TOWNSHIP OF LYNDHURST

Financial Statements With
Supplementary Information
December 31, 2025

(With Independent Auditors' Report Thereon)

TOWNSHIP OF LYNDHURST
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TOWNSHIP OF LYNDHURST

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PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2025

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Township Council
Township of Lyndhurst
County of Bergen, New Jersey

Report on the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying balance sheets – regulatory basis of the various funds and account group of the Township of Lyndhurst in the County of Bergen, as of December 31, 2025 and 2024, the related statements of operations and changes in fund balance – regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and the statements 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 Township's basic financial statements as listed in the table of contents.

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 accompanying financial statements referred to above do not present fairly the financial position of each fund of the Township of Lyndhurst as of December 31, 2025 and 2024, or changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") and Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township of Lyndhurst, 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 adverse audit opinion.

As described in Note 1 of the financial statements, the financial statements are prepared by the Township of Lyndhurst 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.

Basis for Qualified Opinion on Regulatory Basis Accounting Principles

As described in Note 15 of the financial statement, the Township participates in a Length of Service Award Program for its volunteer fire and rescue personnel. The amount reflected in the trust fund statements of $2,880,203 and $2,676,145 for 2025 and 2024, respectively, were not audited and, therefore, we express no opinion on the LOSAP program.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the "*Basis for Qualified Opinion on Regulatory Basis Accounting Principles*" paragraph, the financial statements referred to above, present fairly, in all material respects, the regulatory basis balance 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and 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 Township of Lyndhurst'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, 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 internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Lyndhurst's basic financial statements. The supplementary information listed in the table of contents and the letter of comments and recommendations section are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey are not a required part of the basic financial statements. The schedule of expenditure of state financial assistance, as required by New Jersey OMB Circular 25-12, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, is 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 supplementary information listed in the table of contents and the letter of comments and recommendations section is fairly stated, in all material respects, in relation to the basic 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 any form of assurance thereon.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2026 on our consideration of the Township of Lyndhurst'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Lyndhurst's internal control over financial reporting and compliance.

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

May 13, 2026

W&CO

Exhibit A

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2025 and 2024

	Ref.		2025	2024
Assets				
Current Fund:				
Cash	A-4	$	27,258,068	28,066,120
Cash - Change Funds	A-5		325	325
			27,258,393	28,066,445
Receivables and Other Assets with Full Reserves:				
Delinquent Property Taxes Receivable	A-7		1,068,553	1,031,133
Tax Title Liens Receivable	A-8		410,820	1,507
Property Acquired for Taxes - Assessed Valuation	A-9		7,542,000	7,542,000
Revenue Accounts Receivable	A-10		35,227	31,858
Interfund Receivables:				
Animal License Trust Fund	A-11		6,130	6,196
General Capital Fund	A-11		300,000	
Water Utility Operating Fund	A-11		958	2,325
Water Utility Capital Fund	A-11			500,000
			9,363,688	9,115,019
Deferred Charges:				
Special Emergency Authorizations	A-12		237,000	454,000
			237,000	454,000
			36,859,081	37,635,464
Federal and State Grant Fund:				
Cash	A-4		2,063,522	652,629
Interfunds	A-24		3,289,160	4,790,384
Grants Receivable	A-25		1,518,492	1,333,492
			6,871,174	6,776,505
		$	43,730,255	44,411,969

Exhibit A

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2025 and 2024

	Ref.	2025	2024
Liabilities, Reserves and Fund Balance			
Current Fund:			
Liabilities:			
Due from/to State of New Jersey - Ch. 20,			
P.L. 1971	A-6	4,613	4,596
Encumbrances Payable	A-3,A-13	278,078	256,296
Appropriation Reserves	A-3,A-14	2,953,004	3,425,658
Due to State of New Jersey - Construction Fees	A-15	16,035	5,670
Due to State of New Jersey - Marriage Fees	A-16	1,000	1,075
Various Reserves	A-17	730,981	350,887
Accounts Payable	A-18	48,771	2,424
Interfund Payables:			
General Capital Fund	A-11		601,892
Federal and State Grant Fund	A-11	3,289,160	4,790,384
Other Trust Fund	A-11		112,000
Swim Pool Operating Fund	A-11		9,502
Prepaid Taxes	A-19	484,871	337,913
Tax Overpayments	A-20	40,791	
County Taxes Payable	A-22	112,748	
Due to County for Added Taxes	A-23	11,406	14,513
		7,971,458	9,912,810
Reserves for Receivables and Other Assets	A	9,363,688	9,115,019
Fund Balance	A-1	19,523,935	18,607,635
		28,887,623	27,722,654
		36,859,081	37,635,464
Federal and State Grant Fund:			
Interfunds	A-24		218,584
Appropriated Reserves	A-26	3,041,501	3,014,518
Reserve for Encumbrances	A-27	1,024,945	2,669,374
Reserve for DEA/Equitable Sharing	A-28	2,063,520	652,627
Unappropriated Reserves	A-29	741,208	221,402
		6,871,174	6,776,505
		$ 43,730,255	44,411,969

See accompanying notes to financial statements.

Exhibit A-1

TOWNSHIP OF LYNDHURST

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Current Fund

For the Years Ended December 31, 2025 and 2024

	2025	2024
Revenue and Other Income Realized:		
Fund Balance Utilized	$ 5,150,000	5,150,000
Miscellaneous Revenue Anticipated	6,555,890	10,806,981
Receipts from Delinquent Taxes	1,000,846	905,903
Receipts from Current Taxes	99,575,957	91,755,529
Non-Budget Revenues	1,657,543	1,671,805
Other Credits to Income:		
Prior Year Senior and Veteran Deductions Repaid		1,250
Interfunds Returned	508,521	359,303
Accounts Payable Cancelled	2,424	42,601
Unexpended Balance of Appropriation Reserves and Encumbrances	1,997,037	2,605,675
Total Revenue and Other Income	116,448,218	113,299,047
Expenditures:		
Budget and Emergency Appropriations:		
Appropriations within "CAPS":		
Operations:		
Salaries and Wages	16,316,500	15,675,200
Other Expenses	14,574,213	14,041,389
Deferred Charges and Statutory Expenditures	4,233,939	4,168,677
Appropriations Excluded from "CAPS":		
Operations:		
Other Expenses	5,698,344	9,530,159
Capital Improvement Fund	550,000	250,000
Municipal Debt Service	7,895,470	7,260,566
Deferred Charges and Statutory Expenditures	217,000	217,000
County Taxes	11,193,281	10,429,529
Amount Due County for Added and Omitted Taxes	11,406	14,513
Local District School Tax	49,390,807	44,938,040
Interfunds Advanced	300,958	508,509
Total Expenditures	110,381,918	107,033,582
Excess in Revenue	6,066,300	6,265,465
Fund Balance, January 1	18,607,635	17,492,170
	24,673,935	23,757,635
Decreased by Utilization as Anticipated Revenue	5,150,000	5,150,000
Fund Balance, December 31	$ 19,523,935	18,607,635

See accompanying notes to financial statements.

Exhibit A-2

TOWNSHIP OF LYNDHURST

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2025

		Budget	Realized	Excess (deficit)
Fund Balance Anticipated	$	5,150,000	5,150,000	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages		33,000	33,715	715
Fees and Permits		135,000	146,482	11,482
Fines and Costs:				
Municipal Court		330,000	466,669	136,669
Interest and Costs on Taxes		250,000	217,124	(32,876)
Sewer Charges		300,000	264,875	(35,125)
Hotel Occupancy Tax		110,000	192,009	82,009
Energy Receipts Tax (P.L. 1997, Chapters 162 & 167)		1,426,146	1,426,146	
Uniform Construction Code Fees		700,000	717,856	17,856
State and Federal Revenues Offset with Appropriations:				
Clean Communities Program		50,311	50,311	
Body Armor Replacement Program		4,057	4,057	
National Opioid Settlement		68,046	68,046	
Alcohol Education and Rehabilitation Program		2,942	2,942	
Safe & Secure Communities Grant		45,150	45,150	
Bergen County Arts Grant		450	450	
Recycling Tonnage Grant		40,698	40,698	
Bergen County DRE Grant		2,062	2,062	
Chemical Treatments - Spotted Lantern Fly		7,686	7,686	
Local Recreation Improvement Grant		68,000	68,000	
Bergen County Open Space - Landell Park		135,000	135,000	
CDBG - Lake & Jay Street Lead Service		125,000	125,000	
Other Special Items:				
Franchise Fee - Comcast		64,000	64,124	124
Franchise Fee - Verizon FIOS		162,000	162,586	586
Shared Service Agreement - Lyndhurst BOE - Swimming Pool		150,000	150,000	
Shared Service Agreement - Lyndhurst BOE - Jefferson School		140,000	140,000	
Ambulance Fees		378,000	520,339	142,339
Police Off-Duty Trust Fund Contribution		80,000	80,000	
Pension Contributions-Library		96,060	96,060	
Pension Contributions-Water Utility		45,401	45,401	
Pension Contribution-Swimming Pool Utility		5,240	5,240	
Capital Fund Balance		188,234	188,234	
Reserve for Payment of Debt		675,628	675,628	
Reserve for Payment of Debt		114,000	114,000	
Chubb Ave Improvements - Russo		300,000	300,000	
Total Miscellaneous Revenues		6,232,111	6,555,890	323,779

Exhibit A-2

TOWNSHIP OF LYNDHURST

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2025

Receipts from Delinquent Taxes	900,000	1,000,846	100,846
Amount to be Raised by Taxes for Support of Municipal Purposes	38,525,763	40,283,323	1,757,560
Minimum Library Tax	1,697,140	1,697,140	
Total Amount to be Raised by Taxation	40,222,903	41,980,463	1,757,560
Total Budget Revenues	$ 52,505,014	54,687,199	2,182,185
Non-Budget Revenues		1,657,543	
		$ 56,344,742	

Analysis of Realized Revenue

Revenue from Current Tax Collections		$ 99,575,957
Allocated to County of Bergen	$ 11,204,687	
Local School District	49,390,807	
		60,595,494
Balance for Support of Municipal Budget Appropriations		38,980,463
Add: Appropriation - Reserve for Uncollected Taxes		3,000,000
Amount for Support of Municipal Budget Appropriations		$ 41,980,463
Receipts from delinquent taxes	$ 1,000,846	
		$ 1,000,846

Exhibit A-2

TOWNSHIP OF LYNDHURST

Statement of Revenues-Regulatory Basis

Current Fund

Year ended December 31, 2025

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:		
Dumpster Fee	$	1,990
Workers Compensation		12,918
Perimeter Map		70
Bus Shelter		1,325
Senior Citizen/Veteran Disallowed		2,500
Refunds		34,931
Rent Leveling		4,300
Misc		4,962
Burial Permits		11,180
Chemical Fees		103,118
Industrial Sewer Fees		18,114
Interest on Investments		945,799
PILOTS		31,619
Cellular Tower Fees		80,737
Insurance Reimbursements		73,763
Dividends		782
Rebates		2,047
LEA Rebates		74,790
Polling Rental		600
Auction Proceeds		28,265
DMV		350
Gasoline Reimbursements		23,000
Safety Award		1,300
Donations		18,625
Overtime Reimbursements		22,800
BOE - SLEO Salary Reimbursements		157,658
	$	1,657,543

See accompanying notes to financial statements.

