BOROUGH OF WOODBINE

CAPE MAY COUNTY

NEW JERSEY

AUDIT REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2025

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BOROUGH OF WOODBINE

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2025

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FORD-SCOTT
& ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of Borough Council
Borough of Woodbine
County of Cape May, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying balance sheets - regulatory basis of the various funds and account group of the Borough of Woodbine, as of December 31, 2025 and 2024, the related statement of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various funds for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets and account group as of December 31, 2025 and 2024, the regulatory basis statements of operations for the years then ended and the regulatory basis statements of revenues and expenditures for the year ended December 31, 2025 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Basis for Opinions

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Borough of Woodbine on the basis of the financial reporting provisions prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Borough of Woodbine'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.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division of Local Government Services 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 an 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division of Local Government Services, we:

- exercise professional judgement 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 the 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 Borough of Woodbine'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 judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the Borough of Woodbine's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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 City of Ocean City basic financial statements. The supplementary information listed in the table of contents and schedule of expenditures of federal awards and schedule of state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 25-12 respectively, and the letter of comments and recommendations section are presented for purposes of additional analysis 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 supplemental information listed in the table of contents, schedule of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

The letter of comments and recommendations section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2026, on our consideration of the Borough of Woodbine'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Woodbine's internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 28, 2026

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EXHIBIT A - CURRENT FUND

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CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
ASSETS			
Regular Fund:			
Cash:			
Cash Treasurer	$	3,107,119.80	1,335,488.70
Cash - Change		300.00	300.00
Total Cash		3,107,419.80	1,335,788.70
Other Receivables:			
Due from State - Chapter 20 P.L. 1971		2,744.10	2,744.10
Total Other Receivables		2,744.10	2,744.10
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable		68,388.67	19,622.99
Tax Title and Other Liens		75,204.53	84,322.91
Property Acquired for Taxes - at Assessed Valuation		570,400.00	570,400.00
Due from County		-	-
Interfund Receivable:			
Grant Fund		73,371.15	1,983,933.94
Water Operating		5,297.26	-
Trust Fund		821.01	18.75
Total Receivables and Other Assets		793,482.62	2,658,298.59
Deferred Charges			
Deficit in Operations		3,063.70	3,063.70
Total Deferred Charges		3,063.70	3,063.70
Total Regular Fund		3,906,710.22	3,999,895.09
Federal and State Grant Fund:			
Cash		2,183,839.98	-
Federal and State Grants Receivable		12,543,234.69	14,248,469.59
Due from Airport Capital Fund		23,595.00	23,595.00
Due from Small Cities		118,290.47	118,290.47
Total Federal and State Grant Fund		14,868,960.14	14,390,355.06
Total Current Fund	$	18,775,670.36	18,390,250.15

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

CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Liabilities:			
Appropriation Reserves	$	262,611.97	285,582.29
Reserve for Encumbrances		60,705.56	73,599.62
Prepaid Taxes		99,485.97	88,705.66
Overpaid Taxes		14,433.90	14,152.05
Local School Tax Payable		20,030.76	0.98
County Added Tax Payable		1,257.97	3,838.55
Interfund Payable:			
Small Cities		118,290.47	118,290.47
Water Operating		-	-
Airport Capital		-	-
Reserve for Property Sale Deposits		1,500.00	-
		578,316.60	584,169.62
Reserve for Receivables and Other Assets		793,482.62	2,658,298.59
Fund Balance		2,534,911.00	757,426.88
Total Regular Fund		3,906,710.22	3,999,895.09
Federal and State Grant Fund:			
Unappropriated Reserves		281,720.45	13,934.34
Appropriated Reserves		9,712,298.68	8,394,963.62
Encumbrances Payable		4,548,899.97	3,744,853.27
Due to Water Sewer Capital		252,669.89	252,669.89
Due to Current Fund		73,371.15	1,983,933.94
Total Federal and State Grant Fund		14,868,960.14	14,390,355.06
Total Current Fund	$	18,775,670.36	18,390,250.15

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

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2025	2024
Revenue and Other Income Realized			
Fund Balance	$	623,725.00	609,000.00
Miscellaneous Revenue Anticipated		6,172,930.64	10,469,838.21
Receipts from Delinquent Taxes		12,349.47	11,096.13
Receipts from Current Taxes		3,025,658.33	3,019,448.13
Non Budget Revenue		133,525.07	156,447.43
Other Credits to Income:			
Unexpended Balance of Appropriation Res.		233,502.27	200,103.48
Unexpended Balance of 2025 Budget Appropriations		50,000.00	-
Interfund Returned		1,905,333.25	-
Total Income		12,157,024.03	14,465,933.38
Expenditures			
Budget and Emergency Appropriations:			
Appropriations Within "CAPS"			
Operations:			
Salaries and Wages		374,300.00	419,800.00
Other Expenses		1,238,589.00	1,195,100.00
Deferred Charges & Statutory Expenditures		94,079.00	81,828.00
Appropriations Excluded from "CAPS"			
Operations:			
Other Expenses		5,269,873.09	9,569,404.71
Capital Improvements		95,000.00	65,000.00
Debt Service		-	-
Deferred Charges		-	-
Transferred to Board of Education		8,025.00	7,970.00
Local District School Tax		2,219,849.00	1,456,909.00
County Tax		457,905.55	439,716.00
County Share of Added Tax		1,257.97	3,838.55
Interfund Created		-	1,229,430.82
Total Expenditures		9,758,878.61	14,468,997.08
Excess/(Deficit) in Revenue		2,398,145.42	(3,063.70)

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

CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2025	2024
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year	$	3,063.70	3,063.70
Operating Deficit		-	-
Total Adjustments		3,063.70	3,063.70
Statutory Excess to Fund Balance		2,401,209.12	0.00
Fund Balance January 1		757,426.88	1,366,426.88
		3,158,636.00	1,366,426.88
Decreased by:			
Utilization as Anticipated Revenue		623,725.00	609,000.00
Fund Balance December 31	$	2,534,911.00	757,426.88

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

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

	Anticipated Budget	Anticipated N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 623,725.00		623,725.00	-
Total Fund Balance Anticipated	623,725.00	-	623,725.00	-
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	7,500.00		12,500.00	5,000.00
Interest and Costs on Taxes	40,000.00		17,683.62	(22,316.38)
Anticipated Utility Operating Surplus	30,000.00		30,000.00	-
Total Section A: Local Revenues	77,500.00	-	60,183.62	(17,316.38)
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	292,989.00		292,989.00	-
Total Section B: State Aid Without Offsetting Appropriations	292,989.00	-	292,989.00	-
Section F: Special Items - Public and Private Programs				-
USEPA Brownfields Mulitpurpose Grant		1,000,000.00	1,000,000.00	-
FAA Hangar 5 Renovation		583,526.00	583,526.00	-
NJDOT Heilprin Avenue		498,000.00	498,000.00	-
NJDOT Madison Avenue		169,430.00	169,430.00	-
Small Cities Block Grant - 2025 Heilprin Avenue		400,000.00	400,000.00	-
NJDOT Taxiway D Relocation	528,013.09		528,013.09	-
NJDOT 2025 Heilprin Ave Reconstruction	126,552.00		126,552.00	-
NJDEA Hazardous Discharge Site - F&S Landfill	1,782,099.00		1,782,099.00	-
Total Section F: Special Items - Public and Private Programs				

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

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

Off-Set with Appropriations	2,436,664.09	2,650,956.00	5,087,620.09	-
Section G: Other Special Items				
Host Communities Benefits - Cape May County MUA	475,000.00		532,432.99	57,432.99
State Police Lease	140,000.00		167,330.52	27,330.52
Cable Franchise Fee	7,275.00		7,374.42	99.42
NJ Department of Health	25,000.00		25,000.00	-
Total Section G: Other Special Items	647,275.00	-	732,137.93	84,862.93
Total Miscellaneous Revenues:	3,454,428.09	2,650,956.00	6,172,930.64	67,546.55
Receipts from Delinquent Taxes	13,725.00		12,349.47	(1,375.53)
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	417,709.09		377,322.90	(40,386.19)
Total Amount to be Raised by Taxes for Support of Municipal Budget	417,709.09	-	377,322.90	(40,386.19)
Budget Totals	4,509,587.18	2,650,956.00	7,186,328.01	25,784.83
Non- Budget Revenues:				
Other Non- Budget Revenues:			133,525.07	133,525.07
$	4,509,587.18	2,650,956.00	7,319,853.08	159,309.90

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

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

Analysis of Realized Revenues		
Allocation of Current Tax Collections:		
Revenue from Collections		$ 3,025,658.33
Less: Reserve for Tax Appeals Pending		-
Net Revenue from Collections		3,025,658.33
Allocated to:		
School, County and Other Taxes		2,679,012.52
Balance for Support of Municipal Budget Appropriations		346,645.81
Increased by:		
Appropriation "Reserved for Uncollected Taxes"		30,677.09
Amount for Support of Municipal Budget Appropriations		377,322.90
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	1,231.05	
Tax Title Lien Collections	11,118.42	
Total Receipts from Delinquent Taxes		12,349.47
Analysis of Non-Budget Revenue:		
Miscellaneous Revenue Not Anticipated:		
Senior Citizens and Vets Admin Fee	195.00	
Miscellaneous	4,390.20	
Health Insurance Reimbursement	20,671.68	
Clerk	888.00	
Municpal Court	10,080.13	
Interest on Investments	74,615.06	
Campground Permit Fees	100.00	
Rental Registration	15,420.00	
Vacant Property Registration	500.00	
Planning/Zoning Fees	5,290.00	
Mercantile Licenses	1,375.00	
Total Miscellaneous Revenue Not Anticipated:		$ 133,525.07
	Cash	$ 133,525.07
	Non-Cash	-
		$ 133,525.07

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

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Administrative and Executive						
Salaries and Wages	$ 54,000.00	54,000.00	43,669.08		10,330.92	-
Other Expenses						
Other Professional Services	40,000.00	40,000.00	35,951.89	2,916.66	1,131.45	-
Mayor and Council						
Salaries and Wages	80,000.00	80,000.00	76,800.08		3,199.92	-
Other Expenses	5,500.00	5,500.00	5,364.19		135.81	-
Municipal Clerk						
Salaries and Wages	30,000.00	30,000.00	2,319.98		2,680.02	25,000.00
Other Expenses	18,500.00	19,800.00	16,983.28		2,816.72	-
Data Processing	7,500.00	7,500.00	6,395.50		1,104.50	-
Central Purchasing						
Other Expenses	4,500.00	4,500.00	4,457.91		42.09	-
Financial Administration						
Salaries and Wages	40,000.00	40,000.00	38,357.09		1,642.91	-
Other Expenses	45,000.00	38,700.00	23,100.45		15,599.55	-
Audit Services						
Other Expenses	27,500.00	27,500.00	27,500.00		-	-
Assessment of Taxes						
Other Expenses	4,000.00	4,000.00	1,842.46		2,157.54	-
Collection of Taxes						
Salaries and Wages	43,800.00	43,800.00	20,860.87		7,939.13	15,000.00
Other Expenses	4,000.00	4,000.00	2,722.75		1,277.25	-
Liquidation of Tax Title Liens and Foreclosed Property						
Other Expenses	1,000.00	1,000.00	-		1,000.00	-
Legal Services and Costs						
Other Expenses	75,000.00	58,000.00	23,238.81		34,761.19	-
Municipal Court						
Other Expenses	2,500.00	2,500.00	2,058.87		441.13	-
Engineering Services and Costs						
Salaries and Wages	40,000.00	40,000.00	40,000.00		-	-
Other Expenses	35,000.00	35,000.00	32,051.85		2,948.15	-
Public Buildings and Grounds						
Other Expenses	45,000.00	45,000.00	43,256.44	390.86	1,352.70	-
Municipal Land Use Law (N.J.S.A. 40:55 D-1)						
Planning and Zoning Board						
Salaries and Wages	13,500.00	13,500.00	13,334.10		165.90	-
Other Expenses						
Legal	5,500.00	5,500.00	3,375.00		2,125.00	-
Miscellaneous Other Expenses	8,000.00	8,000.00	4,222.00		3,778.00	-

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

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Insurance N.J.S.A. 40A:4-45.3(00)						
Other Insurance Premiums	23,000.00	23,000.00	22,301.25		698.75	-
Workers Compensation	67,500.00	67,500.00	67,500.00		-	-
Employee Group Health	244,000.00	266,000.00	244,662.57		21,337.43	-
Small Business Development						
Other Expenses	100.00	100.00	-		100.00	-
Insurance						
Unemployment Compensation Insurance	4,000.00	4,000.00	1,735.10		2,264.90	-
PUBLIC SAFETY						
Volunteer Fire Company - Contribution	42,000.00	42,000.00	42,000.00		-	-
Interlocal Agreement with First Aid Organization	25,000.00	25,000.00	18,750.00		6,250.00	-
Sub-Code Officials						
Code Enforcement						
Salaries and Wages	4,500.00	4,500.00	3,500.12		999.88	-
Other Expenses	2,500.00	2,500.00	-		2,500.00	-
Zoning and Housing Inspector						
Salaries and Wages	10,000.00	10,000.00	9,645.22		354.78	-
Other Expenses	100.00	100.00	-		100.00	-
Emergency Management						
Salaries and Wages	5,000.00	5,000.00	5,000.00		-	-
Other Expenses	1,000.00	1,000.00	225.00		775.00	-
School Crossing Guard						
Salaries and Wages	12,000.00	12,000.00	11,858.39		141.61	-
Other Expenses	500.00	500.00	-		500.00	-
STREETS AND ROADS						
Road Repairs and Maintenance						
Salaries and Wages	89,000.00	89,000.00	72,160.89		6,839.11	10,000.00
Other Expenses	28,000.00	28,000.00	27,745.85		254.15	-
Solid Waste (P.L. 1987, Ch.74)						
Garbage/Recycling Removal						
Other Expenses						-
Contractual	158,049.00	158,049.00	138,390.55		19,658.45	-
Tipping Fee	75,000.00	75,000.00	70,324.06		4,675.94	-
Recycling						
Salaries and Wages	2,500.00	2,500.00	-		2,500.00	-
Other Expenses	100.00	100.00			100.00	-

