	50,004.33		\$ 3,295.00	50,004.33		\$ 7,016.07
Recycling Tonnage Grant - 2024	36,534.18						36,534.18
Recycling Tonnage Grant - 2025			\$ 34,715.88				34,715.88
Safe & Secure Communities Program	45,150.00			45,150.00			
Stormwater Management Grant	25,000.00						25,000.00
Sustainable Jersey Fasola Park Project	2,500.00						2,500.00
Total State Grants	<u>596,544.81</u>	<u>70,887.00</u>	<u>862,362.30</u>	<u>164,951.10</u>	<u>336,631.00</u>	<u>-</u>	<u>1,028,212.01</u>
Private Grants:							
JIF Safety Incentive Program	22,253.00	3,860.00	4,500.00	18,988.54			11,624.46
National Opioids Settlement	270,471.55	5,864.60	74,339.77	98,317.75	752.55		251,605.62
Total Private Grants	<u>292,724.55</u>	<u>9,724.60</u>	<u>78,839.77</u>	<u>117,306.29</u>	<u>752.55</u>	<u>-</u>	<u>263,230.08</u>
	<u>\$ 997,112.47</u>	<u>\$ 241,353.04</u>	<u>\$ 1,050,575.40</u>	<u>\$ 537,668.58</u>	<u>\$ 337,383.55</u>	<u>\$ 1,120.00</u>	<u>\$ 1,412,868.78</u>

SUPPLEMENTAL EXHIBITS

TRUST FUNDS

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Trust Cash - Chief Financial Officer
For the Year Ended December 31, 2025

	<u>Animal Control</u>	<u>Other Trust</u>
Balance December 31, 2024	\$ 6,958.74	\$ 7,490,824.35
Increased by Receipts:		
Animal Control Fees	\$ 3,882.40	
Due Current Fund	150.66	\$ 163,605.11
Due to State of New Jersey - Animal Control	1,032.60	
Miscellaneous Trust Reserves		<u>15,645,647.52</u>
	<u>5,065.66</u>	<u>15,809,252.63</u>
	12,024.40	23,300,076.98
Decreased by Disbursements:		
Animal Control Expenses	5,901.20	
Due Current Fund	150.66	145,072.34
Due to State of New Jersey - Animal Control	1,033.80	
Miscellaneous Trust Reserves		<u>15,746,535.21</u>
	<u>7,085.66</u>	<u>15,891,607.55</u>
Balance December 31, 2025	\$ <u><u>4,938.74</u></u>	\$ <u><u>7,408,469.43</u></u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Trust Cash - Collector
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 714,593.10
Increased by Receipts:		
Deposits for Redemption of Tax Sale Certificates	\$ 632,872.59	
Tax Premiums Collected	664,400.00	
Due Current Fund	<u>19,271.29</u>	
		<u>1,316,543.88</u>
		2,031,136.98
Decreased by Disbursements:		
Refunds Tax Sale Certificates Redeemed	643,438.36	
Tax Premiums Returned	507,300.00	
Due Current Fund	<u>19,271.29</u>	
		<u>1,170,009.65</u>
Balance December 31, 2025		\$ <u><u>861,127.33</u></u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Due to Current Fund - Animal Control Fund
For the Year Ended December 31, 2025

Increased by:		
Interest Earned	\$	150.66
Decreased by:		
Cash Disbursement	\$	<u>150.66</u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Due to State of New Jersey - Department of Health
For the Year Ended December 31, 2025

Balance December 31, 2024	\$	2.40
Increased by:		
2025 State License Fees		<u>1,032.60</u>
		1,035.00
Decreased by:		
Disbursements to the State		<u>1,033.80</u>
Balance December 31, 2025	\$	<u>1.20</u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Reserve for Animal Control Fund Expenditures
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 5,262.59
Increased by:		
Dog License Fees Collected	\$ 3,882.40	
Prior Year Encumbrances Cancelled	<u>1,693.75</u>	
		<u>5,576.15</u>
		10,838.74
Decreased by:		
Dog License Expenses		<u>5,901.20</u>
Balance December 31, 2025		<u><u>\$ 4,937.54</u></u>