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Department of Public Affairs:					
Director's Office:					
Salaries and Wages	$ 7,200	7,200	7,200		
Central Services:					
Salaries and Wages	85,000	92,000	89,216	2,784	
Other Expenses	120,000	128,000	115,013	12,987	
Municipal Clerk:					
Salaries and Wages	230,500	232,500	230,404	2,096	
Other Expenses	154,308	134,318	85,729	48,589	
Tax Assessment Administration:					
Salaries and Wages	238,200	176,200	93,347	82,853	
Other Expenses	30,400	30,400	7,535	22,865	
Planning Board:					
Other Expenses	28,000	28,000	22,186	5,814	
Other Expenses - Affordable Housing Litigation	80,000	80,000	50,787	29,213	
Zoning Board of Adjustment:					
Other Expenses	49,140	49,140	15,042	34,098	
Rent Leveling Board:					
Other Expenses	4,088	4,088	2,126	1,962	
Public Health Services:					
Salaries and Wages	216,300	176,300	147,934	28,366	
Other Expenses	37,500	37,500	24,271	13,229	
Medical Transportation Program:					
Salaries and Wages	58,500	60,500	59,238	1,262	
Other Expenses	255	255		255	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Department of Revenue and Finance:					
Director's Office:					
Salaries and Wages	7,200	7,200	7,200		
Financial Administration:					
Salaries and Wages	339,000	329,000	321,358	7,642	
Other Expenses	50,000	45,000	33,586	11,414	
Revenue Administration:					
Salaries and Wages	257,900	262,900	258,000	4,900	
Other Expenses	23,000	25,000	23,129	1,871	
Department of Public Safety:					
Director's Office:					
Salaries and Wages	7,700	7,700	7,700		
Police:					
Salaries and Wages	8,904,100	8,904,100	8,804,856	99,244	
Other Expenses	688,698	688,698	664,502	24,196	
Police Clerical:					
Salaries and Wages	311,800	281,800	257,181	24,619	
School Marshalls:					
Salaries and Wages	583,600	553,600	518,579	35,021	
Other Expenses	7,000	7,000	5,562	1,438	
Office of Emergency Management					
Salaries and Wages	11,900	11,900	9,725	2,175	
Other Expenses	15,000	20,000	19,353	647	
Emergency Medical Services:					
Salaries and Wages	594,000	746,000	730,368	15,632	
Other Expenses	48,550	48,550	45,764	2,786	
Other Expenses - Third Party Billing	49,000	49,000	48,771	229	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Aid to Volunteer Fire Companies:					
Other Expenses	212,000	212,000	189,591	22,409	
Aid to Volunteer Ambulance Companies:					
Other Expenses	69,100	69,100	61,117	7,983	
Fire Department (Uniform Fire Safety):					
Salaries and Wages	123,800	123,800	101,412	22,388	
Other Expenses	40,000	40,000	17,809	22,191	
Township Prosecutor:					
Salaries and Wages	18,600	18,600	18,600		
Code Enforcement					
Salaries and Wages	85,000	65,000	62,997	2,003	
Other Expenses	25,000	25,000	3,973	21,027	
Municipal Court:					
Salaries and Wages	231,800	231,800	229,609	2,191	
Other Expenses	19,913	19,913	11,005	8,908	
Public Defender (P.L. 1997, c.256)					
Salaries and Wages	10,000	10,000	10,000		
Other Expenses	1,000	1,000		1,000	
Department of Public Works:					
Director's Office:					
Salaries and Wages	7,200	7,200	7,200		
Engineering:					
Salaries and Wages	4,000	4,000	4,000		
Other Expenses	140,000	140,000	44,099	95,901	
Road Repairs and Maintenance:					
Salaries and Wages	472,700	412,700	369,085	43,615	
Other Expenses	198,500	198,500	184,974	13,526	
Other Expenses - Concrete and Catch Basin Work	15,000	15,000	3,627	11,373	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Sewer System:					
Salaries and Wages	373,600	298,600	236,369	62,231	
Other Expenses	215,000	215,000	142,457	72,543	
Public Works Administration:					
Salaries and Wages	316,100	296,100	281,521	14,579	
Shade Trees:					
Salaries and Wages	331,300	336,300	332,599	3,701	
Other Expenses	59,000	59,000	53,953	5,047	
Drug and Alcohol Testing:					
Other Expenses	1,000	1,000	975	25	
Recycling/Beautification Program:					
Salaries and Wages	195,500	205,500	203,824	1,676	
Other Expenses	12,000	12,000		12,000	
Other Expenses - Recycling Contract	525,000	485,000	407,825	77,175	
Solid Waste Collection:					
Other Expenses	612,000	675,000	618,658	56,342	
Vehicle Maintenance:					
Other Expenses	174,000	190,000	181,144	8,856	
Dump Fees:					
Other Expenses (Type 10)	1,100,000	1,025,000	917,020	107,980	
Other Expenses (Grass and Leaves)	211,995	256,995	250,435	6,560	
Department of Parks and Public Property					
Director's Office:					
Salaries and Wages	7,200	7,200	7,145	55	
Building and Grounds:					
Other Expenses	329,600	344,600	335,994	8,606	
Other Expenses - Generator Testing	15,000	15,000	14,790	210	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Recreation Services and Programs:					
Salaries and Wages	212,600	212,600	212,478	122	
Other Expenses	51,000	54,000	51,792	2,208	
Summer Day Camp:					
Salaries and Wages	70,000	58,000	55,391	2,609	
Handicapped Persons Program:					
Salaries and Wages	149,700	149,700	122,564	27,136	
Other Expenses	8,000	8,000	570	7,430	
Senior Citizen Activities:					
Salaries and Wages	44,000	45,500	44,160	1,340	
Other Expenses	24,500	24,500	22,346	2,154	
Maintenance of Parks:					
Salaries and Wages	1,424,800	1,411,800	1,364,972	46,828	
Other Expenses	102,500	102,500	73,331	29,169	
Uniform Construction Code - Appropriations Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17)					
Construction Code Official:					
Salaries and Wages	573,200	573,200	484,785	88,415	
Other Expenses	72,075	72,075	34,573	37,502	
Other Expenses - Clean Up/Demolition	5,000	5,000		5,000	
Other Expenses - Tenant Relocation	2,000	2,000		2,000	
Unclassified					
Other Insurance Premiums	1,864,265	1,864,265	1,723,706	140,559	
Disability Insurance Program	2,500	2,500		2,500	
Employee Group Insurance	3,774,160	3,774,160	3,346,475	427,685	
Health Benefit Waiver	125,000	125,000	67,917	57,083	
Unemployment Trust Contribution	62,000	62,000		62,000	
Legal Services Other Expenses	155,000	155,000	92,887	62,113	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Legal and Other Professional Services	120,000	153,000	144,008	8,992	
Legal Services - Employment	145,000	145,000	77,127	67,873	
Legal Services - Tax Appeals	151,800	201,800	176,975	24,825	
Legal Advertising	18,000	18,000	7,999	10,001	
Annual Audit	131,250	137,250	136,400	850	
Data Processing	163,000	186,500	186,139	361	
Vehicle Maintenance	258,000	283,000	270,818	12,182	
General Postage Expenses	90,000	86,500	73,519	12,981	
Reassessment	65,000	65,000	48,750	16,250	
Celebration of Public Events	145,000	145,000	105,892	39,108	
Shared Service Operating Expenses	1	1		1	
Swimming Pool - Other Expenses	90,000	90,000	42,519	47,481	
NJEIT Fees - Trust Loan (CW)	4,605	4,605	4,605		
Electricity	540,750	540,750	540,722	28	
Street Lighting	299,250	327,250	270,228	57,022	
Telephone	199,500	199,500	179,740	19,760	
Maintenance of Telephone System	15,750	15,750	12,267	3,483	
Gasoline	220,250	220,250	182,868	37,382	
Total Operations within "CAPS"	30,769,203	30,760,713	28,167,992	2,592,721	
B. Contingent	130,000	130,000	10,781	119,219	
Total Operations Including Contingent-within "CAPS"	30,899,203	30,890,713	28,178,773	2,711,940	
Detail:					
Salaries & Wages	16,504,000	16,316,500	15,691,017	625,483	
Other Expenses (Including Contingent)	14,395,203	14,574,213	12,487,756	2,086,457	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
(E) Deferred Charges and Statutory Expenditures-Municipal within "CAPS"					
(2) STATUTORY EXPENDITURES:					
Contribution to:					
Social Security System (O.A.S.I.)	754,000	754,000	651,211	102,789	
Public Employees' Retirement System	827,090	827,200	827,197	3	
Police and Firemen's Retirement System	2,652,659	2,652,739	2,652,737	2	
Total Deferred Charged and Statutory Expenditures-Municipal within "CAPS"	4,233,749	4,233,939	4,131,145	102,794	
Total General Appropriations for Municipal Purposes within "CAPS"	35,132,952	35,124,652	32,309,918	2,814,734	
Operations - Excluded from "CAPS":					
Maintenance of Free Public Library	1,697,140	1,697,140	1,697,139	1	
Lyndhurst/North Arlington Joint Meeting	175,986	175,986	175,986		
Volunteer Length of Service Awards Program	85,000	85,000		85,000	
Sewerage Processing and Disposal	2,214,800	2,214,800	2,214,476	324	
Reserve for Tax Appeal	335,000	335,000	335,000		
Appropriation CAP Waiver N.J.S.A. 40A:4-45.3(ee)					
Liability Insurance	16,460	16,460	16,460		
Health Insurance	419,840	419,840	419,840		
Total Other Operations - Excluded from "CAPS"	4,944,226	4,944,226	4,858,901	85,325	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Interlocal Municipal Service Agreements					
Bergen County 911 Communications	15,416	15,416		15,416	
Bergen County QPA Services	15,000	15,000		15,000	
Bergen County Health Services	121,000	129,300	129,271	29	
Borough of Paramus Assessor	45,000	45,000	22,500	22,500	
Total Interlocal Municipal Service Agreements	196,416	204,716	151,771	37,529	
Public and Private Programs Offset by Revenues					
Clean Communities Program	50,311	50,311	50,311		
Body Armor Replacement Program	4,057	4,057	4,057		
National Opioid Settlement	68,046	68,046	68,046		
Alcohol Education and Rehabilitation Program	2,942	2,942	2,942		
Safe & Secure Communities Grant	45,150	45,150	45,150		
Bergen County Arts Grant	450	450	450		
Recycling Tonnage Grant	40,698	40,698	40,698		
Bergen County DRE Grant	2,062	2,062	2,062		
Chemical Treatment - Spotted Lantern Fly	7,686	7,686	7,686		
Local Recreation Improvement Grant	68,000	68,000	68,000		
Bergen County Open Space - Landell Park	135,000	135,000	135,000		
CDBG - Lake & Jay Street Lead Service	125,000	125,000	125,000		
Total Public and Private Programs Offset by Revenues	549,402	549,402	549,402		
Total Operations-Excluded from "CAPS"	5,690,044	5,698,344	5,560,074	138,270	
Detail:					
Other Expenses	5,690,044	5,698,344	5,560,074	138,270	

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Capital Improvements - Excluded from "CAPS"					
Capital Improvement Fund	250,000	250,000	250,000		
Chubb Avenue Improvements - Russo	300,000	300,000	300,000		
Total Capital Improvements Excluded from "CAPS"	550,000	550,000	550,000		
Municipal Debt Service - Excluded from "CAPS"					
Payment of Bond Principal	4,660,000	4,660,000	4,660,000		
Interest on Bonds	1,315,000	1,315,000	1,300,011		14,989
Payment of Bond Anticipation Notes	924,000	924,000	924,000		
Interest on Bond Anticipation Notes	820,505	820,505	815,947		4,558
Principal on NJEIT Loans (CW-Trust)	85,000	85,000	85,000		
Interest on NJEIT Loans (CW-Trust)	26,565	26,565	26,565		
Principal on NJEIT Loans (CW-Fund)	83,948	83,948	83,947		1
Total Municipal Debt Service-Excluded from "CAPS"	7,915,018	7,915,018	7,895,470		19,548
Deferred Charges and Statutory Expenditures-Municipal excluded from "CAPS"					
(1) DEFERRED CHARGES:					
Special Emergency Authorization - 5 Years (N.J.S. 40A:4-55)	217,000	217,000	217,000		
Total Deferred Charged and Statutory Expenditures-Municipal excluded from "CAPS"	217,000	217,000	217,000		
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	14,372,062	14,380,362	14,222,544	138,270	19,548

Exhibit A-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Budget	Budget after Modification and Transfer	Paid or Charged	Reserved	Unexpended Balance Canceled
Subtotal General Appropriations	49,505,014	49,505,014	46,532,462	2,953,004	19,548
Reserve for Uncollected Taxes	3,000,000	3,000,000	3,000,000		
Total General Appropriations	$ 52,505,014	52,505,014	49,532,462	2,953,004	19,548

Adopted Budget	$ 52,505,014

Reserve for Uncollected Taxes	$ 3,000,000
Federal and State Grants	549,402
Deferred Charges	217,000
Reserve for Tax Appeals	335,000
Interfunds	1,744,505
Encumbrances	278,078
Cash	43,408,477
	$ 49,532,462

See accompanying notes to the financial statements.

Exhibit B

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2025 and 2024

Assets	Ref.	2025	2024
Dog License Trust:			
Cash	B-1	$ 18,933	21,137
		18,933	21,137
Other Trust Funds:			
Cash	B-1	3,938,120	3,910,637
Interfunds	B-3		112,000
		3,938,120	4,022,637
Deferred Compensation Plans Trust Fund:			
Cash in Plan	B-1	2,842,565	2,639,731
Service Award Contributions Receivable	B-7	37,638	36,414
		2,880,203	2,676,145
		$ 6,837,256	6,719,919

Exhibit B

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31, 2025 and 2024

	Ref.		2025	2024
Liabilities, Reserves & Fund Balance				
Dog License Trust Fund:				
Due to State of New Jersey	B-2	$		32
Interfund Accounts Payable	B-3		6,130	6,196
Reserve for Animal Trust Fund Expenditures	B-5		12,803	14,909
			18,933	21,137
Other Trust Fund:				
Reserve for Various Deposits	B-4		3,906,467	3,908,946
Reserve for Unemployment	B-6		31,653	113,691
			3,938,120	4,022,637
Deferred Compensation Plans Trust Fund:				
Net Assets Available for Benefits	B-8		2,880,203	2,676,145
		$	6,837,256	6,719,919

See accompanying notes to financial statements.