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

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
HEALTH AND WELFARE						
Board of Health						
Other Expenses	100.00	100.00	-		100.00	-
Dog Regulation						
Other Expenses						-
Contractual	12,000.00	12,000.00	9,675.00		2,325.00	-
County Shelter	33,000.00	33,000.00	32,918.44		81.56	-
County Shelter - Spay/Neuter	5,790.00	5,790.00	5,788.01		1.99	-
Misc.	750.00	750.00	325.00		425.00	-
RECREATION AND EDUCATION						
Parks and Playgrounds						
Other Expenses	10,000.00	10,000.00	10,000.00		-	-
Improvements	10,000.00	10,000.00	2,910.00		7,090.00	-
Public Relations/Community Events						
Other Expenses	1,500.00	1,500.00	-		1,500.00	-
UNCLASSIFIED						
Telephones/Communications	15,000.00	15,000.00	11,401.32		3,598.68	-
Electric	45,000.00	45,000.00	24,111.54	1,882.14	19,006.32	-
Water	100.00	100.00	-		100.00	-
Heating	20,000.00	20,000.00	15,243.41	2,453.03	2,303.56	-
Postage	6,000.00	6,000.00	5,671.40		328.60	-
Street Lighting	80,000.00	80,000.00	69,353.41	6,433.87	4,212.72	-
TOTAL OPERATIONS WITHIN "CAPS"	1,662,889.00	1,662,889.00	1,391,059.13	14,076.56	207,753.31	50,000.00
Contingent	-	-			-	-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	1,662,889.00	1,662,889.00	1,391,059.13	14,076.56	207,753.31	50,000.00
Detail:						
Salaries and Wages	424,300.00	424,300.00	337,505.82	-	36,794.18	50,000.00
Other Expenses	1,238,589.00	1,238,589.00	1,053,553.31	14,076.56	170,959.13	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES:						

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

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	57,579.00	57,579.00	57,579.00		-	-
Social Security System (O.A.S.I.)	35,000.00	35,000.00	24,888.99		10,111.01	-
Defined Contribution Retirement Program	1,500.00	1,500.00	-		1,500.00	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	94,079.00	94,079.00	82,467.99	-	11,611.01	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	1,756,968.00	1,756,968.00	1,473,527.12	14,076.56	219,364.32	50,000.00
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Municipal Stormwater						
Street Division OE	1,500.00	1,500.00	1,050.00		450.00	-
Shared Service Agreements						
Dispatcher						
Other Expenses	25,000.00	25,000.00	18,750.00		6,250.00	-
Municipal Court Services						
Other Expenses	82,017.00	82,017.00	82,017.00		-	-
Tax Assessor						
Other Expenses	20,736.00	20,736.00	20,736.00		-	-
	129,253.00	129,253.00	122,553.00	-	6,700.00	-
(A) Public and Private Programs Off-Set by Revenues						
USEPA Brownfields Mulitpurpose Grant		1,000,000.00	1,000,000.00			-
FAA Hangar 5 Renovation		583,526.00	583,526.00			-
NJDOT Heilprin Avenue		498,000.00	498,000.00			-
NJDOT Madison Avenue		169,430.00	169,430.00			-
Small Cities Block Grant - 2025 Heilprin Avenue		400,000.00	400,000.00			-
Match - Small Cities Public Facilities	40,000.00	40,000.00	40,000.00			-
Grant Match	13,000.00	13,000.00	-		13,000.00	-
NJDOT Taxiway D Relocation	528,013.09	528,013.09	528,013.09			-
NJDOT 2025 Heilprin Ave Reconstruction	126,552.00	126,552.00	126,552.00			-
NJDEA Hazardous Discharge Site - F&S Landfill	1,782,099.00	1,782,099.00	1,782,099.00			-
Total Public and Private Programs Off-Set by Revenues	2,489,664.09	5,140,620.09	5,127,620.09	-	13,000.00	-

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

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Total Operations - Excluded from "CAPS"	2,618,917.09	5,269,873.09	5,250,173.09	-	19,700.00	-
Detail:						
Other Expenses	2,618,917.09	5,269,873.09	5,250,173.09	-	19,700.00	-
(C) Capital Improvements						
Various Improvements and Infrastructure	20,000.00	20,000.00	-		20,000.00	-
Public Facilities Upgrade	75,000.00	75,000.00	24,823.35	46,629.00	3,547.65	-
Total Capital Improvements	95,000.00	95,000.00	24,823.35	46,629.00	23,547.65	-
(N) Transferred to Board of Education for Use of Local Schools	8,025.00	8,025.00	8,025.00			-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	2,721,942.09	5,372,898.09	5,283,021.44	46,629.00	43,247.65	-
SUBTOTAL GENERAL APPROPRIATIONS	4,478,910.09	7,129,866.09	6,756,548.56	60,705.56	262,611.97	50,000.00
(M) Reserve for Uncollected Taxes	30,677.09	30,677.09	30,677.09			-
TOTAL GENERAL APPRORIATIONS	$ 4,509,587.18	7,160,543.18	6,787,225.65	60,705.56	262,611.97	50,000.00

Budget	4,509,587.18	Cancelled	50,000.00
Appropriations by 40A:4-87	2,650,956.00	Overexpended	-
Emergency			
	7,160,543.18		50,000.00
			11,106.12
Reserve for Uncollected Taxes	30,677.09		
Federal and State Grants	5,127,620.09		
Deferred Charges	-		7,954.89
Transfer to BOE	8,025.00		(11,106.12)
Disbursements	1,620,903.47		
	6,787,225.65		

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

EXHIBIT B - TRUST FUNDS

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Exhibit B

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

ASSETS		2025	2024
Dog License Fund:			
Cash	$	430.65	183.65
		430.65	183.65
Other Funds:			
Cash - Treasurer		764,357.30	787,238.65
Cash - Collector		113,695.49	135,613.71
Due from Current Fund		-	-
Small Cities Loans Receivable		413,683.00	413,683.00
Emergency Loans Receivable		65,432.00	65,432.00
		1,357,167.79	1,401,967.36
		1,357,598.44	1,402,151.01
LIABILITIES, RESERVES AND FUND BALANCE			
Dog License Fund:			
Due to Current Fund		-	-
Due to State of New Jersey		41.40	41.40
Reserve for Dog Fund Expenditures		389.25	142.25
		430.65	183.65
Other Funds:			
Due to Current Fund		821.01	18.75
Accounts Payable		-	-
Reserve for Loans Receivable		479,115.00	479,115.00
Miscellaneous Reserves		877,231.78	922,833.61
		1,357,167.79	1,401,967.36
Total	$	1,357,598.44	1,402,151.01

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

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EXHIBIT C - GENERAL CAPITAL FUND

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Exhibit C

GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
ASSETS			
Cash	$	285,507.29	285,507.29
Deferred Charges to Future Taxation - Funded		-	-
Interfunds and Receivables			
Due from Current Fund			-
		285,507.29	285,507.29
LIABILITIES, RESERVES AND FUND BALANCE			
Improvement Authorizations:			
Funded		6,791.70	-
Encumbrances Payable		278,708.30	
Capital Improvement Fund		-	233,320.00
Fund Balance		7.29	52,187.29
	$	285,507.29	285,507.29

There were bonds and notes authorized but not issued at December 31 (C - 12)

2024	-
2025	-

GENERAL CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2025	2024
Beginning Balance January 1	$	52,187.29	52,187.29
Decreased by:			
Appropriated to Finance Improvement Authorizations		52,180.00	
Ending Balance December 31	$	7.29	52,187.29

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

EXHIBIT D - WATER SEWER UTILITY FUND

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WATER AND SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
ASSETS			
Operating Fund:			
Cash	$	218,164.18	298,969.21
Due from Water Sewer Utility Capital Fund		324,379.59	322,949.23
NJDEP Escrow		49,371.55	-
		591,915.32	621,918.44
Receivables and Other Assets with Full Reserves:			
Water Sewer Accounts Receivable		116,027.34	118,330.42
		116,027.34	118,330.42
Deferred Charges:			
Deficit in Operations		-	12,075.82
		-	12,075.82
Total Operating Fund		707,942.66	752,324.68
Capital Fund:			
Cash - Treasurer		-	24,605.62
Grants Receivable		-	-
Due from Grant Fund		252,669.89	252,669.89
Fixed Capital - Complete		449,226.00	449,226.00
Fixed Capital - Authorized and Uncomplete		14,729,222.64	8,032,440.00
Total Capital Fund		15,431,118.53	8,758,941.51
	$	16,139,061.19	9,511,266.19

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

WATER AND SEWER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Appropriation Reserves	$	23,294.49	41,715.66
Reserve for Encumbrances		6,386.11	-
Overpaid Water Rents		15,292.77	15,292.77
Due to Current Fund		5,297.26	
Accrued Interest		6,557.03	6,608.75
		56,827.66	63,617.18
Reserve for Receivables		116,027.34	118,330.42
Fund Balance		535,087.66	570,377.08
Total Operating Fund		707,942.66	752,324.68
Capital Fund:			
Encumbrances Payable		194,004.94	111,258.74
IBank Loan Payable		1,018,467.65	1,051,559.03
USDA Loan Payable		1,871,272.26	1,906,148.82
Due to Current Fund		-	-
Due to Water/Sewer Utility Operating Fund		324,379.59	322,949.23
Improvement Authorizations:			
Funded		243,603.02	352,385.20
Unfunded		8,260,375.65	1,495,625.07
Reserve for Amortization		1,216,556.00	1,216,556.00
Deferred Reserve for Amortization		2,161,814.42	2,161,814.42
Capital Improvement Fund		140,645.00	140,645.00
Fund Balance		-	-
Total Capital Fund		15,431,118.53	8,758,941.51
	$	16,139,061.19	9,511,266.19

There were bonds and notes authorized but not issued at December 31

2024	2,145,587.73
2025	8,910,338.31

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

WATER AND SEWER UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31,

		Year 2025	Year 2024
Revenue and Other Income Realized			
Fund Balance	$	234,804.00	250,000.00
Water & Sewer Rents		314,410.08	291,682.52
Miscellaneous Revenue Anticipated		201,973.74	72,214.12
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		36,128.77	42,777.30
Total Income		787,316.59	656,673.94
Expenditures			
Operations		448,176.93	443,694.00
Capital Improvements		20,000.00	60,645.00
Debt Service		98,652.01	105,510.76
Deferred Charges and Statutory Expenditures		20,973.07	58,900.00
Total Expenditures		587,802.01	668,749.76
Excess in Revenue		199,514.58	(12,075.82)
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year			12,075.82
Total Adjustments		-	12,075.82
Excess in Operations		199,514.58	0.00
Beginning Fund Balance		570,377.08	820,377.08
		769,891.66	820,377.08
Increased/Decreased by:			
Utilization as Anticipated Revenue		234,804.00	250,000.00
Transfer from Dissolution of Utility Authority			
Fund Balance December 31	$	535,087.66	570,377.08

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

WATER AND SEWER UTILITY CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31,

		Year 2025	Year 2024
Beginning Balance	$	-	-
No current year activity			
Ending Balance December 31	$	-	-

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

WATER AND SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

		Anticipated Budget	Realized	Excess or (Deficit)
Surplus Anticipated	$	234,804.00	234,804.00	-
Rents		291,000.00	314,410.08	23,410.08
Miscellaneous Revenue		62,000.00	201,973.74	139,973.74
	$	587,804.00	751,187.82	163,383.82

Analysis of Realized Revenue:

Rents	
Consumer Accounts Receivable:	
Current Collections	314,410.08
	314,410.08

Miscellaneous Revenue Anticipated	
Antennae	21,000.00
Hydrants	34,928.67
Sprinklers	35,882.68
Miscellaneous	110,162.39
	201,973.74

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

WATER AND SEWER UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operations:						
Salaries and Wages	$ 80,000.00	80,000.00	78,357.66		1,642.34	
Other Expenses	368,176.93	368,176.93	344,934.45	6,386.11	16,856.37	
	448,176.93	448,176.93	423,292.11	6,386.11	18,498.71	-
Capital Improvements:						
Capital Improvement Fund	-	-			-	
Capital Outlay	20,000.00	20,000.00	18,264.72		1,735.28	
	20,000.00	20,000.00	18,264.72	-	1,735.28	-
Debt Service:						
Payment of Bond Principal	48,304.00	48,304.00	48,303.51			0.49
Interest on Bonds	48,694.00	48,694.00	48,693.44			0.56
Ibank Fees	1,656.00	1,656.00	1,655.06			0.94
	98,654.00	98,654.00	98,652.01	-	-	1.99
Deferred Charges and Statutory Expenditures:						
Prior Year Deficit in Operations	12,073.07	12,073.07	12,073.07		-	
Public Employees' Retirement System	1,000.00	1,000.00	-		1,000.00	
Unemployment	1,000.00	1,000.00	355.00		645.00	
Social Security System	6,900.00	6,900.00	5,484.50		1,415.50	
Surplus (General Budget)		-			-	
	20,973.07	20,973.07	17,912.57	-	3,060.50	-
	$ 587,804.00	587,804.00	558,121.41	6,386.11	23,294.49	1.99