<u>License Fees Collected</u>	
<u>Year</u>	<u>Amount</u>
2023	\$ 5,148.20
2024	<u>4,858.00</u>
	<u><u>\$ 10,006.20</u></u>

TOWNSHIP OF DEPTFORD
TRUST FUND
Statement of Due Current Fund - Trust Other Fund
For the Year Ended December 31, 2025

Balance December 31, 2024		\$ 8,330.89
Increased by:		
Cash Disbursements - Treasurer	\$ 145,072.34	
Cash Disbursements - Collector	19,271.29	
Due Current (Agency)	2,262.60	
Due Current (Escrow)	16,385.04	
	<u> </u>	<u>182,991.27</u>
		191,322.16
Decreased by:		
Cash Receipts - Treasurer	163,605.11	
Cash Receipts - Collector	19,271.29	
	<u> </u>	<u>182,876.40</u>
Balance December 31, 2025		\$ <u><u>8,445.76</u></u>

TOWNSHIP OF DEPTFORD
TRUST - OTHER FUND
Statement of Miscellaneous Trust Reserves
For the Year Ended December 31, 2025

	Balance		Increased by		Decreased by		Balance Dec. 31, 2025
	Balance December 31, 2024		Receipts	Due from Current Fund	Disbursements	Reserve for Encumbrances	
	Reserves	Encumbered					
Payroll Deductions Payable	\$ 104,559.20		\$ 5,811,508.50	\$ 2,262.60	\$ 5,900,957.21		\$ 17,373.09
Community Police Donations	51,210.03		10,241.45		8,821.94		52,629.54
Compensated Sick Fund	1,592,777.14				408,947.81		1,183,829.33
Curb and Sidewalk Deposits	30,362.66		900.00				31,262.66
Donations - Recreation	270,436.11		2,750.00		1,580.23		271,605.88
Donations - Nemours Andolro Farm	100,000.00						100,000.00
Escrow Deposits	1,176,669.71	\$ 13,918.52	746,484.68	16,385.04	534,851.55	\$ 24,308.49	1,394,297.91
Federal Forfeited Funds	4,750.93		144.09				4,895.02
Flexible Spending Account	2,128.39		9,467.84		8,662.00		2,934.23
Housing Impact Trust Fund	2,517,557.43		178,069.97		77,584.70	29,654.89	2,588,387.81
Multiple Dwelling Emergency Commission	55,959.59		310.43				56,270.02
Municipal Forfeited Funds	44,223.54		47,283.35		29,159.95		62,346.94
Net Pay			7,951,846.42		7,951,846.42		-
Outside Employment of Police	23,302.27		559,723.25		552,355.75		30,669.77
Police Seized Evidence	56,824.77		9.00		441.00		56,392.77
Public Defender Fund	8,640.50		2,180.00				10,820.50
Recreation Commission	175,662.38	34,976.33	141,930.00		113,894.43		238,674.28
Program Escrow Recycling	1,705.10	885.00	2,792.40		3,592.76	885.00	904.74
Storm Recovery	693,140.48	8,836.64	43,084.57		34,973.76		710,087.93
Street Opening Deposits	406,014.08	4,247.00	98,853.00		47,315.10	9,000.00	452,798.98
Tax Sale Premiums	687,000.00		664,400.00		507,300.00		844,100.00
Tree Replacement Fund			3,150.00				3,150.00
Redemption of Tax Sale Certificates	27,593.10		632,872.59		643,438.36		17,027.33
Unemployment Compensation Insurance Trust	100,214.44		29,538.57		68,157.92		61,595.09
P.O.A.A.	1,503.00		633.00				2,136.00
Veteran's Commission	18,650.00		4,747.00		3,392.68		20,004.32
	<u>\$ 8,150,884.85</u>	<u>\$ 62,863.49</u>	<u>\$ 16,942,920.11</u>	<u>\$ 18,647.64</u>	<u>\$ 16,897,273.57</u>	<u>\$ 63,848.38</u>	<u>\$ 8,214,194.14</u>
Treasurer			\$ 15,645,647.52		\$ 15,746,535.21		
Tax Collector			<u>1,297,272.59</u>		<u>1,150,738.36</u>		
			<u>\$ 16,942,920.11</u>		<u>\$ 16,897,273.57</u>		