Exhibit C

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

General Capital Fund

December 31, 2025 and 2024

Assets	Ref.		2025	2024
Cash	C-2/C-3	$	209,671	1,221,363
Interfunds Accounts Receivable	C-4			820,476
Accounts Receivable - Board of Education	C-5		798,000	912,000
Grants Receivable	C-6		266,097	617,347
Deferred Charges to Future Taxation:				
Funded	C-7		51,258,758	56,087,705
Unfunded	C-8		26,732,780	26,928,780
		$	79,265,306	86,587,671
Liabilities, Reserves and Fund Balance				
General Serial Bonds	C-9	$	50,380,000	55,040,000
New Jersey Environmental Infrastructure Loan Payable	C-10		878,758	1,047,705
Bond Anticipation Notes Payable	C-11		18,382,000	19,306,000
Improvement Authorizations:				
Funded	C-12		1,246,154	1,300,954
Unfunded	C-12		3,203,421	5,455,951
Reserve for Encumbrances Payable	C-13		1,016,051	
Reserve for Municipal Roof	C-14		2,207	81,975
Reserve for Curbs and Sidewalks	C-15		69,060	69,060
Reserve for Computer Technology	C-16		138,327	138,327
Reserve for Parks Department Roof	C-17		141,160	141,160
Reserve for Recreation Facility Improvements	C-18		14,825	14,825
Reserve for Municipal Parking Lot Improvements	C-19		211,950	211,950
Reserve for Kingsland Development	C-20		175,000	175,000
Reserve for Grants Receivable	C-21		266,097	617,347
Reserve for Due from Board of Education	C-22		798,000	912,000
Capital Improvement Fund	C-23		778,241	564,741
Reserve for Payment of Debt	C-24		476,250	675,627
Interfund Accounts Payable	C-4		300,000	
Fund Balance	C-1		787,805	835,049
		$	79,265,306	86,587,671

There were $8,350,780 and $7,622,780 of Bonds and Notes Authorized But Not Issued on December 31, 2025 and 2024 respectively (Exhibit C-25).

See accompanying notes to the financial statements.

Exhibit C-1

TOWNSHIP OF LYNDHURST

Comparative Statement of Changes in Fund Balance - Regulatory Basis

General Capital Fund

For the Years Ended December 31, 2025 and 2024

		2025	2024
Balance - December 31,	$	835,049	798,962
Increased by:			
Premium on Sale of Notes		140,990	188,234
		976,039	987,196
Decreased by:			
Current Fund Anticipated Revenue		188,234	152,147
Balance - December 31,	$	787,805	835,049

See accompanying notes to the financial statements.

Exhibit D

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Water Utility Fund

December 31, 2025 and 2024

	Ref.	2025	2024
Assets			
Water Utility Operating Fund:			
Cash - Treasurer	D-5	$ 2,570,668	$ 4,593,917
Cash - Change Fund		100	100
Interfunds Receivable	D-7	3,000,000	
		5,570,768	4,594,017
Receivables with Full Reserves:			
Consumers' Accounts Receivable	D-8	1,588,248	1,366,001
		1,588,248	1,366,001
Total Water Utility Operating Fund		7,159,016	5,960,018
Water Utility Capital Fund:			
Cash - Treasurer	D-5,D-6	82,602	155,480
Fixed Capital	D-9	21,492,654	21,492,654
Fixed Capital Authorized and Uncompleted	D-10	19,520,000	4,520,000
NJ Infrastructure Bank Loan Receivable	D-12	3,488,458	122,300
Total Water Utility Capital Fund		44,583,714	26,290,434
		$ 51,742,730	32,250,452

Exhibit D

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Water Utility Fund

December 31, 2025 and 2024

Liabilities, Reserves and Fund Balance	Ref.	2025	2024
Water Utility Operating Fund:			
Interfunds	D-7	958	2,325
Appropriation Reserves	D-4,D-13	311,173	303,910
Reserve for Encumbrances	D-14	232,498	546
Water Overpayment	D-15	35,869	37,320
Prepaid Rents	D-16	57	246
Accrued Interest on Bonds and Notes	D-17	25,396	33,158
		605,951	377,505
Reserve for Receivables	Contra	1,588,248	1,366,001
Fund Balance	D-1	4,964,817	4,216,512
Total Water Utility Operating Fund		7,159,016	5,960,018
Water Utility Capital Fund:			
Serial Bonds Payable	D-18	495,000	600,000
NJ Environmental Infrastructure Loan Payable	D-19	1,686,859	2,264,291
Infrastructure Bank Loan Payable	D-20	34,885	
Improvement Authorization:			
Funded	D-21	5,709	5,709
Unfunded	D-21	15,637,030	1,786,099
Encumbrances Payable	D-22	801,253	2,382,247
Interfunds	D-23	3,000,000	500,000
Capital Improvement Fund	D-24	600	600
Reserve for:			
Amortization	D-25	19,433,095	18,628,363
Grants Receivable	D-26		122,300
Infrastructure Bank Loan Receivable	D-27	3,488,458	
Fund Balance	D-2	825	825
Total Water Utility Capital Fund		44,583,714	26,290,434
		$ 51,742,730	$ 32,250,452

There were $15,874,357 and $4,520,000 of Bonds and Notes Authorized But Not Issued on December 31, 2025 and December 31, 2024 respectively. (Exhibit D-28)

See accompanying notes to financial statements.

Exhibit D-1

TOWNSHIP OF LYNDHURST

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Water Utility Operating Fund

Years Ended December 31, 2025 and 2024

		Dec. 31, 2025	Dec. 31, 2024
Revenue and Other Income:			
Water Rents	$	4,651,073	4,568,162
Fines		46,042	41,676
Miscellaneous Revenue		333,864	270,190
Miscellaneous Revenue Not Anticipated		52,527	40,284
Unexpended Balance Appropriation Reserve		18,591	345,983
Accrued Interest Cancelled		207	
Total Revenue and Other Income		5,102,304	5,266,295
Expenditures:			
Operating		3,524,270	3,412,170
Debt Service		754,757	764,216
Deferred Charges and Statutory Expenditures		74,972	70,686
Total Expenditures		4,353,999	4,247,072
Excess in Revenue		748,305	1,019,223
Fund Balance, January 1		4,216,512	3,197,289
Balance, December 31	$	4,964,817	4,216,512

See accompanying notes to financial statements.

Exhibit D-2

TOWNSHIP OF LYNDHURST

Comparative Schedule of Fund Balance - Regulatory Basis

Water Utility Capital Fund

Years Ended December 31, 2025 and 2024

	2025	2024
Balance, December 31,	$ 825	$ 825
Balance, December 31,	$ 825	$ 825

See accompanying notes to financial statements.

Exhibit D-3

TOWNSHIP OF LYNDHURST

Statement of Revenues - Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2025

	Anticipated	Realized	Excess (Deficit)
Rents	$ 4,159,000	4,651,073	492,073
Fines	30,000	46,042	16,042
Miscellaneous	165,000	333,864	168,864
	$ 4,354,000	5,030,979	676,979

Analysis of Miscellaneous Revenue Not Anticipated

New Meters	$ 23,885
Flow Tests	2,800
Scrap Meters	20,113
Miscellaneous	5,729
	$ 52,527

See accompanying notes to financial statements.

Exhibit D-4

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2025

	Appropriations				
	Budget	Budget after Modification	Paid or Charged	Reserved	Canceled
Operating:					
Salaries and Wages	$ 350,000	350,000	324,594	25,406	
Other Expenses	330,000	314,000	286,730	27,270	
Water Purchases	2,750,000	2,750,000	2,504,372	245,628	
Group Insurance	75,000	91,000	88,723	2,277	
Other Insurance Premiums	2,000	2,000		2,000	
Audit	1,000	1,000		1,000	
Legal Services	1,000	1,000		1,000	
NJEIT Fees - Trust Loan (DW)	15,270	15,270	15,270		
Total Operating	3,524,270	3,524,270	3,219,689	304,581	
Debt Service:					
General Serial Bonds:					
Payment of Principal	105,000	105,000	105,000		
Interest on Bonds	20,325	20,325	20,325		
Principal on NJEIT Loans (DW Trust)	297,000	297,000	297,000		
Interest on NJEIT Loans (DW Trust)	52,000	52,000	52,000		
Principal on NJEIT Loans (DW Fund)	280,433	280,433	280,432		1
Total Debt Service	754,758	754,758	754,757		1

Exhibit D-4

TOWNSHIP OF LYNDHURST

Statement of Expenditures - Regulatory Basis

Water Utility Operating Fund

Year Ended December 31, 2025

	Appropriations				
	Budget	Budget after Modification	Paid or Charged	Reserved	Canceled
Deferred Charges and Statutory Expenditures:					
Statutory Expenditures - Contribution to:					
Public Employees' Retirement System (PERS)	45,401	45,401	45,401		
Social Security System (O.A.S.I.)	29,571	29,571	22,979	6,592	
Total Deferred Charges and Statutory Expenditures	74,972	74,972	68,380	6,592	
	$ 4,354,000	4,354,000	4,042,826	311,173	1
Adopted Budget		$ 4,354,000			
		$ 4,354,000			
Cash Disbursed			$ 3,738,003		
Accrued Interest on Bonds and Loan			72,325		
Encumbrances			232,498		
			$ 4,042,826		

See accompanying notes to financial statements.

Exhibit E

TOWNSHIP OF LYNDHURST

Comparative Balance Sheet - Regulatory Basis

Swimming Pool Utility Fund

December 31, 2025 and 2024

	Ref.		2025	2024
Assets				
Operating Fund:				
Cash	E-4	$	483,841	433,257
Interfunds	E-6			9,502
Total Operating Fund		$	483,841	442,759
Liabilities, Reserves and Fund Balance				
Operating Fund:				
Appropriation Reserves	E-3, E-5	$	18,216	56,514
Fund Balance	E-1		465,625	386,245
Total Operating Fund		$	483,841	442,759

See accompanying notes to financial statements.

Exhibit E-1

TOWNSHIP OF LYNDHURST

Comparative Statement of Operations and Changes in Fund Balance - Regulatory Basis

Swimming Pool Utility Fund

December 31, 2025 and 2024

		2025	2024
Revenue and Other Income Realized:			
Rents	$	177,898	153,120
Shared Service Agreement - Lyndhurst BOE		60,000	60,000
Miscellaneous Revenue Not Anticipated		10,176	8,766
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		44,306	13,345
Total Income		292,380	235,231
Expenditures:			
Operating		198,110	214,000
Statutory Expenditures & Deferred Charges		14,890	14,890
Total Expenditures		213,000	228,890
Excess (Deficit)		79,380	6,341
Fund Balance, January 1		386,245	379,904
Fund Balance, December 31	$	465,625	386,245

See accompanying notes to financial statements.

Exhibit E-2

TOWNSHIP OF LYNDHURST

Statement of Revenues-Regulatory Basis

Swimming Pool Utility Fund

Year ended December 31, 2025

		Anticipated	Realized	Excess (deficit)
Rents	$	153,000	177,898	24,898
Shared Service Agreement - BOE		60,000	60,000	
		213,000	237,898	24,898
Total Swim Pool Utility Revenue	$	213,000	237,898	24,898

Analysis of Miscellaneous Revenues Not Anticipated

Interest on Investments	$	10,176
	$	10,176

See accompanying notes to financial statements.

Exhibit E-3

TOWNSHIP OF LYNDHURST

Statement of Expenditures-Regulatory Basis

Swimming Pool Utility Fund

Year Ended December 31, 2025

		Appropriations		Expended	
		Budget	Budget after modification	Paid or Charged	Reserved
Operating:					
Salaries and Wages	$	126,000	126,000	121,483	4,517
Other Expenses		42,110	25,110	12,750	12,360
Utilities		30,000	47,000	46,018	982
Total Operating		198,110	198,110	180,251	17,859
Statutory Expenditures					
Contribution to:					
Public Employees' Retirement System		5,240	5,240	5,240	
Social Security System (O.A.S.I.)		9,650	9,650	9,293	357
Total Deferred Charges and Statutory Expenditures		14,890	14,890	14,533	357
	$	213,000	213,000	194,784	18,216

See accompanying notes to financial statements.

Exhibit F

TOWNSHIP OF LYNDHURST

Comparative Statement of Net Payroll and Withholdings Payable

December 31, 2025 and 2024

		2025	2024
Assets			
Cash			
Master Payroll	$	158,904	163,775
Net Payroll		3,858	457
	$	162,762	164,232
Liabilities:			
Withholdings	$	162,762	164,232
	$	162,762	164,232

See accompanying notes to financial statements.

Exhibit G

TOWNSHIP OF LYNDHURST

Comparative Statement of General Fixed Assets - Regulatory Basis

December 31, 2025 and 2024

		2025	2024
General Fixed Assets:			
Land	$	133,198,900	133,198,900
Buildings		7,621,800	7,621,800
Machinery and Equipment		20,065,066	19,735,268
	$	160,885,766	160,555,968
Investment in Fixed Assets	$	160,885,766	160,555,968

See accompanying notes to financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB Codification establishes seven fund types and two account groups to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP).

The financial statements of the Township of Lyndhurst have been prepared in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds which differ from the fund structure required by GAAP.

A. Reporting Entity

The Township of Lyndhurst (the "Lyndhurst") was incorporated in 1917 and operates under a Five Member Board of Commission form of government. The Mayor is selected by the Board. The Board of Commissioners shall consist of give members elected at large by the voters of the municipality and shall serve for a term of four years.

GASB has issued Statement No. 14 which requires the financial reporting entity to include both the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

However, the municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Township do not include the volunteer fire department, the volunteer ambulance corp., or the free public library which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The Township uses funds, as required by the Division, to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Township functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds.

The Township has the following funds and account group:

Current Fund – This fund accounts for resources and expenditures for governmental operations of a general nature.

Federal and State Grant Fund – This fund accounts for the budgeted and unbudgeted revenue/receipt, expenditure/disbursement of federal and state grants which qualify for accounting treatment more closely related to GAAP.

Trust Fund – These various funds are used to account for assets held by the government in a trustee capacity. Funds held by the Township as an agent for individuals, private organizations, or other governments are recorded in the Trust Funds.

General Capital Fund – This fund is used to account for the receipt and disbursement of funds used for acquisition or improvement of general capital facilities, other than those acquired in the Current Fund.