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

EXHIBIT E - AIRPORT UTILITY FUND

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AIRPORT UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
ASSETS			
Operating Fund:			
Cash	$	619,124.14	547,477.70
		619,124.14	547,477.70
Receivables and Other Assets with Full Reserves:			
Rent/Fuel Accounts Receivable		166,435.45	116,097.38
		166,435.45	116,097.38
Total Operating Fund		785,559.59	663,575.08
Capital Fund:			
Cash - Treasurer		89,315.39	68,146.60
Fixed Capital - Complete		9,112,880.41	9,112,880.41
Fixed Capital - Authorized and Uncomplete		-	-
Grants Receivable		-	
Total Capital Fund		9,202,195.80	9,181,027.01
	$	9,987,755.39	9,844,602.09

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

AIRPORT UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

		2025	2024
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Appropriation Reserves	$	166,689.51	108,858.01
Reserve for Encumbrances		2,273.44	16,135.24
Accounts Payable		-	-
Security Deposits		22,270.00	22,570.00
		191,232.95	147,563.25
Reserve for Receivables		166,435.45	116,097.38
Fund Balance		427,891.19	399,914.45
Total Operating Fund		785,559.59	663,575.08
Capital Fund:			
Encumbrances Payable		-	21,069.08
Due to Current Fund		-	-
Due to Grant Fund		23,595.00	23,595.00
Improvement Authorizations:			
Funded		-	-
Unfunded		40,720.39	23,482.52
Reserve for Amortization		9,112,880.41	9,112,880.41
Deferred Reserve for Amortization		-	-
Reserve for DOT Grant		-	-
Reserve for Grant Match		-	
Capital Improvement Fund		25,000.00	
Fund Balance		-	-
Total Capital Fund		9,202,195.80	9,181,027.01
	$	9,987,755.39	9,844,602.09

There were bonds and notes authorized but not issued at December 31:

2024	-
2025	-

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

AIRPORT UTILITY FUND
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31,

		Year 2025	Year 2024
Revenue and Other Income Realized			
Fund Balance	$	108,200.00	113,200.00
Rental Fees		191,542.93	202,553.68
Miscellaneous Revenue Anticipated		258,700.56	304,198.96
Reserve for FAA		-	-
Water Utility		-	-
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		115,933.25	107,106.37
Total Income		674,376.74	727,059.01
Expenditures			
Operations		479,200.00	479,200.00
Capital Improvements		25,000.00	-
Deferred Charges and Statutory Expenditures		4,000.00	4,000.00
Surplus (General Budget)		30,000.00	
Total Expenditures		538,200.00	483,200.00
Excess in Revenue		136,176.74	243,859.01
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year		-	-
Total Adjustments		-	-
Operating Deficit to be raised in Succeeding Year		136,176.74	243,859.01
Beginning Fund Balance		399,914.45	269,255.44
Increased by:			
Transfer in from Dissolution of Port Authority			
Decreased by:			
Utilization as Anticipated Revenue		108,200.00	113,200.00
Fund Balance December 31	$	427,891.19	399,914.45

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

AIRPORT UTILITY CAPITAL FUND
COMPARATIVE STATEMENT OF FUND BALANCE ·
REGULATORY BASIS
FOR THE PERIOD ENDED DECEMBER 31,

	Year 2025	Year 2024
Beginning Balance	$ -	
Increased by:		
No current year activity	-	
Decreased by:		
No current year activity		
Ending Balance December 31	$ -	-

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

AIRPORT UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

		Anticipated Budget	Realized	Excess or (Deficit)
Surplus Anticipated	$	108,200.00	108,200.00	-
Rents		180,000.00	191,542.93	11,542.93
Fuel Sales		225,000.00	199,946.17	(25,053.83)
Miscellaneous Revenue		25,000.00	58,754.39	33,754.39
	$	538,200.00	558,443.49	20,243.49

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

AIRPORT UTILITY FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operations:						
Salaries and Wages	$ 45,000.00	45,000.00	33,030.29		11,969.71	
Other Expenses	364,200.00	364,200.00	247,894.74	2,273.44	114,031.82	
Grant Match	70,000.00	70,000.00	30,715.00		39,285.00	
	479,200.00	479,200.00	311,640.03	2,273.44	165,286.53	-
Capital Improvements:						
Capital Improvement Fund	25,000.00	25,000.00	25,000.00		-	
	25,000.00	25,000.00	25,000.00	-	-	-
Deferred Charges and Statutory Expenditures:						
Public Employees' Retirement System		-			-	
Social Security System	3,500.00	3,500.00	2,460.84		1,039.16	
Unemployment	500.00	500.00	136.18		363.82	
	4,000.00	4,000.00	2,597.02	-	1,402.98	-
Surplus (General Budget)	30,000.00	30,000.00	30,000.00		-	
	$ 538,200.00	538,200.00	369,237.05	2,273.44	166,689.51	-

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

EXHIBIT G - GENERAL FIXED ASSETS

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Exhibit G

GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
REGULATORY BASIS

	Balance Dec. 31, 2025	Balance Dec. 31, 2024
General Fixed Assets:		
Land and Buildings	$ 9,271,343.00	9,271,343.00
Machinery and Equipment	1,713,323.00	1,662,353.00
Total General Fixed Assets	10,984,666.00	10,933,696.00
Investment in General Fixed Assets	$ 10,984,666.00	10,933,696.00

See Accompanying Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Except as noted below, the financial statements of the Borough of Woodbine include every board, body, office or commission supported and maintained wholly or in part by funds appropriated by the Borough of Woodbine, as required by N.J.S. 40A:5-5.

Component units are legally separate organizations for which the entity is financially accountable. The entity is financially accountable for an organization if the entity appoints a voting majority of the organization's governing board and (1) the entity is able to significantly influence the programs or services performed or provided by the organization; or (2) the entity is legally entitled to or can otherwise access the organization's resources; the entity is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to the organization; or the entity is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the entity in that the entity approves the budget, the issuance of debt or the levying of taxes. The entity has no component units.

B. Description of Funds

The accounting policies of the Borough of Woodbine conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough of Woodbine accounts for its financial transactions through the following separate funds:

Current Fund -- resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

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

General Capital Fund -- receipt and disbursement of funds for the acquisition of general facilities, other than those acquired in the Current Fund.

General Fixed Assets Account Group -- All fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds.

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.
A modified accrual basis of accounting is followed with minor exceptions.

Revenues -- are recorded as received in cash except for certain amounts, which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the entity budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the entity's Current Fund. Other amounts that are due to the entity which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Appropriation reserves covering unencumbered appropriation balances are automatically created at December 31st of each year 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 fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

Foreclosed Property -- Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved.

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

General Fixed Assets -- The entity has developed a fixed assets accounting and reporting system, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles.

As required by New Jersey Statutes, foreclosed property is reported in the current operating fund of the municipality.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of $1,000 are capitalized.
No depreciation has been provided for in the financial statements.

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

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

Levy of Taxes -- The County Board of Taxation certifies the tax levy of the municipality each year. The tax levy is based on the assessed valuation of taxable property within the municipality. Taxes are payable on the first day of February, May, August, and November. Any taxes that have not been paid by 11th day of the 11th month in the fiscal year levied are subject to being included in the tax sale and the lien enforced by selling the property in accordance with NJSA 54:5 et. seq.

The municipality is responsible for remitting 100% of the school and county taxes to the respective agency. The loss for delinquent or uncollectible accounts is borne by the municipality and not the school district or county.

Interest on Delinquent Taxes – It is the policy of the Borough of Woodbine to collect interest for the nonpayment of taxes or assessments on or before the date when they would become delinquent. The Tax Collector is authorized to charge eight percent (8%) per annum on the first $1,500.00 of taxes becoming delinquent after due date and eighteen percent (18%) per annum on any amount of taxes in excess of $1,500.00 becoming delinquent after due date and if a delinquency is in excess of $10,000.00 and remains in arrears beyond December 31st, an additional penalty of six percent (6%) shall be charged against the delinquency. There is a ten-day grace period.

Capitalization of Interest -- It is the policy of the Borough of Woodbine to treat interest on projects as a current expense and the interest is included in the current operating budget.

Use of Estimates -- The preparation of financial statements in conformity with generally accepted accounting principles or the statutory basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

D. Required Financial Statements

The State of New Jersey requires the following financial statements to be presented for each fund on the regulatory basis of accounting: Balance Sheet, Statement of Operations and Changes in Fund Balance, Statement of Revenue and Statement of Expenditures. These statements differ from those presented under Generally Accepted Accounting Principles, which requires a Statement of Net Position and Statement of Activities in addition to the fund financial statements.

E. Comparative Data

Comparative total data for the prior year has been presented in the accompanying Balance Sheets and Statement of Operations in order to provide an understanding of changes in the entity's financial position. However, comparative (i.e., presentation of prior year totals by fund type) data have not been presented in the Statement of Revenue-Regulatory Basis and Statement of Expenditures-Regulatory Basis since their inclusion would make the statements unduly complex and difficult to read.

F. Recent Accounting Pronouncements Not Yet Effective

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement is effective for fiscal years beginning after June 15, 2025 and will not have any effect on the Borough's financial reporting.

In September 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 104, "Disclosure of Certain Capital Assets". This statement is effective for fiscal years beginning after June 15, 2025 and will not have any effect on the Borough's financial reporting.

In December 2025, the Governmental Accounting Standards Board (GASB) issued Statement No. 105, "Subsequent Events." This statement is effective for fiscal years beginning after June 15, 2026 and will not have any effect on the Borough's financial reporting.

Note 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the municipality is required to establish a reserve for uncollected taxes. The 2025 and 2024 statutory budgets included a reserve for uncollected taxes in the amount of $30,677.09 and $30,858.75. To balance the budget, the municipality is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2025 and 2024 statutory budgets was $623,725 and $609,000, respectively.

The Chief Financial Officer has the discretion of approving intra department budgetary transfers throughout the year. Inter department transfers are not permitted prior to November 1. After November 1 these transfers can be made in the form of a resolution and approved by the Borough Council. The following significant budget transfers were approved in the 2025 and 2024 calendar years.

Budget Category	2025	2024
Current Fund		
Legal Services and Costs		
Other Expenses	(17,000.00)	(12,000.00)
Employee Group Health	22,000.00	
Street Lighting		12,000.00

NJSA 40A:4-87 permits special items of revenue and appropriations to be inserted into the annual budget when the item has been made available by any public or private funding source and the item was not determined at the time of budget adoption. During 2025 and 2024, the following significant budget insertions were approved:

Budget Category	2025	2024
USEPA Brownfield Multipurpose Grant	$ 1,000,000.00	
FAA Hangar 5 Renovation	583,526.00	
NJDOT Heilprin Avenue	498,000.00	
NJDOT Madison Avenue	169,430.00	
Small Cities Block Grant 2025 Heilprin	400,000.00	
NJDOT Washington Avenue Pavement Preservation		1,962,600.00
USDA Rural Business Development Grant		49,200.00
FAA Taxiway B Edge Lights		414,063.00
DOT Taxiway B Edge Lights		22,413.00
FAA Airport Improvement Taxiway B Connect		321,985.00
DOT Airport Improvement Taxiway B Connect		17,725.55
NJEP Leafing Out Education Grant		12,500.00
NJDCA Local Recreation Improvement		68,000.00
NJEP Leafing Out Education Grant		850,000.00
NJDCA CDBG Grant Clay and Madison Ave		400,000.00
	$ 2,650,956.00	$ 4,118,486.55

The entity may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. The Borough did not approve of any emergencies during 2025.

Note 3: INVESTMENTS

As of December 31, 2025 the municipality has no investments.

Interest Rate Risk. The municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 40A:5-15.1(a) limits the length of time for most investments to 397 days.

Credit Risk. New Jersey Statutes 40A:5-15.1(a) limits municipal investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the local unit or school districts of which the local unit is a part of obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk. The municipality places no limit on the amount the entity can invest in any one issuer.

Note 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The municipality's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered 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 trust funds such as salary withholdings, bail funds or fund that may pass to the municipality relative to the happening of a future condition. As of December 31, 2025 and 2024, $698,748.63 and $427,874.61 of the municipality's bank balance of $7,578,443.83 and $3,548,192.23, respectively, was exposed to custodial credit risk.

Note 5: FIXED ASSETS

The following schedules are a summarization of the changes in general fixed assets for the calendar years ended December 31, 2025 and 2024:

	Balance 12/31/2023	Additions	Retirements	Balance 12/31/2024
Land, Buildings and Improvements	$ 9,271,343.00	-	-	9,271,343.00
Equipment and Machinery	1,528,726.00	133,627.00	-	1,662,353.00
	$ 10,800,069.00	133,627.00	-	10,933,696.00

	Balance 12/31/2024	Additions	Retirements	Balance 12/31/2025
Land, Building and Improvements	$ 9,271,343.00			9,271,343.00
Equipment and Machinery	1,662,353.00	50,970.00		1,713,323.00
	10,933,696.00	50,970.00	-	10,984,666.00

Note 6: LONG TERM DEBT

Long-term debt as of December 31, 2025 and 2024 consisted of the following:

	Balance 12/31/23	Issued	Retired	Balance 12/31/24	Amounts Due Within One Year
General	$ -	-	-	-	
Water/Sewer Utility	3,025,467.86	-	67,330.00	2,958,137.86	48,303.51
PERS	672,205.00	-	114,820.00	557,385.00	
Compensated Absences	16,500.09	5,307.79	-	21,807.88	
Total long-term liabilities	$ 3,714,172.95	5,307.79	182,150.00	3,537,330.74	48,303.51

	Balance 12/31/24	Issued	Retired	Balance 12/31/25	Amounts Due Within One Year
General	$ -			-	
Water/Sewer Utility	2,958,137.86		68,397.95	2,889,739.91	48,953.56
PERS	557,385.00	13,620.00		571,005.00	
Compensated Absences	21,807.88	10,390.28	7,263.95	24,934.21	
Total long-term liabilities	$ 3,537,330.74	24,010.28	75,661.90	3,485,679.12	48,953.56

Outstanding bonds whose principal and interest are paid from the Water and Sewer Utility Operating Fund of the City:

$270,000 in iBank loans dated August 1, 2023, due in annual installments through August 1, 2052, bearing interest at the rate of 5.00% per annum. The balance remaining as of December 31, 2025, is $260,000.00.