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of General Capital Cash - Chief Financial Officer
For the Year Ended December 31, 2025

Balance December 31, 2024	\$ 6,293,829.20
Increased by Receipts:	
Capital Improvement Fund	<u>725,000.00</u>
	7,018,829.20
Decreased by Disbursements:	
Improvement Authorizations	<u>829,068.18</u>
Balance December 31, 2025	<u><u>\$ 6,189,761.02</u></u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
 Analysis of General Capital Cash and Investments
 For the Year Ended December 31, 2025

	Balance (Deficit) Dec. 31, 2024	Receipts Miscellaneous	Disbursements Improvement Authorizations	Transfers		Balance (Deficit) Dec. 31, 2025
				From	To	
Fund Balance	\$ 123,202.09					\$ 123,202.09
Capital Improvement Fund	2,549,485.08	\$ 725,000.00		\$ 925,000.00	\$ 719,490.07	3,068,975.15
Reserve for Encumbrances	676,241.02			676,241.02	645,808.50	645,808.50
State Road Aid Receivable				26,107.50		(26,107.50)
Improvement Authorizations:						
<u>Ordinance</u>						
<u>Number</u>						
16-2008	Improvements to Municipal Restrooms	24,940.00				24,940.00
15-2009	Construction of Municipal Restroom Facility	50,000.00				50,000.00
5-2017	Various Capital Improvements					
	Various Improvements to Andaloro Farm	16,252.91				16,252.91
	Various Recreational Improvements	10,000.00				10,000.00
9-2018	Various Capital Improvements					
	Const. of Various Facilities at Fasola Park	86,129.61				86,129.61
	Various Improvements to Municipal Buildings	7,396.03	\$ 30,152.40	2,000.00	24,822.50	66.13
1-2019	Acquisition of Real Property	756,931.45	30,850.00			726,081.45
3-2019	Various Capital Improvements					
	Various Recreational Improvements	35,448.93	7,450.00			27,998.93
	Various Improvements to Andaloro Farm	100,000.00				100,000.00
1-2021	Various Street Reconstruction	39,752.76	39,752.76			
12-2021	Various Capital Improvements					
	Various Building Improvements and Upgrades	975.00	975.00			
	Acquisition and Installation of HVAC Systems		1,015.00		1,015.00	
	Various Recreational Improvements	6,753.91				6,753.91
2-2022	Various Capital Improvements & Acquisitions					
	Acquisition of Public Works Heavy Equipment			54,516.00	54,516.00	
3-2022	Various Capital Improvements & Acquisitions					
	Reconstruction / Repaving Various Streets	30,127.10	30,127.10			
17-2022	Construction of New Structures/Buildings	370,000.00				370,000.00
	Various Improvements to Andoloro Farm	150,000.00				150,000.00
	Various Building Improvements & Upgrades	268,605.91	22,200.00	12,832.00		233,573.91

(Continued)

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Analysis of General Capital Cash and Investments
For the Year Ended December 31, 2025