Water Utility Fund– This fund is used to account for all revenues and expenditures applicable to the operations of the water department. Acquisition or improvement of capital facilities for the water department are accounted for in the capital section of the fund.

Swim Pool Utility Operating Fund – This fund is used to account for revenues and expenditures for the operation of the Township's swimming facilities and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities for the pool are accounted for in the capital section of the fund.

General Fixed Asset Account Group – This group accounts all fixed assets of the Township. The Township's infrastructure is not reported in this group.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Basis of Accounting

A modified accrual basis of accounting is followed by the Township of Lyndhurst. Under this method of accounting revenues, except State/Federal Aid, are recognized when received and expenditures are recorded, when incurred. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The more significant differences are as follows:

Property Tax Revenues - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, and School purposes. The bills are mailed annually in June for that calendar year's levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of $1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Township. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on the 11th day of the 11th month of the current calendar year levy when the same became in arrears, the collector in the municipality shall subject to the provisions of the New Jersey Statutes enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Township. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund, Water Utility Operating Fund and Swim Pool Operating Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

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

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the Current Fund, Water Utility Fund and Swim Pool Utility Fund. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services per N.J.S.A. 40A:4 et seq.

The Township is not required to adopt budgets for the following funds:

General Capital Fund	Water Utility Capital Fund
Trust Fund	Swim Pool Utility Capital Fund

The governing body shall introduce and approve the annual budget not later than March 31, of the fiscal year. The budget shall be adopted not later than April 30, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The Director of the Division of Local Government Services, with the approval of the Local Finance Board may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality.

During the years ended December 31, 2025 and 2024, the Governing Body approved additional revenues and appropriation of $-0- and $5,000,000, respectively, in accordance with N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body in 2025 and 2024.

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 an encumbrance accounting system. Outstanding encumbrances at December 31, are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations, at December 31, are reported as expenditures through the establishment of appropriation reserves unless canceled by the governing body. GAAP requires expenditures to be recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of an encumbrance payable. Encumbrances do not constitute expenditures under GAAP.

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

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick pay are not recorded until paid. GAAP requires that the amount that would normally be liquidated with expendable available financial resources be recorded as an expenditure in the operating funds and the remaining obligations be recorded as a long-term obligation.

Property Acquired for Taxes - Is recorded in the Current Fund at the assessed valuation when such property was acquired and fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at market value on the date of acquisition.

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. GAAP does not require the establishment of an offsetting reserve.

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

Cash and Investments - Cash includes amounts in demand deposits as well as short-term investments with a maturity date within one year of the date acquired by the government. Investments are stated at fair value which approximates cost and are limited by N.J.S.A. 40A:5-15.1(a).

Deferred Charges to Future Taxation Funded and Unfunded - Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or nonfunding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the current budget. As the funds are raised by taxation, the deferred charges are reduced.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

General Fixed Assets - The Township of Lyndhurst 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.

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.

Fixed assets acquired by the Water Utility Fund and Swim Pool Utility Fund are capitalized as Fixed Capital and not depreciated.

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

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.

GAAP requires that fixed assets be capitalized at historical or estimated historical cost if actual historical cost is not available.

Use of Estimates - The preparation of financial statements requires management of the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Comparative Data - Comparative data for the prior year has been presented in the accompanying balance sheets and statements of operations in order to provide an understanding of changes in the Township's financial position and operations. However, comparative data have not been presented in all statements and notes to financial statements because their inclusion would make certain statements and notes to financial statements unduly complex and difficult to understand.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Recently Issued Accounting Pronouncements

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

In December 2023, the Government Accounting Standards Board issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

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

In April 2024, the Government Accounting Standards Board issued GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its' effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter, though, earlier application is encouraged. Management is currently reviewing the provisions of this Statement and plans to implement, as needed, before the effective date.

In September 2024, the Government Accounting Standards Board issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025. Management is currently reviewing the provisions of this Statement and its effect on the financial statements of the Township.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Measurement Focus, Basis of Accounting and Basis of Presentation, (continued)

Recently Issued Accounting Pronouncements, (continued)

In December 2025, the Government Accounting Standards Board issued GASB Statement No. 105, *Subsequent Events*. The primary objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. The Township is determining what effects, if any, this pronouncement will have on future financial statements.

C. Basic Financial Statements

The GASB Codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be in accordance with GAAP. The Township presents the financial statements listed in the table of contents which are required by the Division and which differ from the financial statements required by GAAP. In addition, the Division requires the financial statements listed in the table of contents to be referenced to the supplementary schedules. This practice differs from GAAP.

NOTE 2. PENSION PLANS

Description of Plans:

Township employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employees' Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

NOTE 2. PENSION PLANS, (continued)

Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS. The following represents the membership tiers for PERS:

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

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

NOTE 2. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS)

Plan Description

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

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after 4 years of service. The following represents the membership tiers for PFRS:

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

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

Defined Contribution Retirement Program

Empower jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

NOTE 2. PENSION PLANS, (continued)

Defined Contribution Retirement Program, (continued)

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS. This amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning 2012 and 8.5% for PFRS, which increased to 10% in October 2011, of the employee's annual compensation, as defined by law. Employers are required to contribute at an actuarially determined rate in all Funds. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and PFRS. In the PERS and PFRS, the employer contribution includes funding for post-retirement medical premiums.

The Township's contribution to the various plans, equal to the required contributions for each year, were as follows:

Year	PERS	PFRS
2025	$ 827,090	$ 2,652,659
2024	859,218	2,588,459
2023	796,877	2,256,151

Statement No's 68 and 71 require a state or local government employer to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. However, since the financial statements are prepared on another comprehensive basis of accounting, the net pension liability of the various pension systems is not recorded in the financial statements and is only required to be disclosed in the notes to the financial statements.

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Public Employees Retirement System (PERS)

The following PERS pension information is as of June 30, 2024 which is the latest information available. This information is eighteen months prior to December 31, 2025. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

At June 30, 2024, the Township had a liability of $7,959,258 for its proportionate share of the PERS 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, which was rolled forward to June 30, 2024. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the Township's proportion was 0.0585754398 percent, which was an increase/(decrease) of (0.0620496884) percent from its proportion measured as of June 30, 2023.

For the year ended December 31, 2025, the Township recognized pension expense of $827,090.

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 159,439	$ 21,190
Changes in assumptions	9,888	90,558
Net difference between projected and actual earnings on pension plan investments		369,049
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	381,789	463,396
Total	$ 551,116	$ 944,193

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2024) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2025	$(337,931)
2026	261,481
2027	(150,435)
2028	(86,845)
2029	2,260

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16 and 5.21 years for 2024, 2023, 2022, 2021, 2020 and 2019, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	June 30, 2024	June 30, 2023
Collective deferred outflows of resources	$1,079,580,780	$1,080,204,730
Collective deferred inflows of resources	1,611,322,898	1,780,216,457
Collective net pension liability	13,588,045,796	14,484,374,047
Township's Proportion	0.0857543980%	0.0620496884%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Actuarial Assumptions

The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2023, which 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%

Mortality Rates

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

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic 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
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Esates	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%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Public Employees Retirement System (PERS), (continued)

Discount Rate

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net pension 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:

	June 30, 2024		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Township's proportionate share of the pension liability	$ 10,597,922	$ 7,959,258	$ 5,713,769

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System (PFRS)

The following PFRS pension information is as of June 30, 2024 which is the latest information available. This information is eighteen months prior to December 31, 2025. GASB Statement No. 68 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current pension information is available.

At June 30, 2024, the Township had a liability of $19,134,318 for its proportionate share of the PFRS 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, which was rolled forward to June 30, 2024. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined. At June 30, 2024, the Township's proportion was 0.1852915700 percent, which was an increase/(decrease) of (0.002475250) percent from its proportion measured as of June 30, 2023.

For the year ended December 31, 2025, the Township recognized pension expense of $2,652,739.

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,205,447	$ 655,052
Changes in assumptions	30,248	561,943
Net difference between projected and actual earnings on pension plan investments		149,761
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	2,308,110	1,255,597
Total	$ 3,543,805	$ 2,622,353

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System (PFRS)

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2024) will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding changes in proportion) will be recognized in pension expense as follows:

Year ended June 30:	
2025	$ (926,823)
2026	1,067,917
2027	(268,034)
2028	(124,468)
2029	110,729
Thereafter	9,618

Changes in Proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 6.09, 6.16, 6.22, 6.17, 5.90 and 5.92 years for the 2024, 2023, 2022, 2021, 2020 and 2019 amounts, respectively.

Additional Information

Local Group Collective balances net of nonemployer (State of New Jersey) balances at June 30, 2024 and June 30, 2023 are as follows:

	June 30, 2024	June 30, 2023
Collective deferred outflows of resources	$ 1,350,388,724	$ 1,753,080,638
Collective deferred inflows of resources	1,421,121,200	1,966,439,601
Collective net pension liability	12,362,466,447	13,084,649,602
Township's Proportion	0.1852915700%	0.1877668200%

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System (PFRS)

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	3.25% - 16.25% based on years of service
Investment Rate of Return	7.00%

Mortality Rates

Employee mortality rates were based on the PubS-2010 amount-weighted mortality table with a 105.6% adjustment for males and 102.5% adjustment for females. For healthy annuitants, mortality rates were based on PubS-2010 amount-weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females. Disability rates were based on PubS-2010 amount-weighted mortality table with a 152.0% adjustment for males and 109.3% adjustment for females. 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.

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System (PFRS)

Long-Term Rate of Return

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

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

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System (PFRS)

Discount Rate

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

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net pension 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:

	June 30, 2024		
Township's proportionate share of the pension liability	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
	$ 28,956,157	$ 19,134,318	$ 10,954,879

NOTE 2. PENSION PLANS, (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, (continued)

Police and Firemen's Retirement System, (continued)

Special Funding Situation - PFRS

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

At June 30, 2024 and 2023, the State proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is $3,772,290 and $3,822,682, respectively. For the years ended June 30, 2024 and 2023, the pension system has determined the State's proportionate share of the pension expense attributable to the Township for the PFRS special funding situation is $433,971 and $437,168, respectively which is less than the actual contributions the State made on behalf of the Township of $433,972 and $434,822, respectively. The State's proportionate share attributable to the Township was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Township's financial statements.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The financial report may be accessed at www.state.nj.us/treasury/pensions.

NOTE 3. MUNICIPAL DEBT

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

	Balance 12/31/2024	Additions	Reductions	Balance 12/31/2025	Amounts Due within One Year
Bonds payable:					
General obligation debt	$ 55,040,000		4,660,000	$ 50,380,000	$ 4,745,000
Water Utility obligation debt	600,000		105,000	495,000	105,000
Total bonds payable	55,640,000	-	4,765,000	50,875,000	4,850,000
Other Liabilities:					
New Jersey Wastewater Loans - Current	1,047,705		168,947	878,758	172,948
New Jersey Wastewater Loans - Water	2,264,291		577,432	1,686,859	590,432
Compensated absences payable	3,947,837	1,351,753	630,349	4,669,241	
Total other liabilities	7,259,833	1,351,753	1,376,728	7,234,858	763,380
	$ 62,899,833	1,351,753	6,141,728	$ 58,109,858	$ 5,613,380

	Balance 12/31/2023	Additions	Reductions	Balance 12/31/2024	Amounts Due within One Year
Bonds payable:					
General obligation debt	$ 59,240,000		4,200,000	$ 55,040,000	$ 4,660,000
Water Utility obligation debt	710,000		110,000	600,000	105,000
Total bonds payable	59,950,000	-	4,310,000	55,640,000	4,765,000
Other Liabilities:					
New Jersey Wastewater Loans - Current	1,211,652		163,947	1,047,705	168,947
New Jersey Wastewater Loans - Water	2,827,723		563,432	2,264,291	577,432
Compensated absences payable	4,041,486	30,292	123,941	3,947,837	
Total other liabilities	8,080,861	30,292	851,320	7,259,833	746,379
	$ 68,030,861	30,292	5,161,320	$ 62,899,833	$ 5,511,379

NOTE 3. MUNICIPAL DEBT, (continued)

The Local Bond Law governs the issuance of bonds and notes to finance capital expenditures. General obligation bonds have been issued for the general capital fund. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Township are general obligation bonds, backed by the full faith and credit of the Township. Bond anticipation notes, which are issued to temporarily finance capital projects, must be paid off within ten years and five months or retired by the issuance of bonds.

The Township's debt is summarized as follows:

Summary of Municipal Debt (Excluding Current Operating Debt)

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Issued:			
General Bonds, Notes and Loans	$ 69,640,758	$ 75,393,705	$ 81,340,652
Water Utility Bonds, Notes and Loans	5,705,202	2,864,291	3,537,723
Net Debt Issued	75,345,960	78,257,996	84,878,375
Authorized But Not Issued:			
General Bonds and Notes	8,350,780	7,622,780	4,440,000
Water Utility Bonds and Notes	15,874,357	4,520,000	4,000,000
Total Authorized But Not Issued	24,225,137	12,142,780	8,440,000
Net Bonds and Notes Issued and Authorized But Not Issued	$ 99,571,097	$ 90,400,776	$ 93,318,375

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 1.575% for 2025.