$833,377.61 in iBank principal forgiveness loans dated August 1, 2023, due in semiannual installments through August 1, 2052, bearing interest at the rate of 0% per annum. The balance remaining as of December 31, 2025, is $758,467.26.

$957,243.88 in USDA loans dated June 20, 2023, due in semiannual installments through December 20, 2062, bearing interest at variable rates per annum. The balance remaining as of December 31, 2025 is $910,095.70.

$1,017,186.94 in USDA loans dated June 20, 2023, due in semiannual installments through December 20, 2062, bearing interest at variable rates per annum. The balance remaining as of December 31, 2025 is $961,176.95

Schedule of Annual Debt Service for Principal and Interest for Loans Issued and Outstanding

Year Ending December 31,	Water Utility Loans Principal	Interest
2026	$ 48,953.56	47,793.39
2027	49,615.94	46,881.01
2028	50,290.90	45,956.05
2029	50,978.67	45,018.28
2030	51,679.51	44,067.44
2031-2035	274,385.43	205,599.32
2036-3040	314,017.47	175,967.28
2041-2045	335,592.40	141,892.35
2046-2050	384,306.10	103,178.65
2051-5055	340,094.19	60,610.19
2056-2060	321,901.17	29,698.83
2061-2062	136,985.44	3,224.13
	2,358,800.78	949,886.92
Loan Forgiveness	530,939.13	
Total Debt at 12/31/24	$ 2,889,739.91	

Summary of Municipal Debt	Year 2025	Year 2024	Year 2023
Issued:			
Airport Utility	$ -	-	-
Water and Sewer Utility	2,889,739.91	2,958,137.86	3,025,037.85
Total Issued	2,889,739.91	2,958,137.86	3,025,037.85
Authorized But Not Issued:			
Airport Utility	-	-	-
Water and Sewer Utility	8,910,338.31	2,145,587.73	2,145,587.73
Total Authorized But Not Issued	8,910,338.31	2,145,587.73	2,145,587.73
Total Bonds & Notes Issued and Authorized But Not Issued	$ 11,800,078.22	5,103,725.59	5,170,625.58

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.428%.

	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 315,000.00	315,000.00	-
Utilities	11,800,078.22	10,883,195.42	916,882.80
General Debt	-	-	-
	$ 12,115,078.22	11,198,195.42	916,882.80

Net Debt $916,882.80 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, $214,187,347 = 0.428%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	$ 7,496,557.00
Net Debt	916,882.80
Remaining Borrowing Power	$ 6,579,674.20

The Borough of Woodbine School District, as a K-8 school district, is permitted to borrow up to 3% of the average equalized valuation for the past three years. State statutes allow a school district to exceed the district's limitation with voter approval. Any amount approved by the voters in excess of the limit is treated as an impairment of the municipal limit.

Note 7: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2025 and 2024, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2026 and 2025 were as follows:

	2026	2025
Current Fund	$ 665,000.00	625,725.00

Note 8: SCHOOL TAXES

Local District School Taxes have been raised and a liability deferred by statute, resulting in the school tax payable set forth in the Current Fund liabilities as follows:

	12/31/2025	12/31/2024
Balance of Tax	$ 1,109,910.76	1,089,880.98
Deferred	1,089,880.00	1,089,880.00
Tax Payable	$ 20,030.76	0.98

Note 9: TAXES COLLECTED IN ADVANCE

Taxes collected in advance are recorded as cash liabilities in the financial statements. The following is a comparison of the liability for the previous two years:

	Balance 12/31/25	Balance 12/31/24
Prepaid Taxes	$ 99,485.97	88,705.66
Cash Liability for Taxes Collected in Advance	$ 99,485.97	88,705.66

Note 10: PENSION FUNDS

Description of Plans

Substantially all of the entity's employees participate in the Public Employees' Retirement System (PERS) cost sharing multiple-employer defined benefit pension plan which has been established by State Statute and is administered by the New Jersey Division of Pensions and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of the System will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the systems. This report may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey 08625 or the report can be accessed on the internet at - http://www.state.nj.us/treasury/pensions/annual-reports.shtml.

Public Employees' Retirement System

The Public Employees' Retirement System was established in January, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State or any county, municipality, school district or public agency provided the employee is not required to be a member of another State-administered retirement system.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provided for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The current PERS rate is 17.61% of the covered payroll. The entity's contributions to PERS for the years ended December 31, 2025, 2024, and 2023 were $57,579.00, $51,828.00 and $56,561.00.

The total payroll for the year ended December 31, 2025, 2024, and 2023 was $451,141,.50, $404,493.89 and $414,496.28, respectively. Payroll covered by PERS was $288,719, $271,713.00, and $292,649.00, respectively.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2013, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This

law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an $8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing laws that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

Note 11: PENSION LIABILITIES

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the municipality's pension liabilities. However, due to the fact that the municipality reports on the regulatory basis of accounting, no financial statement impact will be recognized.

The following represents the municipality's pension liabilities as June 30, 2024:

Public Employees' Retirement System

The Municipality has a liability of $571,005 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023 that was rolled forward to June 30, 2024. The Municipality's proportion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Municipality's proportion would be 0.00420225910%, which would be an inecrease of 9.20% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2025, the Municipality would have recognized pension expense of $(5,680). At December 31, 2025, the Municipality would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 11,438.00	(1,520.00)
Changes of assumptions	709.00	(6,497.00)
Changes in proportion	43,181.00	(69,166.00)
Net difference between projected and actual earnings on pension plan investments	-	(26,476.00)
Total	$ 55,328.00	(103,659.00)

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,		
2025	$	(154,999.86)
2026		205,442.22
2027		(59,131.90)
2028		(41,651.38)
2029		2,009.93
Total	$	(48,331.00)

Actuarial Assumptions

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

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

improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2021.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	28.00%	8.63%
Non-U.S. developed markets equity	12.75%	8.85%
International small cap equity	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private equity	13.00%	12.40%
Real estate	8.00%	10.95%
Real assets	3.00%	8.20%
High yield	4.50%	6.74%
Private credit	8.00%	8.90%
Investment grade credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk mitigation strategies	3.00%	7.10%

Discount Rate

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

Sensitivity of the Municipality's proportionate share of the net pension liability to changes in the discount rate.

The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	$ 694,682	571,005	465,852

Pension plan fiduciary net position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Note 12: POST-RETIREMENT BENEFITS

General Information about the Plan:

The Municipality offers Other Post-Retirement Benefits (OPEB) to its employees through the State Health Benefit Local Government Retired Employees Plan (the Plan) a cost-sharing multiple employer defined benefit other postemployment benefit plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at:

https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

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

Allocation Methodology:

GASB Statement No. 75 requires participating employers in the Plan to recognize their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective OPEB expense, however under the Regulatory Basis of Accounting followed by the Municipality these amounts are not accrued or recorded in the financial statements and the information listed in this note is for disclosure purposes only. Statewide across all member employers, the special funding situation's and nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are based on separately calculated total OPEB liabilities. For the special funding situation and the nonspecial funding situation, the Collective Total OPEB liabilities for the year ended June 30, 2024 were $4,833,833,875 and $12,914,432,673, respectively. The nonspecial funding situation's net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense are further allocated to employers based on the ratio of the plan members of an individual employer to the total members of the Plan's non special funding situation during the measurement period July 1, 2023 through June 30, 2024. Employer and non-employer allocation percentages have been rounded for presentation purposes.

Net OPEB Liability:

Components of Net OPEB Liability

The components of the collective net OPEB liability of the participating employers in the Plan as of June 30, 2024 is as follows:

	June 30, 2024	
	Collective Total	Proportionate Share
Total OPEB Liability	$ 17,748,257,548	2,054,538
Plan Fiduciary Net Position (Deficit)	(157,187,957)	(18,196)
Net OPEB Liability	$ 17,905,445,505	2,072,734
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.89%	-0.89%

At June 30, 2024 the Municipality's proportionate share of the Collective Net OPEB Liability was $2,072,734. The Municipality's proportion of the Collective Net OPEB Liability was .011576% which was a decrease from the prior year of 12%.

Municipality's Proportionate Share of Collective Net OPEB Liability	$	2,072,734
State's proportionate share that is associated with the Municipality		-
Total	$	2,072,734

For the Year ended June 30, 2024 the Municipality's Total OPEB Expense/(Benefit) was $93,933.

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

Salary increases*:

PERS
Rate for all future years 2.75% to 6.55% based on years of service

PFRS
Rate for all future years 3.25% to 16.25% based on years of service

* Salary increases are based on years of service within their respective plan.

Pre-Retirement Healthy Mortality:

PERS: Pub-2010 “General” classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021.

PFRS: Pub-2010 “Safety” classification headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021

Post-Retirement Healthy Mortality

Chapter 330 Retirees: PUB-2010 “Safety” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Retirees: PUB-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disable Retiree Mortality:

PERS Future Disabled Retirees: PUB-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

PFRS Future Disabled Retirees: PUB-2010 “Safety” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Chapter 330 Current Retirees: PUB-2010 “Safety” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Other Current Retirees: PUB-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 7.5% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 22.62% in fiscal year 2027 and decreases to 4.50% in fiscal year 2034. For

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

Discount Rate

The discount rate for June 30, 2024 was 3.93%. The discount rate will change each year based on 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.

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

		1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Collective Net OPEB Liability	$	20,857,914,273	17,905,445,505	15,540,780,410
Proportionate Share Net OPEB Liability	$	2,414,512	2,072,734	1,799,000

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

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

		1% Decrease	Healthcare cost Trend Rate	1% Increase
Collective				
Net OPEB Liability	$	15,144,352,142	17,905,445,505	21,455,435,620
Proportionate Share				
Net OPEB Liability	$	1,753,110	2,072,734	2,483,681

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

At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to retired employees' OPEB from the following sources:

		Collective Totals		Proportionate Share	
		Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	906,784,304	(3,033,798,337)	104,969	(351,192)
Changes of assumptions		2,993,451,517	(2,972,190,924)	346,522	(344,061)
Net difference between projected and actual earnings on OPEB plan investments		-	(8,105,194)		(938)
Changes in proportion and differences between contributions and proportionate share of contributions		-		637,604	(292,854)
Total	$	3,900,235,821	(6,014,094,455)	1,089,095	(989,045)

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

Year Ended June 30,		Collective Totals	Proportionate Share
2025	$	(1,123,975,872.00)	53,198.35
2026		(483,903,543.00)	22,903.40
2027		(83,156,324.00)	3,935.83
2028		(443,334,965.00)	20,983.27
2029		(282,447,899.00)	13,368.40
Thereafter		302,959,969.00	(14,339.25)
Total	$	(2,113,858,634.00)	100,050.00

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

Collective OPEB Expenses reported by the State of New Jersey

The components of allocable OPEB Expense (Benefit) related to specific liabilities of individual employers for the year ending June 30, 2023 are as follows:

Service cost	$ 545,086,159
Interest on Total OPEB Liability	554,448,470
Expected Investment Return	5,026,265
Administrative Expenses	11,119,284
Changes of Benefit Terms	107,670,542
Current Period Recognition (Amortization) of Deferred Inflows/ Outflows of Resources:	
Differences between Expected and Actual Experience	(847,755,885)
Changes in Assumptions	(583,228,782)
Differences between Projected and Actual Investment Earnings on OPEB Plan Investments	(1,033,536)
Total Collective OPEB Expense	$ (208,667,483)

Schedule of Municipality's Share of Net OPEB Liability

	2024	2023	2022	2021
Municpality's Proportionate Share of Net OPEB Liability	$ 0.0115760%	0.0131550%	0.0103520%	0.0094740%
Municipality's Share of Net OPEB Liability	2,072,734	1,974,110	1,671,806	1,705,299
Municipality's Covered Payroll	328,424	271,713	292,649	269,292
Municipality's Proportionate Share of the Net OPEB Liability as a percentage of its Covered-Employee Payroll	631.12%	726.54%	571.27%	633.25%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-0.89%	-0.79%	-0.36%	0.28%

	2020	2019	2018
Municpality's Proportionate Share of Net OPEB Liability	$ 0.0059700%	0.0089420%	0.008690%
Municipality's Share of Net OPEB Liability	1,722,336	1,211,290	1,361,429
Municipality's Covered Payroll	328,280	365,513	355,284
Municipality's Proportionate Share of the Net OPEB Liability as a percentage of its Covered-Employee Payroll	524.65%	331.39%	383.19%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.97%	1.97%	1.98%

Note 13: ACCRUED SICK AND VACATION BENEFITS

Borough employees are covered by an AFSCME union contract specifying that vacation time may be carried over to the next calendar year, with prior permission. Sick leave may be accumulated from year to year and used as needed. An employee that has reached the age of 55 and accumulated 10 years of service will be compensated for ½ of the accumulated sick pay at the current rate of pay upon retirement. It is estimated that the current cost of such unpaid compensation would approximate $24,934.21 and $21,807.88 as of December 31, 2025 and 2024. This amount is not reported either as an expenditure or liability. Effective January 1, 2002, the State of New Jersey is allowing municipalities to accrue a compensated absence liability. The Borough has elected not to accrue this liability as of December 31, 2025.

Note 14: ECONOMIC DEPENDENCY

The Borough of Woodbine is not economically dependent on any one business or industry as a major source of tax revenue for the entity.