		Balance (Deficit) Dec. 31, 2024	Receipts Miscellaneous	Disbursements Improvement Authorizations	Transfers		Balance (Deficit) Dec. 31, 2025
					From	To	
<u>Improvement Authorizations (Cont'd):</u>							
<u>Ordinance</u>							
<u>Number</u>							
13-2022	Various Capital Improvements Princeton Avenue Phase II Improvements	\$ 56,157.33		\$ 22,778.61	\$ 7,369.13		\$ 26,009.59
7-2023	Various Capital Improvements & Acquisitions						
	Reconstruction / Repaving Various Streets	90,500.24		57,758.30	5,870.87	\$ 11,515.59	38,386.66
	Resurfacing of Lakebridge Drive	(22,214.00)		5,453.50		27,667.50	
	Acq. of Various Public Works Heavy Equipment	7,165.00			7,165.00		
	Acq. Of Various Recreational Equipment	178,402.29		104,843.67	37,299.72		36,258.90
10-2023	Reconstruction / Repavings Various Streets	800,000.00		58,217.55	22,498.50		719,283.95
18-2023	Various Capital Improvements						
	Various Building Improvements & Upgrades	208,542.56		82,329.36		62,321.35	188,534.55
	Acq. of Electronic and Manual Signs	96,466.63		21,388.86			75,077.77
	Various Recreational Improvements	50,000.00					50,000.00
	Const. / Purchase of Permanent Structures	166,400.00					166,400.00
6-2024	Construction of Public Works Complex	718,526.71		3,885.75	719,490.07	4,849.11	
7-2024	Various Capital Improvements						
	Reconstruction / Repaving Various Streets	(654,047.56)		16,966.91		13,097.11	(657,917.36)
	Acq of Various Heavy Public Works Equip	(391,928.00)			406,688.00	413,853.00	(384,763.00)
	Acq of Various Public Works Equipment	(59,375.00)		35,342.72		35,342.72	(59,375.00)
	Acq. Of Various Recreational Equipment	(30,558.80)			35,189.28		(65,748.08)
	Acq. Of Sport Utility Police Vehicles	(247,000.00)		53,348.64		53,348.64	(247,000.00)
	Acq. Of Storm Sewer Cleaning Vehicle	12,050.00					12,050.00
	Acq. Of LED Street Signage	7,500.00					7,500.00
	Various Building Improvements & Upgrades	5,000.00					5,000.00
10-2025	Various Recreation Improvements			104,232.05	54,380.00	300,000.00	141,387.95
12-2025	Acquisiton of Real Property and Improvements					75,000.00	75,000.00
18-2025	Various Capital Improvements						
	Acq of Real Property and Improvements			100,000.00		450,000.00	350,000.00
	Acq of Trash Carts					100,000.00	100,000.00
		<u>\$ 6,293,829.20</u>	<u>\$ 725,000.00</u>	<u>\$ 829,068.18</u>	<u>\$ 2,992,647.09</u>	<u>\$ 2,992,647.09</u>	<u>\$ 6,189,761.02</u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2025

Balance December 31, 2024		\$	19,150,301.21
Decreased by:			
Budget Appropriation to Pay:			
General Serial Bonds	\$	2,700,000.00	
Green Trust Loan Payable		<u>22,642.79</u>	
			<u>2,722,642.79</u>
Balance December 31, 2025		\$	<u><u>16,427,658.42</u></u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Cancelled	Balance Dec. 31, 2025	Analysis of Balance December 31, 2025	
						Expended	Unexpended Improvement Authorization
6-2024	Construction of Public Works Complex	\$ 14,250,000.00		\$ 14,250,000.00			
7-2024	Various Capital Improvements						
	Reconstruction / Repaving Various Streets	1,140,000.00			\$ 1,140,000.00	\$ 657,917.36	\$ 482,082.64
	Acq of Various Heavy Public Works Equip	416,575.00			416,575.00	384,763.00	31,812.00
	Acq of Various Public Works Equipment	59,375.00			59,375.00	59,375.00	
	Acq. Of Various Recreational Equipment	156,750.00			156,750.00	65,748.08	91,001.92
	Acq. Of Sport Utility Police Vehicles	247,000.00			247,000.00	247,000.00	
	Acq. Of Storm Sewer Cleaning Vehicle	228,950.00			228,950.00		228,950.00
	Acq. Of LED Street Signage	142,500.00			142,500.00		142,500.00
	Various Building Improvements & Upgrades	95,000.00			95,000.00		95,000.00
12-2025	Acquisiton of Real Property and Improvements		\$ 1,425,000.00		1,425,000.00		1,425,000.00
18-2025	Various Capital Improvements						
	Acq of Real Property and Improvements		8,550,000.00		8,550,000.00		8,550,000.00
	Acq of Trash Carts		1,900,000.00		1,900,000.00		1,900,000.00
		<u>\$ 16,736,150.00</u>	<u>\$ 11,875,000.00</u>	<u>\$ 14,250,000.00</u>	<u>\$ 14,361,150.00</u>	<u>\$ 1,414,803.44</u>	<u>\$ 12,946,346.56</u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of State Aid Road Receivable
For the Year Ended December 31, 2025