2025	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 16,565,000	16,565,000	-
General Debt	77,991,538	476,250	77,515,288
Utility Debt	21,579,559	21,579,559	-
	$ 116,136,097	38,620,809	77,515,288

Net debt of $77,515,288 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of $4,922,569,800 equals 1.575%.

NOTE 3. MUNICIPAL DEBT, (continued)

Summary of Statutory Debt Condition - Annual Debt Statement, (continued)

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 1.805% for 2024.

2024	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 17,415,000	17,415,000	-
General Debt	83,016,485	675,627	82,340,858
Utility Debt	7,384,291	7,384,291	-
	$ 107,815,776	25,474,918	82,340,858

Net debt of $82,340,858 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of $4,560,996,033 equals 1.805%.

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

	2025	**2024**
3 1/2% of equalized valuation basis (municipal)	$ 172,289,943	$ 159,634,861
Net Debt	77,515,288	82,340,858
Remaining borrowing power	$ 94,774,655	$ 77,294,003

Calculation of "Self-Liquidating Purpose", Water Utility Per N.J.S.A. 40A:2-45

	2025	**2024**
Cash receipts from fees, rents or other charges for year	$ 5,083,506	$ 4,920,312
Deductions:		
Operating and Maintenance Cost	3,599,242	3,482,856
Debt Service per Water Utility	754,757	764,216
Total Deductions	4,353,999	4,247,072
Excess (Deficit) in Revenue	$ 729,507	$ 673,240

The Water Utility is Self-Liquidating for 2025 and 2024.

NOTE 3. MUNICIPAL DEBT, (continued)

The Township's long-term debt consisted of the following at December 31, 2025 and 2024:

General Obligation Bonds - Paid by Current Fund

	2025	2024
$2,900,000 General Obligation Bonds - BCIA Series 2005 - with varying interest rates issued May 1, 2005, due through June 1, 2031	$ 985,000	$ 1,125,000
$14,075,000 General Obligation Refunding Bonds, Series 2021 - with interest rates of .400% to 1.519% issued August 4, 2021, due through August 15, 2028	8,070,000	10,690,000
$47,500,000 General Improvement Bonds, Serices 2021 - with interest rates of 2.00% to 4.00% issued August 10, 2021, due through March 1, 2041	41,325,000	43,225,000
Total General Serial Bonds	$ 50,380,000	$ 55,040,000

Wastewater Treatment Loans - Paid by Current Fund

The Township has outstanding three loan agreements with the New Jersey Environmental Infrastructure Trust for financing relating to improvements to the Wastewater Treatment Plants.

	2025	2024
$1,535,000 Trust Loan (CW) - with interest rates of 3.40% to 5.00% issued December 2, 2010, due through August 1, 2030	$ 486,000	$ 571,000
$1,568,018 Fund Loan (CW) - at a zero rate of interest issued December 2, 2010 due through August 1, 2030	392,758	476,705
	$ 878,758	$ 1,047,705

NOTE 3. MUNICIPAL DEBT, (continued)

Water Utility Bonds - Paid by Water Utility Fund

Water Utility Serial Bonds:

	2025	2024
$1,395,000 Refunding Bonds - with an interest rate of 2.00% to 5.00% issued December 21, 2017, due through February 15, 2030	495,000	600,000
	$ 495,000	$ 600,000

Wastewater Treatment Loans - Paid by Water Utility Fund

	2025	2024
$4,220,000 Trust Loan (DW) - with an interest rate of 3.40% to 5.00% issued December 2, 2010, due through August 1, 2030	$ 924,000	$ 1,221,000
$4,408,475 Fund Loan (DW) - at a zero rate of interest issued December 2, 2010, due through August 1, 2030	762,859	1,043,291
	$ 1,686,859	$ 2,264,291

Aggregate debt service requirements are as follows:

	Serial/Refunding Bonds				
	General Capital Debt		Water Utility Capital Debt		
Year	Principal	Interest	Principal	Interest	Total
2026	$ 4,745,000	$ 1,204,356	$ 105,000	$ 17,700	$ 6,072,056
2027	4,725,000	1,088,905	105,000	13,500	5,932,405
2028	4,755,000	968,000	100,000	9,400	5,832,400
2029	2,070,000	842,813	100,000	5,400	3,018,213
2030	2,550,000	748,688	85,000	1,700	3,385,388
2031-2035	14,435,000	2,501,938			16,936,938
2036-2040	14,250,000	1,015,313			15,265,313
2041	2,850,000	30,281			2,880,281
	$ 50,380,000	$ 8,400,294	$ 495,000	$ 47,700	$ 59,322,994

	New Jersey Environmental Infrastructure Trust Loans				
	General Capital Fund		Water Utility Capital Fund		
Year	Principal	Interest	Principal	Interest	Total
2026	$ 172,948	$ 22,315	$ 590,432	$ 43,130	$ 828,825
2027	177,948	17,865	608,432	27,630	831,875
2028	180,948	13,635	487,995	12,870	695,448
2029	184,947	9,270			194,217
2030	161,967	4,725			166,692
	$ 878,758	$ 67,810	$ 1,686,859	$ 83,630	$ 2,717,057

NOTE 3. MUNICIPAL DEBT, (continued)

General capital serial bonds are direct obligations of the Township for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the Township.

At December 31, 2025, the Township had authorized but not issued debt as follows:

General Capital Fund	$ 8,350,780
Water Utility Capital Fund	15,874,357
	$ 24,225,137

NOTE 4. BOND ANTICIPATION NOTES

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding one year. Generally, such notes must be paid no later than the first day of the fifth month following the close of the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that on or before the third anniversary date of the original note a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. A second and third legal installment must be paid if the notes are to be renewed beyond the fourth and fifth anniversary date of the original issuance.

As of December 31, 2025 and 2024, the Township had $18,382,000 and $19,306,000, respectively, in outstanding General Capital bond anticipation notes. The Township also had $-0- and $-0-, respectively, in outstanding Water Utility Capital Bond Anticipation Notes.

The following activity related to bond anticipation notes occurred during the calendar years ended December 31, 2025 and 2024.

2025:	Beginning Balance	Additions	Reductions	Ending Balance
General Capital Notes Payable:				
Oppenheimer & Co., Inc.	$ 19,306,000		$ 19,306,000	-
Jefferies, LLC		18,382,000		18,382,000
	$ 19,306,000	$ 18,382,000	$ 19,306,000	$ 18,382,000

2024:	Beginning Balance	Additions	Reductions	Ending Balance
General Capital Notes Payable:				
Oppenheimer & Co., Inc.		$ 19,306,000		$ 19,306,000
Jefferies, LLC	$ 16,990,000		16,990,000	-
Piper Sandler & Co.	3,899,000		3,899,000	-
	$ 20,889,000	$ 19,306,000	$ 20,889,000	$ 19,306,000

NOTE 5. INTERGOVERNMENTAL NOTES PAYABLE

The Township received temporary loan proceeds from the New Jersey Infrastructure Bank in anticipation of finalizing loans related to the replacement of water meters throughout the Township. The intention of the proposed project is to replace all existing outdated water meters, allowing the Township to better track and bill water consumption. Temporary loan proceeds at December 31, 2025 are $34,885 and are related to project S340426.

NOTE 6. FUND BALANCE APPROPRIATED

The fund balances at December 31, 2025 and 2024 which have been appropriated as revenue in the 2026 and 2025 budgets are as follows:

	2026	2025
Current Fund	$5,650,000	$ 5,150,000
Water Utility	-0-	-0-
Swimming Pool Utility	25,000	-0-

NOTE 7. DEFERRED CHARGES

Certain expenditures are required to be deferred to budgets of succeeding years. The following deferred charges are shown on the balance sheets of the Township of Lyndhurst:

	Balance Dec. 31,	Subsequent Year Budget Appropriation	Balance to Succeeding Year Budget
2025			
Current Fund:			
Special Emergency Authorizations:			
Preparation of Tax Maps	$ 37,000	37,000	$ -
Hurricane IDA	110,000	110,000	-
Reassessment of Real Property	90,000	70,000	20,000
Total Deferred Charges	$ 237,000	217,000	$ 20,000

	Balance Dec. 31,	Subsequent Year Budget Appropriation	Balance to Succeeding Year Budget
2024			
Current Fund:			
Special Emergency Authorizations:			
Preparation of Tax Maps	$ 74,000	37,000	$ 37,000
Hurricane IDA	220,000	110,000	110,000
Reassessment of Real Property	160,000	70,000	90,000
Total Deferred Charges	$ 454,000	217,000	$ 237,000

NOTE 8. ACCRUED SICK AND VACATION BENEFITS

The Township permits employees to accrue (with certain restrictions) unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. It is estimated that the current cost of such unpaid compensation at December 31, 2025 and 2024 would approximate $4,669,241 and $3,947,837, respectively. These amounts are not reported either as an expenditure or liability. A reserve was established in prior years for purposes of paying terminal leave benefits and is reflected herein on Exhibit A-17. The reserve balance as of December 31, 2025 and 2024 was the sum of $350,625 and $350,625, respectively.

NOTE 9. CASH, CASH EQUIVALENTS AND INVESTMENTS

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 Township's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in 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. As of December 31, 2025 and 2024, $-0- and $-0- of the Township's bank balance of $38,093,468 and $39,190,286, respectively, were exposed to custodial credit risk.

Investments

Investment Rate Risk

The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. 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 allowance investments are Bonds of the United States of America, bonds or other obligations of the towns or bonds or other obligations of the local unit or units within which the town is located: 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 Township places no limit on the amount the Township may invest in any one issuer.

NOTE 9. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

Unaudited Investments

As more fully described in Note 15, the Township has created a Length of Service Award Program (LOSAP) for emergency service volunteers. The LOSAP investments are similar to those allowed in a deferred compensation program as specified in NJSA 43:15B-1 et. seq. except that all investments are retained in the name of the Township. All investments are valued at fair value. In accordance with NJAC 5:30-14.37, the investments are maintained by Lincoln Financial Group, which is an authorized provider approved by the Division of Local Government Services. The balance in the account on December 31, 2025 and 2024 amounted to $2,842,565 and $2,639,731, respectively.

The following investments represent 5% or more of the total invested with Lincoln Financial Group on December 31, 2025 and 2024:

	2025	2024
American Funds Growth	$ 703,047	$ 499,983
Fixed Account	310,916	288,410
LVIP SSGA S&P 500 Index	582,707	486,951
LVIP T. Rowe Price Structured Mid-Cap	405,079	552,637
All Others	840,816	811,750
Total	$ 2,842,565	$ 2,639,731

NOTE 10. FIXED ASSETS

The following is a summary of changes in the General Fixed Assets Account Group for the years ended December 31, 2025 and 2024:

	Balance Dec. 31, 2024	Additions	Deletions	Balance Dec. 31, 2025
Land	$ 133,198,900			$ 133,198,900
Building	7,621,800			7,621,800
Machinery and Equipment	19,735,268	728,542	398,744	20,065,066
	$ 160,555,968	$ 728,542	$ 398,744	$ 160,885,766

	Balance Dec. 31, 2023	Additions	Deletions	Balance Dec. 31, 2024
Land	$ 133,198,900			$ 133,198,900
Building	7,621,800			7,621,800
Machinery and Equipment	18,088,209	1,647,059		19,735,268
	$ 158,908,909	$ 1,647,059	$ -	$ 160,555,968

NOTE 11. INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2025 consist of the following:

$ 6,130	Due to the Current Fund from the Animal License Trust Fund for statutory excess.
3,289,160	Due to the Federal and State Grant Fund from the Current Fund for grant receipts not turned over less reimbursement for expenses paid.
300,000	Due to the Current Fund from the General Capital Fund for cash advance.
958	Due to the Current Fund from the Water Utility Operating Fund for cash receipts not turned over.
3,000,000	Due to the Water Utility Operating Fund from the Water Utility Capital Fund for cash advance.
$ 6,596,248	

It is anticipated that all interfunds will be liquidated during the fiscal year.

Balances due to/from other funds at December 31, 2024 consist of the following:

$ 6,196	Due to the Current Fund from the Animal License Trust Fund for statutory excess.
4,790,384	Due to the Federal and State Grant Fund from the Current Fund for grant receipts not turned over.
601,892	Due to the General Capital Fund from the Current Fund for reimbursement of expenses paid less budgeted revene.
2,325	Due to the Current Fund from the Water Utility Operating Fund for cash receipts not turned over.
500,000	Due to the Current Fund from the Water Utility Capital Fund for cash advances.
9,502	Due to the Swim Pool Utility Operating Fund from the Current Fund for reimbursement for expenses paid.
218,584	Due to the General Capital Fund from the Federal and State Grant Fund for grants received not turned over.
112,000	Due to the Other Trust Fund from the Current Fund for current year tax sale premiums not turned over.
$ 6,240,883	

NOTE 12. RISK MANAGEMENT

The Township is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Township has obtained insurance coverage to guard against these events which will provide minimum exposure to the Township should they occur. During the 2025 calendar year, the Township did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

The Township of Lyndhurst is a member of the South Bergen Municipal Joint Insurance Fund (SBJIF) and the Municipal Excess Liability Joint Insurance Fund (MEL). The joint insurance funds are both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The SBJIF and MEL coverage amounts are on file with the Township.

The relationship between the Township and respective insurance funds is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Township is contractually obligated to make all annual and supplementary contributions to insurance funds, to report claims on a timely basis, cooperate with management of the Fund, its claims administrator, and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the insurance funds. Members have a contractual obligation to fund any deficit of the insurance funds attributable to a membership year during which they were a member.