Note 15: RISK MANAGEMENT

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

Property and Liability Insurance - The entity maintains commercial insurance coverage for property, liability and surety bonds. During the year ended December 31, 2025 and 2024 the entity did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The entity is a member of the Atlantic County Joint Insurance Fund (JIF) and the Municipal Excess Liability Fund (MEL) which also includes other municipalities throughout the region. The entity is obligated to remit insurance premiums into these funds for sufficient insurance coverage. There is an unknown contingent liability with the Atlantic County Municipal Joint Insurance Fund if there is a catastrophic insurance claim from any member of the fund. The entity has a general liability limit of $100,000 under JIF, which increases to $5,000,000 under MEL.

Note 16: DEFERRED COMPENSATION

Employees of the Borough of Woodbine may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans With Respect to Service for State and Local Governments). The deferred compensation plan is available to all employees of the entity. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

An unrelated financial institution administers the deferred compensation plan. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employees.

As part of its fiduciary role, the entity has an obligation of due care in selecting the third party administrator. In the opinion of the entity's legal counsel, the entity has acted in a prudent manner and is not liable for losses that may arise from the administration of the plan.

Note 17: CONTINGENT LIABILITIES

From time to time, the entity is a defendant in legal proceedings relating to its operations as a municipality. In the best judgment of the entity's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

Note 18: INTERFUND BALANCES

During the most current calendar year ended December 31, 2025, the following interfunds were included on the balance sheets of the various funds of the Borough of Woodbine:

	Due From	Due To
Current Fund:		
Small Cities		118,290.47
Grant Fund	73,371.15	
Water Operating	5,297.26	
Trust Other	821.01	
Grant Fund:		
Small Cities	118,290.47	
Current Fund		73,371.15
Water Sewer Capital		252,669.89
Airport Capital	23,595.00	
Water Sewer Operating:		
Water Sewer Capital	324,379.59	
Water Sewer Capital:		
Current Fund		5,297.26
Water Operating		324,379.59
Grant Fund	252,669.89	
Trust Fund:		
Current - Trust Other		821.01
Airport Capital		
Grant Fund		23,595.00
	$ 798,424.37	798,424.37

The amounts due to the Grant fund from the Current fund is due to the fact that the Borough does not receive all grant funds prior to expenditures being made, therefore all disbursements must be made through the Current Fund.

Note 19: SUBSEQUENT EVENTS

The entity has evaluated subsequent events through August 28, 2026 the date which the financial statements were available to be issued and no additional items were noted for disclosure or adjustment.

SUPPLEMENTARY INFORMATION

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTER BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and
Members of the Borough Council
Borough of Woodbine
County of Cape May, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements – regulatory basis, as listed in the accompanying table of contents, of the Borough of Woodbine, State of New Jersey, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated August 28, 2026, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the Borough of Woodbine prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

Report Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's 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 Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla
Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 28, 2026

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE & NJ OMB 25-12

The Honorable Mayor and
Members of Borough Council
Borough of Woodbine
County of Cape May, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal Program

We have audited the Borough of Woodbine's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and NJ OMB 25-12, that could have a direct and material effect on each of Woodbine's major federal and state programs for the year ended December 31, 2025. The Borough of Woodbine's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and NJ OMB 25-12. Our responsibilities under those standards, OMB Circular Uniform Guidance and NJ OMB 25-12 are further described in the Auditor's Responsibilities for the Audit of Compliance section of this report.

We are required to be independent of Borough of Woodbine and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Borough's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough of Woodbine's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 25-12. will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Borough of Woodbine's compliance with the requirements of each major federal or state program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Borough of Woodbine's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Borough of Woodbine's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 25-12, but not for the purpose of expressing an opinion on the effectiveness of Borough of Woodbine's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 25-12.

Report on Internal Control Over Compliance

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

material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular Uniform Guidance and NJ OMB 25-12. Accordingly, this report is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.

FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 28, 2026

SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

Schedule 1
Sheet 1

Federal or State Grantor/Pass-Through Grantor/Program Title	CFDA #/ Pass Through Grantor's #	Grant Period From	Grant Period To	Program or Award Amount	Balance 12/31/24	Receipts or Revenue Recognized	Disbursements/ Expenditures	Prior Year Encumbrances	Cancelled/ Adjustments	Balance 12/31/25	Cumulative Expenditures
STATE OF NEW JERSEY											
Department of Environmental Protection										-	-
Clean Communities	4900-765-042-4900-004	01/01/23	12/31/23	$ 8,997.03	8,997.03					8,997.03	-
Clean Communities	4900-765-042-4900-004	01/01/22	12/31/22	8,021.54	3,297.48		925.00			2,372.48	5,649.06
Recycling Tonnage	4900-752-042-4900-001	01/01/23	12/31/23	8,483.42	4,033.45		4,033.45			-	8,483.42
State of New Jersey State Police											
Alcohol Education Rehabilitation Fund	9735-760-098-Y900-001	01/01/20	12/31/20	292.93	292.93					292.93	-
NJ Economic Dev Hazardous Site Remediation		01/01/16	12/31/16	38,000.00	315.11					315.11	37,684.89
Hazardous Site Remediation		01/01/17	12/31/17	129,645.00	-		40,601.93	40,601.93		-	129,645.00
All Hazards Emergency Operation Planning		01/01/14	12/31/14	2,406.00	1,732.64		86.46	401.57	315.11	1,732.64	673.36
Economic Development Hazardous Site Remediation		01/01/14	12/31/14		315.11		315.11			-	
Local Recreation Grant		01/01/23	12/31/24	68,000.00	0.01		67,999.99	67,999.99		0.01	67,999.99
Local Recreation Grant		01/01/24	12/31/25	100,000.00	304.65		300.00			4.65	99,995.35
Stormwater Grant		01/01/23	12/31/23	75,000.00	75,000.00		21,448.28			53,551.72	21,448.28
DCA Clay/Madison Ave		01/01/24	12/31/25	400,000.00	164.37		14,498.85	14,498.85		164.37	399,835.63
Leafing Out		01/01/24	12/31/25	12,500.00	12,500.00					12,500.00	-
Leafing Out Education Grant		01/01/24	12/31/25	850,000.00	850,000.00		51,750.00			798,250.00	51,750.00
Lead Assistance		01/01/24	12/31/25	4,900.00	4,900.00					4,900.00	-
NJDEA Hazardous Discharge Site - F&S Landfill		01/01/25	12/31/25	985,099.00		985,099.00				985,099.00	-
NJDEA Hazardous Discharge Site - F&S Landfill		01/01/25	12/31/25	800,000.00		800,000.00				800,000.00	-
NJ Clean Energy Street Lighting Project		01/01/21	12/31/21	45,700.00	-					-	45,700.00
NJ Transportation Trust Fund					-					-	-
Dehirsch	6320-480-601385-61			175,000.00	-					-	175,000.00
Pavement Preservation	6320-480-601385-61			285,650.00	32,083.14		5,250.37	4,947.37		31,780.14	253,869.86
Bridge Tresle	6320-480-601385-61			900,000.00	740,144.84		643,820.37	130,115.37		226,439.84	673,560.16
Madison Avenue	6320-480-601385-61			136,085.00	85,895.65		83,538.60			2,357.05	133,727.95
Streetscape Improvement Project	6320-480-601385-61			500,000.00	2,222.09		2,222.09			-	500,000.00
Clay Street & Madison Avenue Project	6320-480-601385-61			150,000.00	694.80		19,219.63	28,660.20		10,135.37	139,864.63
Clay Street	6320-480-601385-61			165,000.00	-		40,361.29	40,361.29		-	165,000.00
2022 Bikeway	6320-480-601385-61			645,000.00	-					-	645,000.00
Taxiway B Edge Lights	6320-480-601385-61			3,390.80	86.60					86.60	3,304.20
Taxiway B Phase IC	6320-480-601385-61			27,472.85	154.77		2,361.77	2,207.02		0.02	27,472.83
Pavement Preservation 2024	6320-480-601385-61			70,000.00	14,270.06		55,729.94	55,729.94		14,270.06	55,729.94
Clay Street & Madison Avenue Project 2024	6320-480-601385-61			50,000.00	3,358.40		3,522.59	164.19		(0.00)	50,000.00
2024 Washington Ave	6320-480-601385-61			1,795,000.00	1,795,000.00		964,680.45			830,319.55	964,680.45
2024 Pavement Preservation Washington Ave	6320-480-601385-61			1,962,600.00	1,962,600.00		91,983.00			1,870,617.00	91,983.00
NJDOT Taxiway B Lighting	6320-480-601385-61			22,413.00	2,730.81		7,750.80	5,054.85		34.86	22,378.14
NJDOT Taxiway B Relocation	6320-480-601385-61			252,004.16	232,106.82		164,552.62			67,554.20	184,449.96
NJDOT Taxiway B Connector	6320-480-601385-61			17,725.55	17,725.55		13,090.48			4,635.07	13,090.48
Taxiway D Relocation	6320-480-601385-61			528,013.09		528,013.09				528,013.09	-
Local Infrastructure - Heilprin Ave 2025	6320-480-601385-61			498,000.00		498,000.00				498,000.00	-
2024 Madison Ave Reconstruction	6320-480-601385-61			169,430.00		169,430.00	169,429.30			0.70	169,429.30
2025 Heilprin Ave	6320-480-601385-61			126,552.00		126,552.00				126,552.00	-
NJ Volunteer Fire Assistance				5,000.00	5,000.00					5,000.00	-
Total State Assistance					$ 5,855,926.31	3,107,094.09	2,469,472.37	390,742.57	315.11	6,883,975.49	

See Accompanying Notes to Schedule of Expenditures of Federal and State Awards

SCHEDULE OF FEDERAL AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

Schedule 1
Sheet 2

Federal or State Grantor/Pass-Through Grantor/Program Title	CFDA #/ Pass Through Grantor's #	Grant Period From	To	Program or Award Amount	Balance 12/31/24	Receipts or Revenue Recognized	Disbursements/ Expenditures	Prior Year Encumbrances	Adjustments	Balance 12/31/25	Cumulative Expenditures
FEDERAL:											
Department of Environmental Protection											
Brownfields Multipurpose Grant	66.818	01/01/25	12/31/25	1,000,000.00	-	1,000,000.00	440,985.00			559,015.00	440,985.00
Department of Transportation											
Taxiway B Edge Lights	20.106	01/01/22	12/31/22	63,082.00	3,606.50					3,606.50	59,475.50
Taxiway B Phase IV	20.106	01/01/22	12/31/22	496,694.00	3,509.88		42,587.48	39,726.30		648.70	496,045.30
Airport Transient Apron	20.106	01/01/23	12/31/23	1,000,000.00	1,000,000.00		636,136.77			363,863.23	636,136.77
FAA Taxiway B Lighting	20.106	01/01/24	12/31/24	414,063.00	58,122.56		155,842.74	99,271.71		1,551.53	412,511.47
FAA Taxiway Connector	20.106	01/01/24	12/31/24	321,985.00	321,985.00		245,749.46			76,235.54	245,749.46
Hangar 5 Renovation	20.106	01/01/25	12/31/25	583,526.00		583,526.00	3,195.00			580,331.00	3,195.00
Total Department of Transportation					1,387,223.94	583,526.00	1,083,511.45	138,998.01	-	1,026,236.50	
Department of Agriculture											
Community Facility - Food Bank Phase 2	10.766	01/01/16	12/31/16	37,400.00	1,000.00					1,000.00	36,400.00
Head Start - Roof	10.766	01/01/19	12/31/19	8,200.00	8,200.00					8,200.00	-
Head Start	10.766	01/01/18	12/31/18	80,000.00	4,300.00					4,300.00	75,700.00
Rural Business Development Grant	10.766	01/01/24	12/31/24	49,200.00	-		49,200.00	49,200.00		-	49,200.00
Water System Grant	10.766	01/01/23	12/31/23	800,000.00	234,000.00		134,414.25	352,964.38		452,550.13	347,449.87
Total Department of Agriculture					247,500.00	-	183,614.25	402,164.38	-	466,050.13	
Housing and Urban Development											
Small Cities Community Development Block Grant											
Public Facility	14.218	01/01/16	12/31/16	150,000.00	1,969.47					1,969.47	148,030.53
Public Facility - 2019	14.218	01/01/19	12/31/19	400,000.00	-					-	400,000.00
Public Facility - 2020	14.218	01/01/20	12/31/20	400,000.00	11,489.91					11,489.91	388,510.09
2021 - Adams/Franklin Water	14.218	01/01/21	12/31/21	670,026.00	6,063.21		109,421.36	109,421.36	(40,000.00)	46,063.21	623,962.79
2025 Heilprin Avenue	14.218	01/01/25	12/31/25	400,000.00		400,000.00	60,000.00			340,000.00	60,000.00
Total Housing and Urban Development					19,522.59	400,000.00	169,421.36	109,421.36	(40,000.00)	399,522.59	
Total Federal Assistance					$ 1,654,246.53	1,983,526.00	1,877,532.06	650,583.75	(40,000.00)	2,450,824.22	

See Accompanying Notes to Schedule of Expenditures of Federal and State Awards

Notes to Schedule of Expenditures of Federal and State Awards
December 31, 2025

Note 1: BASIS OF PRESENTATION

The accompanying schedule of federal and state awards includes the federal and state grant activity of the Borough of Woodbine, State of New Jersey and is presented on the basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a comprehensive basis of accounting other than generally accepted accounting principles. Encumbrances are considered in determining single audit threshold on major programs. The Borough has elected not to use the 10% de minimis indirect cost rate.