Balance December 31, 2025 and 2024	\$ <u>26,107.50</u>
Analysis:	
Ord. No. 7-2023 - Lakebridge Avenue	\$ <u>26,107.50</u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2025

Balance December 31, 2024		\$	2,549,485.08
Increased by:			
Budget Appropriation	\$	725,000.00	
Cancelled Improvement Authorizations		<u>719,490.07</u>	
			<u>1,444,490.07</u>
			3,993,975.15
Decreased by:			
Appropriated to Finance Improvement Authorizations			<u>925,000.00</u>
Balance December 31, 2025		\$	<u><u>3,068,975.15</u></u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2025

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2024		Prior Year Encumbrances	2025 Authorizations	Paid or Charged	Year End Encumbrances	Cancelled	Balance December 31, 2025	
		Date	Amount	Funded	Unfunded						Funded	Unfunded
16-2008	Various Capital Improvements: Improvements to Municipal Restrooms	10/20/08	\$ 25,000	\$ 24,940.00							\$ 24,940.00	
15-2009	Various Capital Improvements Construction of Municipal Restroom Facility	11/9/09	50,000	50,000.00							50,000.00	
5-2017	Various Capital Improvements Various Improvements to Andalore Farm Various Recreational Improvements	2/27/17 2/27/17	100,000 197,400	16,252.91 10,000.00							16,252.91 10,000.00	
9-2018	Various Capital Improvements Const. of Various Facilities at Fasola Park Various Improvements to Municipal Buildings	5/21/18 5/21/18	660,000 686,000	86,129.61 7,396.03		\$ 24,822.50		\$ 30,152.40	\$ 2,000.00		86,129.61 66.13	
1-2019	Acquisition of Real Property	2/4/19	4,000,000	756,931.45				30,850.00			726,081.45	
3-2019	Various Capital Improvements Various Recreational Improvements Various Improvements to Andalore Farm	2/25/19 2/25/19	488,000 100,000	35,448.93 100,000.00				7,450.00			27,998.93 100,000.00	
1-2021	Reconstruction and/or Repaving Various Streets	2/22/21	1,921,000	39,752.76				39,752.76				
12-2021	Various Capital Improvements Various Building Improvements and Upgrades Acquisition and Installation of HVAC Systems Various Recreational Improvements	6/28/21 6/28/21 6/28/21	300,000 250,000 300,000	975.00 6,753.91		1,015.00		975.00 1,015.00			6,753.91	
2-2022	Various Capital Improvements & Acquisitions Acquisition of Public Works Heavy Equipment	2/7/22	200,000			54,516.00			54,516.00			
3-2022	Various Capital Improvements & Acquisitions Reconstruction / Repaving Various Streets	2/7/22	1,500,000	30,127.10				30,127.10				
17-2022	Construction of New Structures/Buildings Various Improvements to Andalore Farm Various Building Improvements & Upgrades	12/12/22 2/7/22 2/7/22	370,000 150,000 490,000	370,000.00 150,000.00 268,605.91							370,000.00 150,000.00 233,573.91	
13-2022	Various Capital Improvements Princeton Avenue Phase II Improvements	8/15/22	440,000	56,157.33				22,778.61	7,369.13		26,009.59	
7-2023	Various Capital Improvements & Acquisitions Reconstruction / Repaving Various Streets Resurfacing of Lakebridge Drive Acq. of Various Public Works Heavy Equipment Acq. Of Various Recreational Equipment	3/6/23 3/6/23 3/6/23 3/6/23	1,100,000 404,680 265,000 300,000	90,500.24 3,893.50 7,165.00 178,402.29		11,515.59 1,560.00		57,758.30 5,453.50 104,843.67	5,870.87 7,165.00 37,299.72		38,386.66 75,077.77 36,258.90	
10-2023	Reconstruction / Repavings Various Streets	4/3/23	800,000	800,000.00				58,217.55	22,498.50		719,283.95	
18-2023	Various Capital Improvements Various Building Improvements & Upgrades Acq. Of Electronic and Manual Signs Various Recreational Improvements Const. / Purchase of Permanent Structures	9/11/23 9/11/23 9/11/23 9/11/23	500,000 100,000 50,000 200,000	208,542.56 96,466.63 50,000.00 166,400.00		62,321.35		82,329.36 21,388.86			188,534.55 75,077.77 50,000.00 166,400.00	
6-2024	Construction of Public Works Complex	4/15/24	15,000,000	718,526.71	\$ 14,250,000.00	4,849.11		3,885.75		\$ 14,969,490.07		