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages in any of the prior three years.

New Jersey Unemployment Compensation Insurance – The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

NOTE 13. OTHER POST EMPLOYMENT BENEFITS

In addition to the pension described in Note 6, the Township provides post employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan.

General Information about the OPEB Plan

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) annual financial statements, 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 employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

NOTE 13. OTHER POST EMPLOYMENT BENEFITS, (continued)

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.

Total OPEB Liability

The following other post employment benefit information is as of June 30, 2024 which is the latest information available. This information is eighteen months prior to December 31, 2025. GASB Statement No. 75 requires that the information be no more than twelve months prior to the employer's fiscal year end. No modification of the Independent Auditor's Report is being made since the Division of Local Government Services, Department of Community Affairs, State of New Jersey, is permitting the regulatory basis financial statements of Municipal, County and Library's to be issued with unmodified opinion's until such time current other post employment benefit information is available.

At June 30, 2024, the Township had a liability of $29,018,281 for its proportionate share of the non-special funding net OPEB liability. The net OPEB liability was measured as of June 30, 2024 and was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Township's proportion of the net OPEB liability was based on a projection of the Township's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers a in the plan. At June 30, 2024 the Township's proportion was 0.16206400 percent, which was an increase/(decrease) of (0.0045610) percent from its proportion measured as of June 30, 2023.

Annual OPEB Cost and Net OPEB Obligation

For the year ended June 30, 2024, the Township recognized OPEB expense of $4,116,726.

At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,469,571	$ 4,916,695
Changes of assumption	4,851,307	4,816,851
Net difference between projected and actual earnings on OPEB plan investments		13,136
Changes in proportion	26,943,838	824,077
	$ 33,264,716	$ 10,570,759

NOTE 13. OTHER POST EMPLOYMENT BENEFITS, (continued)

Annual OPEB Cost and Net OPEB Obligation, (continued)

Amounts reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding changes in proportion) will be recognized in OPEB expense as follows:

Year ended June 30:	
2025	$ (1,821,560)
2026	(784,233)
2027	(134,766)
2028	(718,486)
2029	(457,746)
Thereafter	490,987

Changes in Proportion

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

Actual Assumptions and Other Inputs

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

Salary Increases*:	
Public Employees' Retirement System (PERS)	
Rate for all future years	2.75% to 6.55% based on years of service
Police and Firemen's Retirement System (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 the respective plan

NOTE 13. OTHER POST EMPLOYMENT BENEFITS, (continued)

***Actual Assumptions and Other Inputs*, (continued)**

Pre-retirement healthy mortality

Pre-retirement mortality rates for PERS were based on the PUB-2010 General classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Preretirement mortality rates for PFRS were based on the PUB-2020 Safety classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Post-retirement healthy mortality

Post-retirement mortality rates for Chapter 330 retirees were based on the PUB-2010 Safety classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Post-retirement mortality rates for other retirees is based on the PUB-2010 General classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Disabled retiree mortality

Disabled retiree mortality rates for PERS future disabled retirees were based on the PUB-2010 General classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disabled retiree mortality rates for PFRS future disabled retirees were based on the PUB-2010 Safety classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

Actuarial assumptions used in July 1, 2023 valuation were based on the results of 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 7.50% 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%.

NOTE 13. OTHER POST EMPLOYMENT BENEFITS, (continued)

Discount Rate

The discount rate for June 30, 2024 was 3.93%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less that 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 collective net OPEB liability as of June 30, 2024, calculated using the discount rate as disclosed above as well as what the collective net OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2024		
	At 1% Decrease 2.93%	At Current Discount Rate 3.93%	At 1% Increase 4.93%
Township's proportionate share of the OPEB liability	$ 33,803,170	$ 29,018,281	$ 25,186,010

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

The following presents the collective net OPEB liability as of June 30, 2024, calculated using the healthcare trend rate as disclosed as 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:

	June 30, 2024		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Tonwship's proportionate share of the OPEB liability	$ 24,543,543	$ 29,018,281	$ 34,771,537

NOTE 13. OTHER POST EMPLOYMENT BENEFITS, (continued)

Special Funding Situation PFRS

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

At June 30, 2024, the State's proportionate share of the net OPEB liability attributable to the Borough for the PFRS special funding situation is $2,847,132 and the State's proportionate share of the OPEB expense for the PFRS special funding situation is ($275,839).

NOTE 14. TAXES COLLECTED IN ADVANCE

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

	Balance Dec. 31, 2025	Balance Dec. 31, 2024
Prepaid Taxes	$ 484,871	$ 337,913
Cash Liability for Taxes Collected in Advance	$ 484,871	$ 337,913

NOTE 15. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP) (UNAUDITED)

The Township of Lyndhurst Length of Service Awards Program (LOSAP) was created by Township resolution adopted on January 14, 2003 pursuant to P.L. 1997, c. 388 and Section 457 (e)(11)(B) of the Internal Service Code of 1986, as amended, except for provisions added by Reason of Length of Service Award Program as enacted into federal law in 1997. This plan is to be made available to all bona fide eligible volunteers who are performing qualified services, which is defined as firefighting and prevention services, emergency medical services and ambulance services.

NOTE 15. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP) (UNAUDITED), (continued)

The Township deems it appropriate to act to ensure retention of existing members to provide incentives for recruiting new volunteer firefighters and first aid organization members. The tax deferred income benefits for emergency services volunteers come from contributions made solely by the governing body of the municipality, on behalf of those volunteers who meet the criteria of the plan created by that governing body.

If a member meets the year of active service requirement, a LOSAP must provide a benefit between the minimum contributions of $100 and a maximum contribution of $1,150 per year. While the maximum amount is established by statute, it is subject to period increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services will issue the permitted maximum annually.

The Township of Lyndhurst has elected to contribute $2,091 and $2,013 for 2025 and 2024, respectively, per eligible volunteer into the Plan.

All amounts awarded under a length of service award plan shall remain the asset of the sponsoring agency; the obligation of the sponsoring agency to participating volunteers shall be contractual only; and no preferred or special interest awards shall accrue to such participants. Such money shall be subject to the claims of the sponsoring agency's general creditors until distributed to any or all participants.

The Lincoln National Life Insurance Company and Lincoln Financial Group, it's agent, are the administrators of the plan. The Township's practical involvement in administering the plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the plan administrator.

We have reviewed the plan for the year ended December 31, 2025 in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Accounting and Review Services.

NOTE 16. PENDING LITIGATION

The Township is a defendant in various legal proceedings. These cases, if decided against the Township, would either be funded by insurance or raised by future taxation. Some of the more significant lawsuits are described briefly as follows:

A. Pending Tax Appeals

There are approximately nine (9) tax appeal litigations pending at December 31, 2025. The Township's tax appeal attorney is rigorously defending the Township's interest in those appeals which are currently estimated to be as high as $9 million. Any successful appeals would be raised through future taxation.

NOTE 17. SUBSEQUENT EVENTS

The Township has evaluated subsequent events through May 13, 2026, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA

TOWNSHIP OF LYNDHURST

Supplementary Data

Officials in Office and Surety Bonds

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

Name	Title	Amount of bond
Robert B. Giangeruso	Mayor/Commissioner	
Louis DeMarco	Commissioner	
David Mateen	Commissioner	
Karen Haggerty	Commissioner	
Richard Jarvis Sr.	Commissioner	
Angela White	Town Clerk	(A)
Chris Battaglia	Chief Financial Officer	(A)
Joan Barone	Tax Collector/Treasurer	(A)
James Anzevino	Tax Assessor	(A)
Carmine Alampi	Town Attorney	(A)
George O. Savino, Esq.	Magistrate	(A)
Kim Bolton	Court Administrator	(A)
Rosario Presti, Jr., Esq.	Prosecutor	(A)
Michael Neglia	Engineer	(A)
Christopher Salviano	Construction Code Official	
Janine Barone	Registrar of Vital Statistics	
Richard Jarvis	Chief of Police	
Richard Gress	DPW Superintendent	

(A) - Statutory positions are covered under the South Bergen Municipal Joint Insurance Fund ($50,000) and Municipal Excess Liability Joint Insurance Fund (Excess Crime Policy - Public Employee Bond - $950,000)

TOWNSHIP OF LYNDHURST

Supplementary data

Comparative Schedule of Tax Rate Information

	2025	2024	2023
Tax rate	2.225	2.086	2.032
Apportionment of tax rate:			
Municipal	0.887	0.851	0.822
County	0.248	0.234	0.232
School	1.090	1.001	0.978

Assessed Value		
2025	$	4,531,658,708
2024		4,509,925,341
2023		4,428,361,837

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	Collections	Percentage of Collection
2025	$	100,931,749	99,575,957	98.66%
2024		93,774,703	91,755,529	97.85%
2023		90,011,621	88,721,195	98.57%

Delinquent Taxes and Tax Title Liens

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

Dec. 31		Amount of Delinquent Taxes	Tax Title Liens	Total Delinquent	Percentage of Tax Levy
2025	$	1,068,553	410,820	1,479,373	1.47%
2024		1,031,133	1,507	1,032,640	1.10%
2023		892,314	16,740	909,054	1.01%

TOWNSHIP OF LYNDHURST

Supplementary data

Property Acquired by Tax Title Lien Liquidation

No properties have been acquired in 2025 by foreclosure or deed, as a result of liquidation of tax title liens.

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

Year		Amount
2025	$	7,542,000
2024		7,542,000
2023		7,542,000

Comparative Schedule of Fund Balance

	Year		Dec. 31	Utilized in budget of succeeding year
Current Fund	Dec. 31, 2025	$	19,523,935	5,650,000
	Dec. 31, 2024		18,607,635	5,150,000
	Dec. 31, 2023		17,492,170	5,150,000
	Dec. 31, 2022		15,685,396	3,500,000
	Dec. 31, 2021		16,936,867	6,000,000
Water Utility Operating Fund	Dec. 31, 2025		4,964,817	
	Dec. 31, 2024		4,216,512	
	Dec. 31, 2023		3,197,289	
	Dec. 31, 2022		2,826,693	260,169
	Dec. 31, 2021		2,432,229	599,384
Swim Pool Utility Operating Fund	Dec. 31, 2025		465,625	25,000
	Dec. 31, 2024		386,245	
	Dec. 31, 2023		379,904	
	Dec. 31, 2022		272,812	
	Dec. 31, 2021		164,234	

Exhibit A-4

TOWNSHIP OF LYNDHURST

Schedule of Cash

Current Fund

Year ended December 31, 2025

		Current Fund	Federal & State Grant Fund
Balance - December 31, 2024	$	28,066,120	652,629
Increased by Receipts:			
Taxes Receivable		100,157,329	
Interfunds		5,114,583	218,584
Prepaid Taxes		484,871	
Revenue Accounts Receivable		4,763,751	
Due from State of N.J. - Senior Citizens' and Veterans' Deductions		74,780	
Miscellaneous Revenue Not Anticipated		1,657,543	
Tax Overpayments		57,260	
Due to State of New Jersey - Marriage Fees		4,700	
Due to State of New Jersey - Construction Fees		94,004	
Various Reserves		681,818	
DEA/Equitable Sharing			1,754,767
		113,090,639	1,973,351
		141,156,759	2,625,980
Decreased by disbursements:			
2025 Appropriations		43,408,477	
2024 Appropriation Reserves		1,313,646	
County Taxes		11,080,533	
County Taxes - Added and Omitted		14,513	
Local District School Tax		49,390,807	
Tax Overpayments		9,671	
Various Reserves		959,224	
Due to State of New Jersey - Marriage Fees		4,775	
Due to State of New Jersey - Construction Fees		83,639	
Interfunds		7,633,406	218,584
DEA/Equitable Sharing			343,874
		113,898,691	562,458
Balance - December 31, 2025	$	27,258,068	2,063,522

Exhibit A-5

TOWNSHIP OF LYNDHURST

Schedule of Change Fund

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	325
Balance - December 31, 2025	$	325
Tax Collector		100
Court		150
Building		25
Clerk		50
	$	325

Exhibit A-6

Schedule of Due from/(to) State of New Jersey - Chapter 20, P.L. 1971

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024			$	(4,596)
Increased by Senior Citizens' and Veterans' Deductions:				
Per Tax Billings	$	77,500		
Allowed by Tax Collector		125		
				77,625
				73,029
Decreased by Senior Citizens' and Veterans' Deductions:				
Disallowed by Tax Collector - Current Year		2,862		
Received in Cash from State		74,780		
				77,642
Balance - December 31, 2025			$	(4,613)

Exhibit A-7

TOWNSHIP OF LYNDHURST

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year ended December 31, 2025

Year of Levy	Balance, Dec. 31, 2024	Levy	Collections 2024	Collections 2025	Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2025
2023	$ 127,896			127,896				
2024	903,237			872,950			30,287	
	1,031,133			1,000,846			30,287	
2025		100,931,749	337,913	99,163,281	74,763	12,353	274,886	1,068,553
	$ 1,031,133	100,931,749	337,913	100,164,127	74,763	12,353	305,173	1,068,553

Overpayments Applied	$	6,798
Cash Receipts		100,157,329
	$	100,164,127

Analysis of Tax Levy

Tax yield:		
General Purpose Tax		$ 100,829,420
Added/Omitted Taxes		102,329
		$ 100,931,749
Tax Levy:		
Local District School Tax	$ 49,390,807	
County Tax	11,193,281	
County Added and Omitted Taxes	11,406	
		60,595,494
Local Tax for Municipal Purposes	40,222,903	
Additional Taxes	113,352	
		40,336,255
		$ 100,931,749