Note 2: RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedule do not agree with amounts reported in the Borough's financial statements. Receipts from Federal and State grants are realized as revenue when anticipated in the Borough's budget. Expenditures are recognized when they become payable. Following is a reconciliation of expenditures:

Expenditures per Schedule of Federal and State Awards	$ 4,347,004.43
Plus: Local Grants and Local Match	3,278,533.76
Expenditures reported on Schedule A-11	$ 7,625,538.19

BOROUGH OF WOODBINE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section I -- Summary of Auditor's Results

Financial Statement

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

Federal Awards

Internal Control over major programs:				
• Material weakness(es) identified?		yes	X	no
• Significant deficieny(ies) identified?		yes	X	none reported
Type of auditor's report issued on compliance major programs	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with OMB Uniform Guidance		yes	X	no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
66.818	Brownfields Multipurpose Grant

Dollar Threshold used to distinguisth between type A and type B programs:	$ 1,000,000			
Auditee qualified as low-risk auditee?	X	yes		no

State Awards

Internal Control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficieny(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 25-12 _____ yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program
6320-480-601385-61	NJ Department of Transporation

Dollar Threshold used to distinguisth between type A and type B programs: $ 1,000,000

Auditee qualified as low-risk auditee? X yes _____ no

Part 2 -- Schedule of Financial Statement Findings

NONE

Part 3 – Schedule of Federal Award Findings and Questioned Costs

NONE

CURRENT FUND
SCHEDULE OF CASH - TREASURER

		Current Fund
Balance December 31, 2024	$	1,335,488.70
Increased by Receipts:		
Miscellaneous Revenue Anticipated	1,085,310.55	
Miscellaneous Revenue Not Anticipated	133,525.07	
Taxes Receivable	2,928,433.72	
Tax Title Liens	11,118.42	
Prepaid Taxes	99,485.97	
Due from State - Sr Citizens and Veterans	9,750.00	
Tax Overpayments	281.85	
Reserve for Property Sale Deposits	1,500.00	
Due from Grant Fund	5,041,805.59	
		9,311,211.17
		10,646,699.87
Decreased by Disbursements:		
Current Year Appropriation	1,620,903.47	
Prior Year Appropriations	125,679.64	
County Taxes	457,905.58	
County Added Taxes	3,838.55	
Local District School Taxes	2,199,819.22	
Transfer to BOE	8,025.00	
Due to Small Cities	40,000.00	
Due from Trust	802.26	
Refund Tax Overpayments	670.87	
Due from Grant Fund	3,076,638.22	
Due to Water Operating	5,297.26	
		7,539,580.07
Balance December 31, 2025	$	3,107,119.80

CURRENT FUND
SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year		Balance Dec. 31, 2024	Current Year Levy	Added Taxes	Collections by Cash 2024	Collections by Cash 2025	Adjustments	Transferred To Tax Title Lien	Arrears	Balance Dec. 31, 2025
Arrears	$	10,889.81					42.03			10,847.78
2024		8,733.18				1,231.05	6,723.91	-		778.22
		19,622.99	-	-	-	1,231.05	6,765.94	-	-	11,626.00
2025			3,090,567.63		88,705.66	2,936,952.67		8,146.63		56,762.67
	$	19,622.99	3,090,567.63	-	88,705.66	2,938,183.72	6,765.94	8,146.63	-	68,388.67

2,928,433.72	Cash Receipts	
9,750.00	Senior Citizens and Veterans	
	Apply Overpayments	
2,938,183.72		

Analysis of Current Year Tax Levy

Tax Yield:		
General Property Tax	3,090,567.63	
Added Taxes (54:4-63.1 et. Seq.)	-	
		3,090,567.63
Tax Levy:		
General County Taxes	375,785.11	
County Library Taxes	59,932.21	
County Open Space Taxes	22,188.23	
County Added and Omitted Taxes	1,257.97	
Total County Taxes		459,163.52
Local School District Tax		2,219,849.00
Local Tax for Municipal Purposes	417,709.09	
Add: Additional Tax Levied	(6,153.98)	
		411,555.11
		3,090,567.63

CURRENT FUND
SCHEDULE OF TAX TITLE AND OTHER LIENS

Balance December 31, 2024		$	84,322.91
Increased by:			
Transfers from Taxes Receivable	8,146.63		
Interest and Costs Accrued by Tax Sale			
Adjustments			
			8,146.63
			92,469.54
Decreased by:			
Collections	11,118.42		
Cancellations	6,146.59		
			17,265.01
Balance December 31, 2025		$	75,204.53

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2024	Accrued 2025	Collected by Treasurer	Cancelled	Balance Dec. 31, 2025
Micellaneous Revenue Anticipated					
Licenses - Alcoholic Beverages	$ -	12,500.00	12,500.00		-
Interest and Costs on Taxes	-	17,683.62	17,683.62		-
Anticipated Utility Operating Surplus	-	30,000.00	30,000.00		-
Energy Receipts Tax	-	292,989.00	292,989.00		-
Rental for State Police Lease	-	167,330.52	167,330.52		-
Host Community Benefits	-	532,432.99	532,432.99		-
Cable Franchise Fee	-	7,374.42	7,374.42		-
NJ Dept of Human Services	-	25,000.00	25,000.00		-
Miscellaneous Revenue Not Anticipated	-	133,525.07	133,525.07	-	-
	$ -	1,218,835.62	1,218,835.62	-	-

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT:					
Administrative and Executive					
Other Professional Services	$ 23,045.78	23,045.78	20,416.62	2,629.16	-
Mayor and Council					
Other Expenses	699.09	699.09	662.60	36.49	-
Financial Administration					
Other Expenses	22,801.98	22,801.98	2,523.39	20,278.59	-
Assessment of Taxes					
Other Expenses	398.94	398.94	354.07	44.87	-
Legal Services and Costs					
Other Expenses	26,319.00	26,319.00	14,935.00	11,384.00	-
Engineering Services and Costs					
Other Expenses	1,192.00	1,192.00	1,192.00	-	-
Public Buildings and Grounds					
Other Expenses	150.26	150.26	28.57	121.69	-
PUBLIC SAFETY					
Interlocal Agreement with First Aid Organization	12,500.02	12,500.02	12,500.00	0.02	-
School Crossing Guard					
Other Expenses	473.02	473.02	56.00	417.02	-
STREETS AND ROADS:					
Roads Repairs and Maintenance					
Other Expenses	7,667.11	7,667.11	4,898.55	2,768.56	-
Garbage/Recycling Removal					
Other Expenses		-		-	-
Contractual	17,443.20	17,443.20	4,548.81	12,894.39	-
Health and Welfare					
Dog Regulation					
Other Expenses					
Contractual	337.50	337.50	336.00	1.50	-
County Shelter - Spay/Neuter	70.00	70.00	70.00	-	-
Misc.	469.00	469.00	469.00	-	-
RECREATION AND EDUCATION					
Parks and Playgrounds					
Improvements	9,880.00	9,880.00	4,901.38	4,978.62	-
Unclassified					
Telephones/Communications	4,567.01	4,567.01	210.09	4,356.92	-
Heating	6,255.72	6,255.72	572.56	5,683.16	-
OPERATIONS - EXCLUDED FROM "CAPS"					
(A) Operations - Excluded from "CAPS"					
Shared Service Agreements					
Dispatcher					
Other Expenses	12,500.02	12,500.02	12,500.00	0.02	-
(C) Capital Improvements					
Public Facilities Upgrade	48,620.86	48,620.86	44,505.00	4,115.86	-
Other Accounts with no Change	163,791.40	163,791.40		163,791.40	-
	$ 359,181.91	359,181.91	125,679.64	233,502.27	-

CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Balance December 31, 2024		
School Tax Payable	$ 0.98	
School Tax Deferred	1,089,880.00	
		$ 1,089,880.98
Increased by:		
Levy - School Year July 1, 2024 to June 30, 2025		2,219,849.00
		3,309,729.98
Decreased by:		
Payments		2,199,819.22
Balance December 31, 2025		
School Tax Payable	20,030.76	
School Tax Deferred	1,089,880.00	
		1,109,910.76
Current Year Liability for Local School District School Tax:		
Tax Paid		2,199,819.22
Tax Payable Ending		20,030.76
		2,219,849.98
Less: Tax Payable Beginning		0.98
Amount charged to Current Year Operations		$ 2,219,849.00

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2024	Transferred From 2025 Revenues	Received	Adjustments	Balance Dec. 31, 2025
FEDERAL GRANTS:					
FEMA - Hazardous Site Remediation	$ 29,450.77				29,450.77
Small Cities Block Grant:					
Public Facility - Fire Station	2,436.60				2,436.60
Small Cities Public Facilities - 2019	5.50				5.50
Small Cities Public Facilities - 2020	55,700.00		55,700.00		-
Small Cities CDBG Adams/Franklin Water System	21,056.75		21,056.75	(0.03)	0.03
Small Cities CDBG Adams/Franklin	270,026.00		196,245.70		73,780.30
Small Cities CDBG 2025 Heilprin Ave		400,000.00			400,000.00
USDA Headstart	13,000.00				13,000.00
USDA Fire Truck	14,347.00				14,347.00
USDA Headstart	8,200.00				8,200.00
USDA Water System Grant	800,000.00		2,399.18		797,600.82
USDA Dump Truck/Snowplow	91,700.00		91,700.00		-
USDA RDBG Airport Feasibility Study	50,500.00				50,500.00
USDA Rural Business Development Grant	49,200.00				49,200.00
FAA Taxiway B Edge Lights	415.30				415.30
FAA Taxiway B Phase IV	28,626.29		80,574.72	(51,948.43)	-
FAA Taxiway Relocation	240,822.94		131,109.33		109,713.61
FAA Taxiway B Edge Light Rehab	158,761.17		123,570.79		35,190.38
FAA Airport Improvement Taxiway B Connect	294,890.84		245,749.46		49,141.38
FAA Hangar 5 Reconstruction		583,526.00			583,526.00
Airport Improvement Fund	5,975.79				5,975.79
USEPA Brownfields Multipurpose Grant	-	1,000,000.00			1,000,000.00
Total Federal	2,135,114.95	1,983,526.00	948,105.93	(51,948.46)	3,222,483.48

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2024	Transferred From 2025 Revenues	Received	Adjustments	Balance Dec. 31, 2025
STATE GRANTS:					
Clean Communities	9,270.30				9,270.30
Recycling Tonnage Grant	8,483.42				8,483.42
NJDOT - Dehirsch Avenue	-				-
NJDOT - Streetscape Improvement Project	192,443.56				192,443.56
NJDOT - Clay Street	35,562.37				35,562.37
NJDOT - Clay Street & Madison Ave Project	-				-
NJDOT 2022 Bikeway	264,862.87				264,862.87
NJDOT - Pavement Preservation	95,251.74				95,251.74
NJDOT - Bridge Trestle	900,000.00		330,505.65		569,494.35
NJDOT - Madison Avenue	136,085.00		99,300.00		36,785.00
NJDOT Pavement Condition Assessment	70,000.00		28,167.93		41,832.07
NJDOT Madison Avenue 2024	1,795,000.00		721,544.59		1,073,455.41
NJDOT Clay and Madison 2024	50,000.00				50,000.00
NJDOT Washington Ave Pavement Preservation	1,962,600.00				1,962,600.00
NJDOT 2025 Heilprin Ave Reconstruction		126,552.00			126,552.00
NJDOT 2024 Madison Ave Reconstruction		169,430.00	70,860.00		98,570.00
NJDOT Local Infrastructure Heilprin Ave		498,000.00			498,000.00
Local Recreation Grant	-		99,995.32	(100,000.00)	4.68
Local Recreation Grant	68,000.00		67,999.99		0.01
Lead Assistance Grant	4,900.00				4,900.00
Leafing Out Education	12,500.00				12,500.00
Leafing Out Education	850,000.00				850,000.00
Stormwater Grant	50,000.00				50,000.00
Alcohol Education Rehabilitation	0.47				0.47
NJDCA Grant Clay and Madison	8,623.51				8,623.51
NJ Clean Energy Street Lighting Project	800.00				800.00
NJEDA Hazardous Discharge Site F&S Landfill		982,099.00			982,099.00
NJEDA Hazardous Discharge Site F&S Landfill		800,000.00			800,000.00
NJDOT Taxiway B Edge Light Rehab	21,096.74		18,727.29		2,369.45
NJDOT Airport Improvement Taxiway B Connect	17,725.55		13,652.76		4,072.79
NJDOT Taxiway B Edge Lights	1.00				1.00
NJDOT Taxiway B Phase IV	-				-
NJDOT Airport Apron Project	986,943.99			(13,056.01)	1,000,000.00
NJDOT Taxiway D Relocation		528,013.09			528,013.09
Total State	7,540,150.52	3,104,094.09	1,450,753.53	(113,056.01)	9,306,547.09

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2024	Transferred From 2025 Revenues	Received	Adjustments	Balance Dec. 31, 2025
LOCAL GRANTS:					
Municipal Alliance Program					
2020	200.00				200.00
2018	1,115.93				1,115.93
2016	888.19				888.19
CMC Jakes Law	5,000.00				5,000.00
Cape May County Grant	400,000.00		400,000.00		-
Cape May County Open Space Park	4,000.00				4,000.00
Cape May County Open Space	1,173,000.00		1,173,000.00		-
Cape May County Open Space	2,986,000.00		2,986,000.00		-
Green Communities	3,000.00				3,000.00
Total Local	4,573,204.12	-	4,559,000.00	-	14,204.12
	$ 14,248,469.59	5,087,620.09	6,957,859.46	(165,004.47)	12,543,234.69