(Continued)

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Improvement Authorizations
For the Year Ended December 31, 2025

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2024		Prior Year Encumbrances	2025 Authorizations	Paid or Charged	Year End Encumbrances	Cancelled	Balance December 31, 2025	
		Date	Amount	Funded	Unfunded						Funded	Unfunded
7-2024	Various Capital Improvements											
	Reconstruction / Repaving Various Streets	5/6/24	\$ 1,200,000		\$ 485,952.44	\$ 13,097.11		\$ 16,966.91			\$ 482,082.64	
	Acq of Various Heavy Public Works Equip	5/6/24	438,500		24,647.00	413,853.00			\$ 406,688.00		31,812.00	
	Acq of Various Public Works Equipment	5/6/24	62,500			35,342.72		35,342.72				
	Acq. Of Various Recreational Equipment	5/6/24	165,000		126,191.20				35,189.28			91,001.92
	Acq. Of Sport Utility Police Vehicles	5/6/24	260,000			53,348.64		53,348.64				
	Acq. Of Storm Sewer Cleaning Vehicle	5/6/24	241,000	\$ 12,050.00	228,950.00					\$ 12,050.00	228,950.00	
	Acq. Of LED Street Signage	5/6/24	150,000	7,500.00	142,500.00						7,500.00	142,500.00
	Various Building Improvements & Upgrades	5/6/24	100,000	5,000.00	95,000.00						5,000.00	95,000.00
10-2025	Various Recreation Improvements	6/23/25	300,000				\$ 300,000.00	104,232.05	54,380.00		141,387.95	
12-2025	Acquisition of Real Property and Improvements	7/6/25	1,500,000				1,500,000.00				75,000.00	1,425,000.00
18-2025	Various Capital Improvements											
	Acq of Real Property and Improvements	12/1/25	9,000,000				9,000,000.00	100,000.00			350,000.00	8,550,000.00
	Acq of Trash Carts	12/1/25	2,000,000				2,000,000.00				100,000.00	1,900,000.00
				\$ 4,353,917.87	\$ 15,353,240.64	\$ 676,241.02	\$ 12,800,000.00	\$ 829,068.18	\$ 645,808.50	\$ 14,969,490.07	\$ 3,792,686.22	\$ 12,946,346.56
	Capital Improvement Fund						\$ 925,000.00			\$ 719,490.07		
	Deferred Charges to Future Taxation - Unfunded						11,875,000.00			14,250,000.00		
	Cash Disbursements							\$ 829,068.18				
							\$ 12,800,000.00	\$ 829,068.18		\$ 14,969,490.07		

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of General Serial Bonds
For the Year Ended December 31, 2025