Exhibit A-8

TOWNSHIP OF LYNDHURST

Schedule of Tax Title Liens

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024		$ 1,507
Increased by:		
Re-establishment of Prior Year Balances	$ 396,960	
Transfer from 2025 Taxes Receivable	12,353	
		409,313
Balance - December 31, 2025		$ 410,820

Exhibit A-9

Schedule of Property Acquired for Taxes (at Assessed Valuation)

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$ 7,542,000
Balance - December 31, 2025	$ 7,542,000

Exhibit A-10

TOWNSHIP OF LYNDHURST

Schedule of Revenue Accounts Receivable

Current Fund

Year ended December 31, 2025

	Balance, Dec. 31, 2024	Accrued	Collected	Balance, Dec. 31, 2025
Licenses:				
Alcoholic Beverages	$	33,715	33,715	
Fees and Permits		146,482	146,482	
Fines and Costs:				
Municipal Court	31,858	470,038	466,669	35,227
Interest and Costs on Taxes		217,124	217,124	
Sewer Charges		264,875	264,875	
Hotel Occupancy Tax		192,009	192,009	
Energy Receipts Tax		1,426,146	1,426,146	
Uniform Construction Code Fees		717,856	717,856	
Franchise Fee - Comcast		64,124	64,124	
Franchise Fee - Fios		162,586	162,586	
Lyndhurst BOE - Swimming Pool		150,000	150,000	
Lyndhurst BOE - Jefferson School		140,000	140,000	
Ambulance Fees		520,339	520,339	
Police Off-Duty Trust Fund Contribution		80,000	80,000	
Pension Contribution - Library		96,060	96,060	
Pension Contribution - Water Utility		45,401	45,401	
Pension Contribution - Swimming Pool Utility		5,240	5,240	
Capital Fund Balance		188,234	188,234	
Reserve for Payment of Debt		675,628	675,628	
Reserve for Payment of Debt		114,000	114,000	
Chubb Ave Improvements - Russo		300,000	300,000	
	$ 31,858	6,009,857	6,006,488	35,227

Interfund	$ 1,242,737
Cash	4,763,751
	$ 6,006,488

TOWNSHIP OF LYNDHURST

Schedule of Interfunds

Current Fund

Year ended December 31, 2025

		Due from/(to) Balance Dec. 31, 2024	Increased	Decreased	Due from/(to) Balance Dec. 31, 2025
Federal and State Grant Fund	$	(4,790,384)	2,385,432	884,208	(3,289,160)
General Capital Fund		(601,892)	3,676,236	2,774,344	300,000
Water Utility Operating Fund		2,325	264,875	266,242	958
Water Utility Capital Fund		500,000	2,009,388	2,509,388	
Swim Pool Utility Operating Fund		(9,502)	9,502		
Trust Funds:					
Other Trust Fund		(112,000)	548,700	436,700	
Animal License Trust		6,196	6,130	6,196	6,130
	$	(5,005,257)	8,900,263	6,877,078	(2,982,072)
Due to Current Fund	$	508,521	5,354,737	5,556,170	307,088
Due from Current Fund		(5,513,778)	3,545,526	1,320,908	(3,289,160)
	$	(5,005,257)	8,900,263	6,877,078	(2,982,072)

		Increased	Decreased
Cash Disbursements	$	7,633,406	
Cash Receipts			5,114,583
Revenue Accounts Receivable		1,242,737	
Miscellaneous Revenue Not Anticipated			17,990
Budget Appropriations			1,744,505
Statutory Excess		6,130	
Interest on Investments		17,990	
	$	8,900,263	6,877,078

Exhibit A-12

TOWNSHIP OF LYNDHURST

Schedule of Deferred Charges N.J.S.A. 40A:4-53, Special Emergency Authorizations

Current Fund

Year ended December 31, 2025

Purpose	Date	Amount Authorized	Not Less Than 1/5 of Amount Authorized	Balance, Dec. 31, 2024	Reduced	Balance, Dec. 31, 2025
Preparation of Tax Maps	October 2021	185,000	37,000	$ 74,000	37,000	$ 37,000
Hurricane IDA	October 2021	550,000	110,000	220,000	110,000	110,000
Reassessement of Real Property	August 2022	300,000	60,000	160,000	70,000	90,000
				$ 454,000	217,000	$ 237,000

Exhibit A-13

TOWNSHIP OF LYNDHURST

Schedule of Encumbrances Payable

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	256,296
Increased by:		
Transfer from 2025 Budget		278,078
		534,374
Decreased by:		
Transferred to Appropriation Reserves		256,296
Balance - December 31, 2025	$	278,078

Exhibit A-14

TOWNSHIP OF LYNDHURST

Schedule of 2024 Appropriation Reserves

Current Fund

Year ended December 31, 2025

Description		Balance, Dec. 31, 2024	Balance After Transfers and Encumbrances	Paid or charged	Balance lapsed
Salaries and Wages:					
Central Services	$	9,141	4,141		4,141
Municipal Clerk		2,405	2,405		2,405
Tax Assessment Administration		140,686	140,686		140,686
Public Health Services		76,667	66,667		66,667
Medical Transportation Program		8,234	8,234		8,234
Financial Administration		3,134	3,134		3,134
Revenue Administration		1,236	1,236		1,236
Police		13,987	13,987		13,987
School Marshalls		34,441	34,441		34,441
Police Clerical		37,107	37,107		37,107
Office of Emergency Management		15	15		15
Emergency Medical Services		74,502	34,502		34,502
Fire Department		13,511	13,511		13,511
Code Enforcement		28,975	28,975		28,975
Municipal Court		3,252	3,252		3,252
Road Repairs and Maintenance		16,905	16,905		16,905
Sewer System		14,053	14,053		14,053
Public Works Administration		4,484	4,484		4,484
Shade Trees		12,203	12,203		12,203
Recycling/Beautification Program		7,558	7,558		7,558
Recreation Services and Programs		120	120		120
Summer Day Camp		83	83		83
Handicapped Persons Program		18,601	18,601		18,601
Senior Citizen Activities		1,267	1,267		1,267
Maintenance of Parks		40,544	40,544		40,544
Construction Code Official		77,857	77,857		77,857
Other Expenses:					
Central Services			5,995	1,538	4,457
Municipal Clerk		61,975	62,070	2,085	59,985
Tax Assessment Administration		17,124	17,536	183	17,353
Planning Board					
Other Expenses		5,025	10,232	7,964	2,268
Other Expenses - Affordable Housing Litigation		25,000	25,000		25,000
Zoning Board of Adjustment		26,072	26,280	9,662	16,618
Rent Leveling Board		3,180	3,180		3,180
Public Health Services		1,527	6,527	2,743	3,784
Medical Transportation Program		255	255		255
Financial Administration		11,825	12,444	1,441	11,003
Revenue Administration		1,661	1,821	220	1,601
Police		83,942	110,603	40,910	69,693
School Marshalls		836	836	176	660
Office of Emergency Management		4,306	4,306		4,306

Exhibit A-14

TOWNSHIP OF LYNDHURST

Schedule of 2024 Appropriation Reserves

Current Fund

Year ended December 31, 2025

Description	Balance, Dec. 31, 2024	Balance After Transfers and Encumbrances	Paid or charged	Balance lapsed
Other Expenses (continued):				
Emergency Medical Services				
Other Expenses	3,000	18,019	15,171	2,848
Other Expenses - Third Party Billing	15,388	15,388	4,430	10,958
Aid to Volunteer Fire Companies	11,521	16,165	4,806	11,359
Aid to Volunteer Ambulance Companies	4,886	19,780	15,527	4,253
Fire Department	18,659	21,269	2,745	18,524
Code Enforcement	19,778	19,778		19,778
Municipal Court	7,895	8,199	597	7,602
Public Defender	1,000	1,000		1,000
Engineering	29,015	53,340	45,101	8,239
Road Repairs and Management				
Other Expenses	44,720	50,542	43,861	6,681
Other Expenses - Concrete and Catch Basin Work	15,000	15,000		15,000
Sewer System	11,076	54,047	48,256	5,791
Shade Trees	9,352	9,352	3,424	5,928
Drug and Alcohol Testing	1,000	1,000	175	825
Recycling/Beautification Program				
Other Expenses	12,000	12,000		12,000
Other Expenses - Recycling Contract	52,151	52,151	49,675	2,476
Vehicle Maintenance	32,599	33,944	27,011	6,933
Dump Fees				
Other Expense	99,637	122,642	122,638	4
Other Expense - Grass and Leaves	57,949	37,396	19,461	17,935
Building and Grounds				
Other Expenses	83,603	88,572	47,399	41,173
Other Expenses - Generator Testing	2,825	2,825		2,825
Recreation Services	11,115	11,230	2,643	8,587
Handicapped Persons Program	6,323	6,703	380	6,323
Senior Citizens Activities	4,456	4,731	1,318	3,413
Maintenance of Parks	11,506	13,469	12,501	968
Uniform Construction Code				
Other Expenses	27,836	27,836	4,342	23,494
Other Expenses - Clean Up/Demo	5,000	5,000		5,000
Other Expenses - Tenant Relocation	2,000	2,000		2,000
Unclassified				
Other Insurance Premiums	353,300	378,300	374,294	4,006
Disability Insurance Program	2,500	2,500		2,500
Employee Group Insurance	348,884	348,884		348,884
Health Benefit Waiver	52,708	52,708		52,708
Unemployment Trust Contribution	42,610	42,610	42,610	
Legal Services	55,635	55,635		55,635
Legal and Other Professional Services	14,463	22,880	16,402	6,478
Legal Services - Employment	15,969	15,969	5,504	10,465

Exhibit A-14

TOWNSHIP OF LYNDHURST

Schedule of 2024 Appropriation Reserves

Current Fund

Year ended December 31, 2025

Description	Balance, Dec. 31, 2024	Balance After Transfers and Encumbrances	Paid or charged	Balance lapsed
Unclassified (continued)				
Legal Services - Tax Appeals	52,453	52,453	52,453	
Legal Advertising	7,648	7,903	998	6,905
Annual Audit	50,750	50,750	30,000	20,750
Data Processing	579	22,056	20,589	1,467
Vehicle Maintenance	92,809	67,809	12,552	55,257
General Postage Expenses	6,604	13,626	7,022	6,604
Reassessment	6,700	6,700	6,700	
Celebration of Public Events	17,121	54,151	332	53,819
Shared Service Operating Expense	1	1		1
Electricity	105,849	105,949	67,784	38,165
Street Lighting	38,968	38,968	4,446	34,522
Telephone	26,137	26,507	20,846	5,661
Maintenance of Telephone System	3,483	3,483		3,483
Gasoline	61,926	45,075	1,233	43,842
Contingent	22,689	109,720	87,031	22,689
Statutory Expenditures:				
Social Security System (O.A.S.I.)	109,979	109,979	163	109,816
Operations - Excluded From "CAPS"				
Maintenance of Free Public Library	1	1		1
Volunteer Length of Service Awards Program	85,000	85,000	50,575	34,425
Sewerage Processing and Disposal	767	767		767
Reserve for Tax Appeal	322,500	322,500	322,500	
Interlocal Municipal Service Agreements:				
Bergen County 911 Communications	5,139	5,139		5,139
Bergen County QPA Services	15,000	15,000		15,000
Borough of Paramus Assessor	22,500	22,500	22,500	
	$ 3,425,658	3,681,954	1,684,917	1,997,037

Appropriation Reserves	$ 3,425,658
Encumbrances	256,296
	$ 3,681,954

Cash Disbursements	$ 1,313,646
Transfer to Various Reserves	322,500
Accounts Payable	48,771
	$ 1,684,917

Exhibit A-15

TOWNSHIP OF LYNDHURST

Schedule of Amount Due to State of New Jersey -

Construction Fees

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	5,670
Increased by:		
Fees Collected		94,004
		99,674
Decreased by:		
Cash Disbursements		83,639
Balance - December 31, 2025	$	16,035

Exhibit A-16

Schedule of Amount Due to State of New Jersey -

Marriage License Fees

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	1,075
Increased by:		
Fees Collected		4,700
		5,775
Decreased by:		
Cash Disbursements		4,775
Balance - December 31, 2025	$	1,000

Exhibit A-17

TOWNSHIP OF LYNDHURST

Schedule of Various Reserves

Current Fund

Year ended December 31, 2025

	Balance, Dec. 31, 2024	Increased	Decreased	Balance, Dec. 31, 2025
Police Accumulated Absences	$ 350,625			$ 350,625
Tax Appeals		657,500	277,622	379,878
Lien Redemptions	262	681,818	681,602	478
	$ 350,887	1,339,318	959,224	$ 730,981
Cash		$ 681,818	959,224	
Budget Appropriations		335,000		
Appropriation Reserves		322,500		
		$ 1,339,318	959,224	

Exhibit A-18

TOWNSHIP OF LYNDHURST

Schedule of Accounts Payable

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	2,424
Increased by:		
Transfer from Appropriation Reserves		48,771
		51,195
Decreased by:		
Cancelled		2,424
Balance - December 31, 2025	$	48,771