Cash	6,957,859.46
Unappropriated Reserves	-
	6,957,859.46

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2024						
	Appropriated	Reserve for Encumbrances	2025 Appropriations	Disbursed	Encumbrances	Adjustments	Balance Dec. 31, 2025
FEDERAL GRANTS:							
Small Cities							
2019 Match	$ 55.58						55.58
Public Facilities - 2020 - ADA Playground	11,489.91						11,489.91
2020 Match - ADA Playground	-	28,000.00		5,000.00	14,000.00		9,000.00
2021 - Adams/Franklin Water	6,063.21	109,421.36		108,906.44	514.92	(40,000.00)	46,063.21
2021 Match - Adams/Franklin	40,000.00						40,000.00
2022 Match	40,000.00						40,000.00
2023 Match	40,000.00						40,000.00
2024 Match	40,000.00						40,000.00
2025 Heilprin Ave			400,000.00	1,660.00	58,340.00		340,000.00
2025 Heilprin Ave - Match			40,000.00				40,000.00
	-						-
US EPA Brownsfield Multipurpose Grant	-		1,000,000.00	83,807.16	357,177.84		559,015.00
USDA							
Community Facility - Food Bank Phase 2	1,000.00						1,000.00
Head Start	4,300.00						4,300.00
Head Start - Roof	-						-
Dump Truck/Snowplow	-						-
Water System Grant	234,000.00	352,964.38		131,664.25	2,750.00		452,550.13
Rural Business Development Grant	-	49,200.00		8,750.00	40,450.00		-
Department of Transportation							
FAA Taxiway B Edge Lights	3,606.50						3,606.50
FAA Taxiway B Phase IV	3,509.88	39,726.33		42,587.48			648.73
FAA Taxiway B Lighting	58,122.56	99,271.71		123,570.79	32,271.95		1,551.53
Airport Transient Program	1,000,000.00			37,373.77	598,763.00		363,863.23
Airport Improvement Fund	-						-
FAA Taxiway Connector	321,984.97			245,749.46			76,235.51
Airport Match	235.00	2,207.02		2,370.46			71.56
Taxiway B Lighting Match	3,885.46	5,976.12		7,311.96	2,253.91		295.71
FAA Hangar 5 Renovation			583,526.00	3,195.00			580,331.00
FAA Hangar 5 Renovation - Match			30,715.00	355.00			30,360.00
Total Federal	1,808,253.07	686,766.92	2,054,241.00	802,301.77	1,106,521.62	(40,000.00)	2,680,437.60

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2024						
	Appropriated	Reserve for Encumbrances	2025 Appropriations	Disbursed	Encumbrances	Adjustments	Balance Dec. 31, 2025
STATE GRANTS:							
Clean Communities	12,294.51			925.00			11,369.51
Recycling Tonnage Grant	4,033.45			4,033.45			-
Hazardous Site Remediation	-	40,601.93			40,601.93		-
Alcohol Education Rehabilitation Grant	292.93						292.93
All Hazards Emergency Operation Planning	1,732.64	401.57			86.46	315.11	1,732.64
Stormwater Grant	75,000.00			21,448.28			53,551.72
Local Recreation Grant	0.01	67,999.99		67,999.99			0.01
Local Recreation Grant	304.65			300.00			4.65
DCA Clay/Madison Avenue	164.37	14,498.85		1,498.85	13,000.00		164.37
Leafing Out	12,500.00						12,500.00
Leafing Out Education Grant	850,000.00			33,146.94	18,603.06		798,250.00
Lead Assistance	4,900.00						4,900.00
NJDEA Hazardous Discharge Site - F&S Landfill			982,099.00				982,099.00
NJDEA Hazardous Discharge Site - F&S Landfill			800,000.00				800,000.00
NJ Transportation Trust Fund							
2022 Bikeway	-						-
Bridge Trestle	740,144.84	130,115.37		547,749.88	96,070.49		226,439.84
Pavement Preservation	32,083.14	4,947.37		5,250.37			31,780.14
Pavement Preservation 2024	14,270.06	55,729.94		28,167.93	27,562.01		14,270.06
NJDOT - Madison Avenue	85,895.65			9,063.60	74,475.00		2,357.05
NJDOT - Dehirsch Avenue	-						-
NJDOT - Streetscape Improvement Project	2,222.09			2,222.09			-
NJDOT - Clay Street & Madison Avenue Project	694.80	28,660.20		19,219.63			10,135.37
NJDOT - Clay Street & Madison Avenue Project 2024	3,358.40	164.19		3,522.59			-
NJDOT - Clay Street	-	40,361.29		10,602.82	29,758.47		-
NJDOT Local Infrastructure - Heilprin 2025			498,000.00				498,000.00
NJDOT 2024 Madison Ave Reconstruction			169,430.00	52,745.30	116,684.00		0.70
NJDOT 2025 Heilprin Ave			126,552.00				126,552.00
NJDOT 2024 Washington Ave	1,795,000.00				964,680.45		830,319.55
NJDOT 2024 Pavement Preservation Washington Ave	1,962,600.00			13,823.50	78,159.50		1,870,617.00
NJDOT Taxiway B Edge Lights	86.60						86.60
NJDOT Taxiway B Phase IV	154.77	2,207.02		2,361.77			0.02
NJDOT Taxiway B Phase IV - Match							-
NJDOT Taxiway B Lighting	2,730.81	5,054.85		6,418.16	1,332.64		34.86
NJDOT Taxiway B Relocation	232,106.82			164,552.62			67,554.20
NJDOT Taxiway B Relocation - Match	28,000.00						28,000.00
NJDOT Taxiway B Connector	17,725.55			13,090.48			4,635.07
NJDOT Taxiway B Connector - Match	15,600.55	2,450.00		16,665.04			1,385.51
NJDOT Taxiway D Relocation			528,013.09				528,013.09
NJ Volunteer Fire Assistance	5,000.00						5,000.00
NJ Economic Dev. Hazardous Site Remediation	315.11				315.11		-
Total State	5,899,211.75	393,192.57	3,104,094.09	1,024,808.29	1,461,329.12	315.11	6,910,045.89

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2024						
	Appropriated	Reserve for Encumbrances	2025 Appropriations	Disbursed	Encumbrances	Adjustments	Balance Dec. 31, 2025
LOCAL GRANTS:							
2019 Municipal Alliance	-						-
Local Share	57.30						57.30
2020 Municipal Alliance	-						-
Local Share	1,491.69						1,491.69
SJ Gas Game On	1,000.00						1,000.00
JIF Cyber Grant	-						-
Community Energy Planning Grant	-						-
Gateway Grant	1,000.00						1,000.00
Comcast Technology Grant	5,871.00						5,871.00
Cape May County Reycling	2,801.36			945.70			1,855.66
Cape May County Open Space	313,523.45	36,982.78		130,961.91	112,669.78		106,874.54
Green Communities	3,000.00						3,000.00
History Regrant Award	665.00						665.00
Cape May County Grant	-						-
CMC Open Space Grant	358,089.00	2,627,911.00		1,117,620.55	1,868,379.45		-
CMC Jake's Law	-						-
Total Local	687,498.80	2,664,893.78	-	1,249,528.16	1,981,049.23	-	121,815.19
	8,394,963.62	3,744,853.27	5,158,335.09	3,076,638.22	4,548,899.97	(39,684.89)	9,712,298.68

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES

Purpose		Balance Dec. 31, 2024	Transferred To 2025 Approprioriations	Received	Adjustments	Balance Dec. 31, 2025
FEDERAL GRANTS:						
FAA Taxiway B Phase IV	$			51,948.43		51,948.43
STATE GRANTS:						
Recycling Tonnage Grant		2,979.97	-	2,436.16		5,416.13
Alcohol Education Rehabilitation		735.50	-	206.33		941.83
Clean Communities		10,218.87		10,135.19		20,354.06
LOCAL GRANTS:						
CMC Creative Placemaking		-		183,060.00		183,060.00
CMC Landscape Architect Eco Park		-		20,000.00		20,000.00
Total State	$	13,934.34	-	267,786.11	-	281,720.45

Exhibit B-1

TRUST FUND
SCHEDULE OF CASH - TREASURER

	Dog Licenses		Other	
Balance December 31, 2024	$	183.65		787,238.65
Increased by Receipts:				
Dog License Fees 2025	547.00			
Due to State of New Jersey	157.80			
Due to Current Fund			802.26	
Miscellaneous Trust Reserves			65.60	
Tax Sale Deposits				
		704.80		867.86
		888.45		788,106.51
Decreased by Disbursements				
Statutory Expenditures	300.00			
Due to State of New Jersey	157.80			
Miscellaneous Trust Reserves			23,749.21	
		457.80		23,749.21
Balance December 31, 2025	$	430.65		764,357.30

Exhibit B-2

TRUST FUND
SCHEDULE OF CASH - COLLECTOR

	Tax Title Lien Redemption	
Balance December 31, 2024		$ 135,613.71
Increased by Receipts:		
Deposits for Redemption of Tax Sale Certificates	118,936.50	
		118,936.50
		254,550.21
Decreased by Disbursements:		
Deposits Returned	140,854.72	
Refunds on Tax Sale Certificates	-	
		140,854.72
Balance December 31, 2025		$ 113,695.49

Analysis of Balance:	
TTL Redemptions	$ 17,195.49
Premiums	96,500.00
Due to Tax Sale Participants	-
	$ 113,695.49

Exhibit B-3

TRUST FUND
SCHEDULE OF RESERVE FOR DOG FUND EXPENDITURES

Balance December 31, 2024		$ 142.25
Increased by:		
License Fees Collected	547.00	
		547.00
		689.25
Decreased by:		
Statutory Excess		
Expenditures under N.J.S. 4:19-15:11	300.00	
		300.00
Balance December 31, 2025		$ 389.25

License Fees Collected:

Year	Amount
2024	$ 564.00
2023	519.00
	$ 1,083.00

Exhibit B-4

TRUST FUND
SCHEDULE OF AMOUNT DUE TO CURRENT FUND - DOG LICENSE FUND

Balance December 31, 2024		$ -
Increased by:		
Statutory Excess	-	
		-
		-
Decreased by:		
Receipt deposited into Current Fund		
Balance December 31, 2025		$ -

Exhibit B-5

TRUST FUND
SCHEDULE OF AMOUNT DUE TO(FROM) STATE OF NEW JERSEY - DEPARTMENT OF HEALTH

Balance December 31, 2024		$ 41.40
Increased by:		
2025 State License Fees	157.80	
		157.80
		199.20
Decreased by:		
Disbursements to the State		157.80
Balance December 31, 2025		$ 41.40

Exhibit B-6

TRUST - OTHER FUNDS
SCHEDULE OF DUE TO/(FROM) CURRENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

Reserve	Balance Dec 31, 2024	Increased by: Receipts	Decreased by: Disbursements	Adjustments	Balance Dec 31, 2025
Deposits for Redemption of Tax Sale Certificates	$ 18.75	-			18.75
Developers Escrow		802.26			802.26
	$ 18.75	802.26	-	-	821.01

Exhibit B-7

TRUST - OTHER FUNDS
SCHEDULE OF MISCELLANEOUS RESERVES
FOR THE YEAR ENDED DECEMBER 31, 2025

Reserve	Balance Dec 31, 2024	Receipts	Disbursements	Adjustments	Balance Dec 31, 2025
Deposits for Redemption of Tax Sale Certificates	$ 17,213.71		18.22		17,195.49
Premiums Received at Tax Sale	118,400.00		21,900.00		96,500.00
Community Development Block Grant	150,653.18				150,653.18
Escrow Fees	45,514.57		7,401.20		38,113.37
Municipal Alliance	2,679.41				2,679.41
Section 125	35.25				35.25
Municipal Court Fees	3,739.87	65.60			3,805.47
Affordable Housing Trust	32,055.55		16,348.01		15,707.54
Landfill Escrow	552,542.07				552,542.07
	$ 922,833.61	65.60	45,667.43	-	877,231.78

GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

Balance December 31, 2024		$ 285,507.29
Increased by Receipts:		
Due from Current Fund	-	
		-
Decreased by Disbursements:		
Improvement Authorizations	-	
		-
Balance December 31, 2025		$ 285,507.29

GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2024	Receipts		Disbursements		Transfers		Balance Dec. 31, 2025
		Miscellaneous	Debt Issued	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	$ 52,187.29					52,180.00		7.29
Capital Improvement Fund	233,320.00					233,320.00		-
Encumbrances Payable	-							-
Ordinance 630 Building Improvements	-	-					285,500.00	285,500.00
	$ 285,507.29	-	-	-	-	285,500.00	285,500.00	285,507.29

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2024	$	233,320.00
Decreased by:		
Appropriated to Finance Improvement Authorizations		233,320.00
Balance December 31, 2025	$	-

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Balance December 31, 2024	$	-
No current year activity		
Balance December 31, 2025	$	-

Exhibit C - 6

GENERAL CAPITAL FUND
SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord #	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Raised in 2025 Budget	Debt Issued	Balance Dec. 31, 2025	Analysis of Balance: Bond Anticipation Notes	Analysis of Balance: Expenditures	Analysis of Balance: Unexpended Improvement Authorizations
	No deferred charges unfunded					-			
		$ -				-			
		$ -	-	-	-	-	-	-	-
			-						
						Improvement Authorizations Unfunded			
						Less:			
						Unexpended Proceeds of Bond Anticipation Notes Issued:			
						Ord. Number			
									-
									$ -

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord #	Improvement Description	Ord. Date	Amount	Balance December 31, 2024 Funded	Balance December 31, 2024 Unfunded	Authorizations Other Funding	Authorizations Deferred Charges to Future Taxation	Canceled	Paid or Charged	Balance December 31, 2025 Funded	Balance December 31, 2025 Unfunded
630	Building Improvements	7/18/2024	285,500			285,500.00			278,708.30	6,791.70	
				$ -	-	285,500.00	-	-	278,708.30	6,791.70	-

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Maturities of Bonds Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
No current year activity									-
						$ -	-	-	-

GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
No current year activity						$ -			-
						$ -	-	-	-

GENERAL CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description		Balance Dec. 31, 2024	2025 Authorizations	Debt Issued	Other	Balance Dec. 31, 2025
	No current year activity	$					
		$	-	-	-	-	-