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2024	Decreased	Balance Dec. 31, 2025
			Dec. 31, 2025					
			Date	Amount				
General Improvements	11/1/18	\$ 14,145,000.00	11/1/26	\$ 1,515,000.00	3.00%			
			11/1/27	1,550,000.00	3.125%			
			11/1/28	1,600,000.00	3.25%	\$ 6,140,000.00	\$ 1,475,000.00	\$ 4,665,000.00
General Improvements	7/10/2023	13,865,000.00	6/15/26	1,280,000.00	3.00%			
			6/15/27	1,330,000.00	3.00%			
			6/15/28	1,385,000.00	3.00%			
			6/15/29	1,435,000.00	3.00%			
			6/15/30	1,480,000.00	3.00%			
			6/15/31	1,535,000.00	4.00%			
			6/15/32	1,580,000.00	4.00%			
			6/15/33	1,630,000.00	4.00%			

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Green Trust Loan Payable
For the Year Ended December 31, 2025

Purpose	Date of Issue	Amount of Original Issue	Maturities of Loans Outstanding Dec. 31, 2025		Interest Rate	Balance Dec. 31, 2024	Decreased	Balance Dec. 31, 2025
			Date	Amount				
Fasola Park Improvements	4/5/10	\$ 404,227.67	2026	\$ 23,097.91	2.00%	\$ 130,301.21	\$ 22,642.79	\$ 107,658.42
			2027	23,562.18				
			2028	24,035.78				
			2029	24,518.90				
			2030	12,443.65				
						\$ 130,301.21	\$ 22,642.79	\$ 107,658.42
						<u>\$ 130,301.21</u>	<u>\$ 22,642.79</u>	<u>\$ 107,658.42</u>

TOWNSHIP OF DEPTFORD
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized but Not Issued
For the Year Ended December 31, 2025

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2024</u>	<u>2025 Authorizations</u>	<u>Cancelled</u>	<u>Balance Dec. 31, 2025</u>
6-2024	Construction of Public Works Complex	\$ 14,250,000.00		\$ 14,250,000.00	
7-2024	Various Capital Improvements and Acquisitions	2,486,150.00			\$ 2,486,150.00
12-2025	Acquisition of Certain Real Property and Improvements		\$ 1,425,000.00		1,425,000.00
18-2025	Acquisition of Real Property and Other Capital Improvements		10,450,000.00		10,450,000.00
		<u>\$ 16,736,150.00</u>	<u>\$ 11,875,000.00</u>	<u>\$ 14,250,000.00</u>	<u>\$ 14,361,150.00</u>

PART 2

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2025

TOWNSHIP OF DEPTFORD
Schedule of Findings and Recommendations
For the Year Ended December 31, 2025

Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, require.

No Current Year Findings

TOWNSHIP OF DEPTFORD
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

TOWNSHIP OF DEPTFORD
Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>
Paul Medany	Mayor	
Kenneth Barnshaw	Deputy Mayor	
William Lamb	Councilperson	
Brandi Leidy	Councilperson	
Wayne Love	Councilperson	
James Noce'	Councilperson	
Phillip Schocklin	Councilperson	
Thomas E. Newman Jr.	Township Manager	
Michelle Hack	Township Clerk (Through August 2025)	
Debra Willard	Township Clerk (September 2025)	
Kimberly A. Kwasizur	Director of Finance/ Chief Financial Officer	(A)
Kathleen DiOrio	Tax Collector	(A)
Christian J. Romano	Construction Code Official / Director of Community Development	
John J. Armano	Judge	(A)
Shannon Sawyer	Court Administrator	(A)
Mazzoni Law Firm	Prosecutor	
Marmero Law	Solicitor	
Bryson & Yates LLC	Engineers	

(A) \$2,000,000.00 per loss is covered by the Gloucester, Salem, Cumberland Counties Municipal Joint Insurance Fund Excess Crime Policy, Public Employee Bond Declarations, and Excess Public Officials Bonds for all public officials.

APPRECIATION

We express our appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP
Certified Public Accountants