Exhibit D - 5

WATER AND SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	Operating Fund		Capital Fund	
Balance December 31, 2024		$ 298,969.21		24,605.62
Increased by Receipts:				
Water Accounts Receivable	314,410.08		-	
Miscellaneous Revenue Anticipated	201,973.74		-	
Due from Current Fund	5,248.29			
Grant Receivable			458,249.42	
Due from Sewer Operating	-		1,430.36	
		521,632.11		459,679.78
		820,601.32		484,285.40
Decreased by Disbursements:				
Current Year Appropriation	546,048.34		-	
Appropriation Reserves	5,586.89		-	
Due to Water/Sewer Capital	1,430.36		-	
NJDEP Escrow	49,371.55			
Improvement Authorizations	-		484,285.40	
Due to Current Fund	-			
		602,437.14		484,285.40
Balance December 31, 2025		$ 218,164.18		-

WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

		Balance Dec. 31, 2024	Receipts Miscellaneous	Disbursements Improvement Authorizations	Disbursements Miscellaneous	Transfers From	Transfers To	Balance Dec. 31, 2025
Due to Current Fund		$ -						-
Encumbrances Payable		111,258.74				111,258.74	194,004.94	194,004.94
Due from Grant Fund		(252,669.89)						(252,669.89)
Grants Receivable		-						-
Due to Water Operating Fund		322,949.23						322,949.23
Capital Improvement Fund		140,645.00						140,645.00
Improvement Authorizations:								
586	Water System Improvements	(257,477.46)		90,910.79		7,818.75	53,982.65	(302,224.35)
588	Environmental Site Remediation	(392,485.20)		36,850.93		18,206.64	53,549.34	(393,993.43)
605	Sewer System	352,385.20	484,285.40				3,726.75	840,397.35
634	Sewer System			147,859.48		2,691.75		(150,551.23)
636	Water System Improvements			204,664.20		165,287.80		(369,952.00)
638	Water System Improvements			4,000.00				(4,000.00)
		$ 24,605.62	484,285.40	484,285.40	-	305,263.68	305,263.68	24,605.62

Exhibit D - 7

WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2024		$ 118,330.42
Increased by:		
Consumer Accounts Charges and Levies	312,107.00	
Overpayments Created	-	
		312,107.00
		430,437.42
Decreased by:		
Collections	314,410.08	
Cancellations	-	
		314,410.08
Balance December 31, 2025		$ 116,027.34

Exhibit D - 8

WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY LIENS

Balance December 31, 2024	$ -
No current year activity	
Balance December 31, 2025	$ -

WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	$ 19,427.01	19,427.01	-	19,427.01
Other Expenses	16,866.74	16,866.74	3,860.52	13,006.22
Capital Improvements				
Capital Outlay	1,835.17	1,835.17	1,726.37	108.80
Statutory Expenditures				
Contribution to:				
Public Employees' Retirement System	1,000.00	1,000.00	-	1,000.00
Unemployment	675.40	675.40	-	675.40
Social Security System (O.A.S.I.)	1,911.34	1,911.34	-	1,911.34
	$ 41,715.66	41,715.66	5,586.89	36,128.77

Cash Disbursed	$	5,586.89
Accounts Payable		-
	$	5,586.89

WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

Balance December 31, 2024		6,608.75
Increased by:		
Accrued interest charged to 2025 budget appropriation - interest on bonds and notes	6,557.03	
		6,557.03
		13,165.78
Decreased By:		
Disbursements		6,608.75
Balance December 31, 2025		6,557.03

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord #	Improvement Description	Ord. Date	Amount	Balance December 31, 2024 Funded	Balance December 31, 2024 Unfunded	Other Funding	Authorizations Deferred Charges to Future Revenue	Paid or Charged	Adjustments	Balance December 31, 2025 Funded	Balance December 31, 2025 Unfunded
586-2020	Water System Improvements	3/5/2020	5,100,000		270,486.67			98,729.54	53,982.65		225,739.78
588-2020	Environmental Site Remediation	9/3/2020	999,770		57,767.52			55,057.57	53,549.34		56,259.29
605-2022	Sewer System	5/5/2022	2,000,000	352,385.20	1,167,370.88				3,726.75	243,603.02	1,279,879.81
634-2025	Sewer Improvements	3/6/2025					5,223,000.00	150,551.23			5,072,448.77
636-2025	Water System Improvements	7/17/2025					500,000.00	369,952.00			130,048.00
638-2025	Water System Improvements	10/16/2025					1,500,000.00	4,000.00			1,496,000.00
				$ 352,385.20	1,495,625.07	$ -	7,223,000.00	678,290.34	111,258.74	243,603.02	8,260,375.65

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Maturities of Bonds Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Refunded	Balance Dec. 31, 2025
No current year activity										-
						$ -	$ -	-	-	-

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF USDA LOANS

Purpose	Maturities of Bonds Outstanding December 31, 2025 Date	Amount	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Water System Improvements			$ 1,906,148.82		34,876.56	1,871,272.26
			$ 1,906,148.82	$ -	34,876.56	1,871,272.26

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF iBANK LOANS

Purpose	Maturities of Bonds Outstanding December 31, 2025 Date	Amount	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Water System Improvements			$ 1,051,559.03		33,091.38	1,018,467.65
			$ 1,051,559.03	$ -	33,091.38	1,018,467.65

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
No current year activity						-			-
						$ -	-	-	-

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Debt Issued	Other	Balance Dec. 31, 2025
586	Water System Improvements	$ 177,355.67				177,355.67
588	Environmental Site Remediation	668,232.06				668,232.06
605	Sewer System	1,300,000.00			458,249.42	841,750.58
634	Sewer Improvements		5,223,000.00			5,223,000.00
636	Water System Improvements		500,000.00			500,000.00
638	Water System Improvements		1,500,000.00			1,500,000.00
		$ 2,145,587.73	7,223,000.00	-	458,249.42	8,910,338.31

AIRPORT UTILITY FUND
SCHEDULE OF CASH - TREASURER

	Operating Fund		Capital Fund	
Balance December 31, 2024		$ 547,477.70		68,146.60
Increased by Receipts:				
Rents Receivable	191,542.93			
Fuel Sales	199,946.17			
Miscellaneous Revenue Anticipated	58,754.39			
Capital Improvement Fund	-		25,000.00	
		450,243.49		25,000.00
		997,721.19		93,146.60
Decreased by Disbursements:				
Current Year Appropriation	339,237.05			
Prior Year Appropriations	9,060.00			
Security Deposits	300.00			
Improvement Authorizations			3,831.21	
Anticipated as Current Fund Revenue	30,000.00			
		378,597.05		3,831.21
Balance December 31, 2025		$ 619,124.14		89,315.39

AIRPORT UTILITY CAPITAL FUND
ANALYSIS OF CASH

		Balance Dec. 31, 2024	Receipts Miscellaneous	Disbursements Improvement Authorizations	Disbursements Miscellaneous	Transfers From	Transfers To	Balance Dec. 31, 2025
Fund Balance	$	-						-
Due to Current Fund		-						-
Reserve for Grant Match		-						-
Encumbrances Payable		21,069.08						21,069.08
Due to Grant Fund		23,595.00						23,595.00
Due to Water Operating Fund		-						-
Capital Improvement Fund			25,000.00					25,000.00
		-						-
Improvement Authorizations:		-						-
		-						-
Airport Improvements		23,482.52		3,831.21				19,651.31
	$	68,146.60	25,000.00	3,831.21	-	-	-	89,315.39

Exhibit E - 7

AIRPORT UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2024		$ 116,097.38
Increased by:		
Consumer Accounts Charges and Levies	241,881.00	
		241,881.00
		357,978.38
Decreased by:		
Collections	191,542.93	
Cancellations	-	
		191,542.93
Balance December 31, 2025		$ 166,435.45

Exhibit E - 8

AIRPORT UTILITY OPERATING FUND
SCHEDULE OF UTILITY LIENS

Balance December 31, 2024	$ -
No current year activity	
Balance December 31, 2025	$ -

AIRPORT UTILITY OPERATING FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charged	Balance Lapsed
Opeartions:				
Salaries and Wages	$ 16,166.49	16,166.49	-	16,166.49
Other Expenses	83,142.12	83,142.12	9,060.00	74,082.12
Grant Match	23,949.45	23,949.45	-	23,949.45
Deferred Charges and Statutory Expenditures:				
Social Security System	389.51	389.51	-	389.51
Public Employees Retirement System	1,345.68	1,345.68	-	1,345.68
	$ 124,993.25	124,993.25	9,060.00	115,933.25

Cash Disbursed	$ 9,060.00
Accounts Payable	-
	$ 9,060.00

AIRPORT UTILITY OPERATING FUND
SCHEDULE OF ACCRUED INTEREST ON BONDS AND NOTES

Balance December 31, 2024		-
Increased by:		
No current year activity	-	
		-
		-
Decreased By:		
Payments of Debt Service Interest		-
Balance December 31, 2025		-

Analysis of Accrued Interest December 31, 2021

Principal Outstanding December 31, 2025	Interest Rate	From	To	Days	Amount

AIRPORT UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Improvement Description	Date	Amount	Balance December 31, 2024 Funded	Balance December 31, 2024 Unfunded	Other Funding	Authorizations Deferred Charges to Future Revenue	Paid or Charged	Prior Year Encumbrances	Balance December 31, 2025 Funded	Balance December 31, 2025 Unfunded
Airport Improvements		$	-	23,482.52			3,831.21	21,069.08		40,720.39
		$	-	23,482.52	-	-	3,831.21	21,069.08	-	40,720.39

AIRPORT UTILITY CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Maturities of Bonds Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Refunded	Balance Dec. 31, 2025
No current year activity						$ -		-		-
						$ -	$ -	-	-	-

AIRPORT UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES

Improvement Description	Ordinance Number	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
									-
No current year activity									
						$ -	-	-	-

AIRPORT UTILITY CAPITAL FUND
SCHEDULE OF BOND AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description		Balance Dec. 31, 2024	2025 Authorizations	Debt Issued	Other	Balance Dec. 31, 2025
	No Current Year Activity	$	-				-
		$	-	-	-	-	-

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BOROUGH OF WOODBINE

PART II

LETTER OF COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2025

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GENERAL COMMENTS

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4

N.J.S. 40A:11-4 states, "Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding the aggregate $44,000 except by contract or agreement."

The governing body of the Borough of Woodbine has the responsibility of determining whether the expenditures in any category will exceed $44,000 within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the district counsel's opinion should be sought before a commitment is made.

The minutes indicate that the following bids were requested by public advertising during the current year.

Railroad Bridge Renovation Project
Water Treatment Plant Improvements
Road Reconstruction
Airport Transient Apron Project
Taxiway E Connector Runway Project
Airport Hangar Renovation

Our examination of expenditures did not reveal payments in excess of $44,000 "for the performance of any work or the furnishing or hiring of any materials or supplies" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of N.J.S. 40A:11-6.

Collection of Interest on Delinquent Taxes and Assessments

The statute provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes or assessments on or before the date when they would become delinquent.

The governing body, on January 7, 2026, adopted the following resolution authorizing interest to be charged on delinquent taxes:

"BE IT RESOLVED by the Borough Council of the Borough of Woodbine, in accordance with Chapter 435, New Jersey Laws of 1979, and N.J.S.A. 54:4-67, 54:5-32, 54:5-35, which authorizes the Governing Body inter alia to fix the rate of interest to be charged, in the Borough of Woodbine, for the nonpayment of taxes and assessments, said rate of interest shall be and is hereby fixed at 8 percent per annum on the first $1,500 of delinquency and 18 per cent per annum on any amount in excess of $1,500 to be calculated from the date when the taxes and assessments become delinquent,"

"This Resolution shall take effect January 1, 2025."

Our examination of interest collected on delinquent taxes did not reveal any charges that were not in agreement with the above resolution.

Delinquent Taxes and Tax Title Liens

The Borough did not hold a tax sale in 2025.

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

Year	Number
2025	27
2024	45
2023	32

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

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, including the mailing of verification notices as follows:

Type	Number Mailed
Payments of 2025 and 2026 Taxes	5
Delinquent Taxes	3
Payment of 2025 and 2026 Water	5
Delinquent Water	5

As of the date of this audit report, all verifications have not been returned. However, no problems were noted with those that have been returned.

Comparison of Tax Levies and Collections Currently

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

	Currently		
Year	Tax Levy	Cash Collections	Percentage of Collections
2025	$ 3,090,568	3,025,658	97.90%
2024	3,031,516	3,011,285	99.33%
2023	3,064,874	3,052,872	99.61%
2022	3,067,004	3,051,079	99.48%
2021	2,996,344	2,952,131	98.52%

Comparative Schedule of Tax Rate Information

	2025	2024	2023	2022	2021
Tax Rate	$ 1.712	1.689	1.708	1.709	1.686
Apportionment of Tax Rate:					
Municipal	0.232	0.232	0.232	0.233	0.233
County	0.254	0.246	0.260	0.257	0.250
Local School	1.226	1.211	1.216	1.219	1.203
Assessed Valuation	179,740,900	179,318,307	178,947,088	178,564,602	177,334,602

Delinquent Taxes and Tax Title Liens

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2025	$ 75,205	63,389	138,594	4.48%
2024	84,323	19,623	103,946	3.43%
2023	84,333	11,273	95,606	3.12%
2022	86,200	25,423	111,623	3.64%
2021	87,528	46,395	133,923	4.47%

FINDINGS AND RECOMMENDATIONS

None

STATUS OF PRIOR RECOMMENDATIONS

None

The problems and weaknesses noted in my review were not of such magnitude that they would affect my ability to express an opinion on the financial statements taken as a whole.

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to call me.

Very truly yours,

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla
Nancy Sbrolla
Certified Public Accountant
Registered Municipal Accountant
No. 542

August 28, 2026