Exhibit A-19

Schedule of Prepaid Taxes

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	337,913
Increased by:		
Cash Receipts		484,871
		822,784
Decreased by:		
Applied to 2025 Taxes		337,913
Balance - December 31, 2025	$	484,871

Exhibit A-20

TOWNSHIP OF LYNDHURST

Schedule of Tax Overpayments

Current Fund

Year ended December 31, 2025

Cash Receipts			$	57,260
				57,260
Decreased by:				
Cash Disbursements	$	9,671		
Overpayments Applied		6,798		
				16,469
Balance - December 31, 2025			$	40,791

Exhibit A-21

TOWNSHIP OF LYNDHURST

Schedule of (Prepaid)/School Taxes Payable

Current Fund

Year ended December 31, 2025

Increased by:		
Levy - Calender Year 2025	$	49,390,807
Decreased by:		
Cash Disbursements	$	49,390,807

Exhibit A-22

Schedule of County Taxes Payable

Current Fund

Year ended December 31, 2025

Increased by:				
2025 General County Levy	$	10,710,728		
2025 County Open Space Levy		482,553		
			$	11,193,281
Decreased by:				
Cash Disbursements				11,080,533
Balance - December 31, 2025			$	112,748

TOWNSHIP OF LYNDHURST

Schedule of Due County for Added and Omitted Taxes

Current Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	14,513
Increased by:		
County Share of Added and Omitted Taxes		11,406
		25,919
Decreased by:		
Cash Disbursements		14,513
Balance - December 31, 2025	$	11,406

Exhibit A-24

TOWNSHIP OF LYNDHURST

Schedule of Due from/(to) Current Fund

Federal and State Grant Fund

Year ended December 31, 2025

	Due from/(to) Balance Dec. 31, 2024	Increased	Decreased	Due from/(to) Balance Dec. 31, 2025
Current Fund	$ 4,790,384	884,208	2,385,432	3,289,160
General Capital Fund	(218,584)	218,584		
	$ 4,571,800	1,102,792	2,385,432	3,289,160
Due to Federal and State Grant Fund	$ 4,790,384	884,208	2,385,432	3,289,160
Due from Federal and State Grant Fund	(218,584)	218,584		
	$ 4,571,800	1,102,792	2,385,432	3,289,160

	Increased	Decreased
Cash Disbursements	$ 218,584	
Cash Receipts		218,584
Grants Receivable	143,000	
Unappropriated Grant Reserves	741,208	
Appropriated Grant Reserves		427,374
Grant Encumbrances		1,739,474
	$ 1,102,792	2,385,432

Exhibit A-25

TOWNSHIP OF LYNDHURST

Schedule of Grants Receivable

Federal and State Grant Fund

Year ended December 31, 2025

Purpose	Balance, Dec. 31, 2024	Revenue	Received	Balance, Dec. 31, 2025
Alcohol Education Rehabilitation - 2024	$	2,942	2,942	
Body Armor Replacement Program - 2024		4,057	4,057	
Recycling Tonnage Grant - 2021		40,698	40,698	
Clean Communities Program - 2024		50,311	50,311	
Local Recreation Improvement Grant	75,000		75,000	
Local Recreation Improvement Grant		68,000	68,000	
Lead Service Line Replacement and Pavement Restora	1,250,000			1,250,000
Safe and Secure Communities Program - 2024		45,150	45,150	
National Opioid Settlement - 2024		68,046	68,046	
Bergen County DRE Grant - 2024		2,062	2,062	
Bergen County Arts Grant - 2024		450	450	
Municipal Library Contribution to Parking Lot Paving	8,492			8,492
Chemical Treatment - Spotted Lantern Fly		7,686	7,686	
CDBG - Lake & Jay Street Lead Service - 2024		135,000		135,000
Bergen County Open Space - Landell Park - 2024		125,000		125,000
	$ 1,333,492	549,402	364,402	1,518,492
Budget Appropriations		$ 549,402		
Unappropriated Reserves			$ 221,402	
Interfunds			143,000	
			$ 364,402	

Exhibit A-26

TOWNSHIP OF LYNDHURST

Schedule of Appropriated Reserves

Federal and State Grant Funds

Year ended December 31, 2025

Grant		Balance Dec. 31, 2024	Transferred from 2025 Budget Appropriations	Expended	Balance Dec. 31, 2025
Fire Department FEMA - Veterans	$	6,412			6,412
Non-Motorized Safety - 2021		252			252
Occupant Protection - 2022		12,480			12,480
Impaired Driving Countermeasure - 2019		30			30
Click It or Ticket		6,895			6,895
Human Services - Medical Assistance Program		553			553
FEMA - Safer Grant		45,004			45,004
CDBG - Lake & Jay Street Lead Service			135,000	135,000	
COVID ARP SLFRE Fire Protection Grant		42,000			42,000
Chemical Treatment - Spotted Lantern Fly			7,686	5,714	1,972
Recreation Opportunities for Individuals with Disabilities (ROID) - 2023		9,556			9,556
Special Legislative Grant - Communications Tower		32,028			32,028
Body Armor Replacement Program - 2019		2,168			2,168
Body Armor Replacement Program - 2020		3,630			3,630
Body Armor Replacement Program - 2021		2,461			2,461
Body Armor Replacement Program - 2022		3,401			3,401
Body Armor Replacement Program - 2023		3,891			3,891
Body Armor Replacement Program - 2024			4,057		4,057
Recycling Tonnage Grant - 2019		28,311			28,311
Recycling Tonnage Grant - 2020		30,840		10,140	20,700
Recycling Tonnage Grant - 2021			40,698		40,698
Clean Communities Program - 2022		29,152		29,152	
Clean Communities Program - 2023		44,294		1,892	42,402
Clean Communities Program - 2024			50,311		50,311
Alcohol Education Rehabilitation Program - 2021		5,213		5,213	
Alcohol Education Rehabilitation Program - 2022		5,528		4,792	736
Alcohol Education Rehabilitation Program - 2023		5,192			5,192
Alcohol Education Rehabilitation Program - 2024			2,942		2,942
Drunk Driving Enforcement Fund - 2020		4,305		3,181	1,124
Safe and Secure Communities Program - 2020		60,000			60,000
Safe and Secure Communities Program - 2021		32,400			32,400
Safe and Secure Communities Program - 2022		32,400			32,400
Safe and Secure Communities Program - 2023		32,400			32,400
Safe and Secure Communities Program - 2024			45,150		45,150
Body Worn Cameras		16,661			16,661
Lead Service Line Replacement and Pavement Restoration		2,294,572		47,124	2,247,448
Stormwater Assistance		15,000			15,000
Local Recreation Improvement Grant		75,000		75,000	
Local Recreation Improvement Grant			68,000	68,000	
BC Prosecutor Confiscated Funds		72,432			72,432
NJSEA Arbor Day Tree Grant		1,000			1,000
Bergen County Arts Grant - 2017		436			436
Bergen County Arts Grant - 2018		1,440			1,440
Bergen County Arts Grant - 2019		1,391			1,391
Bergen County Arts Grant - 2020		1,895			1,895

Exhibit A-26

TOWNSHIP OF LYNDHURST

Schedule of Appropriated Reserves

Federal and State Grant Funds

Year ended December 31, 2025

Grant	Balance Dec. 31, 2024	Transferred from 2025 Budget Appropriations	Expended	Balance Dec. 31, 2025
Bergen County Arts Grant - 2021	1,350			1,350
Bergen County Arts Grant - 2022	1,800			1,800
Bergen County Arts Grant - 2023	1,800			1,800
Bergen County Arts Grant - 2024		450		450
Bergen County DRE Grant - 2021	481			481
Bergen County DRE Grant - 2022	2,434			2,434
Bergen County DRE Grant - 2023	2,520			2,520
Bergen County DRE Grant - 2024		2,062		2,062
Bergen County Open Space - Landell Park		125,000	115,372	9,628
Municipal Library Contribution to Parking Lot Paving	8,493			8,493
National Opioid Settlement - 2022	13,261		13,261	
National Opioid Settlement - 2023	21,756		8,578	13,178
National Opioid Settlement - 2024		68,046		68,046
	$ 3,014,518	549,402	522,419	3,041,501
Budget Appropriations		$ 549,402		

Interfunds	$ 427,374
Encumbrances	95,045
	$ 522,419

Exhibit A-27

TOWNSHIP OF LYNDHURST

Reserve for Encumbrances

Federal and State Grant Fund

Year ended December 31, 2025

Balance - December 31, 2024	$	2,669,374
Increased By:		
Transferred from Appropriated Reserves		95,045
		2,764,419
Decreased By:		
Interfunds		1,739,474
Balance - December 31, 2025	$	1,024,945

Exhibit A-28

TOWNSHIP OF LYNDHURST

Reserve for DEA/Equitable Sharing

Federal and State Grant Fund

Year ended December 31, 2025

Balance - December 31, 2024			$	652,627
Increased By:				
Cash Receipts - DOJ	$	1,704,801		
Interest Earnings		49,966		
				1,754,767
				2,407,394
Decreased By:				
Cash Disbursements				343,874
Balance - December 31, 2025			$	2,063,520

Analysis of Balance:

Department of Justice Funds:	$	1,869,787
Treasury Funds:		193,733
	$	2,063,520

Exhibit A-29

TOWNSHIP OF LYNDHURST

Schedule of Unappropriated Reserves

Federal and State Grant Fund

Year ended December 31, 2025

Grant		Balance Dec. 31, 2024	2025 Budget Appropriations	Cash Received	Balance Dec. 31, 2025
Alcohol Education Rehabilitation Program - 2024	$	2,942	2,942		
Alcohol Education Rehabilitation Program - 2025				4,230	4,230
Recycling Tonnage Grant - 2021		40,698	40,698		
Recycling Tonnage Grant - 2022				35,536	35,536
Body Armor Replacement Program - 2024		4,057	4,057		
Clean Communities Program - 2024		50,311	50,311		
Clean Communities Program - 2025				49,900	49,900
Bergen County DRE Grant - 2024		2,062	2,062		
Bergen County DRE Grant - 2025				980	980
Bergen County Arts Grant - 2024		450	450		
SLFRF DRM - Lyndhurst Water Utility Program				500,000	500,000
Safe and Secure Communities Program - 2024		45,150	45,150		
Safe and Secure Communities Program - 2025				45,150	45,150
National Opioid Settlement - 2024		68,046	68,046		
National Opioid Settlement - 2025				28,080	28,080
COVID ARP SLFRF Fire Protection Grant				75,000	75,000
Municipal Alliance				2,332	2,332
Spotted Lantern Fly Prevention		7,686	7,686		
	$	221,402	221,402	741,208	741,208
			Interfunds $	741,208	

Exhibit B-1

TOWNSHIP OF LYNDHURST

Schedule of Cash

Trust Funds

Year Ended December 31, 2025

		Dog License Trust Fund	Other Trust Fund	LOSAP Trust Fund
Balance - December 31, 2024	$	21,137	3,910,637	2,639,731
Increase by Receipts:				
Reserve for Animal Trust Expenditures		5,530		
Interfunds			348,105	
Due to the State of New Jersey		1,160		
Various Reserves and Deposits			2,215,205	
Contributions				50,575
Gain on Investment				315,084
Total Receipts		6,690	2,563,310	365,659
		27,827	6,473,947	3,005,390
Decreased by Disbursements:				
Reserve for Animal Trust Expenditures		1,506		
Interfunds		6,196	376,905	
Reserve for Unemployment			82,038	
Due to the State of New Jersey		1,192		
Various Reserves and Deposits			2,076,884	
Account Charges/Tax				2,675
LOSAP Distributions				160,150
Total Disbursements		8,894	2,535,827	162,825
Balance - December 31, 2025	$	18,933	3,938,120	2,842,565

Exhibit B-2

TOWNSHIP OF LYNDHURST

Schedule of Due to State of New Jersey

Trust Funds

Year Ended December 31, 2025

		Dog License Fees
Balance - December 31, 2024	$	32
Increased by:		
Dog License Fees		1,160
		1,192
Decreased by:		
Cash Disbursements	$	1,192

Exhibit B-3

TOWNSHIP OF LYNDHURST

Schedule of Interfunds Receivable/(Payable)

Trust Funds

Year Ended December 31, 2025

	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Current Fund:				
Other Trust	$ 112,000	436,700	548,700	
Animal License Trust	(6,196)	6,196	6,130	(6,130)
Community Development Trust Fund		2,555	2,555	
General Capital Fund:				
Community Development Trust Fund		111,250	111,250	
Water Utility Capital Fund:				
Community Development Trust Fund		122,300	122,300	
	$ 105,804	679,001	790,935	(6,130)
Due to Trust Funds	$ 112,000	672,805	784,805	
Due From Trust Funds	(6,196)	6,196	6,130	(6,130)
	$ 105,804	679,001	790,935	(6,130)

	Increased	Decreased
Cash Disbursements	$ 383,101	
Cash Receipts		348,105
Tax Sale Premiums	295,900	436,700
Statutory Excess		6,130
	$ 679,001	790,935

Exhibit B-4

TOWNSHIP OF LYNDHURST

Schedule of Various Reserves and Deposits

Trust Funds

Year Ended December 31, 2025

	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Developers & Escrow Deposits	$ 653,915	277,210	294,379	636,746
Maintenance Bonds	213,476	15,000	5,000	223,476
100th Anniversary	307			307
Marriage Fees	639	2,200	1,135	1,704
Tax Sale Premiums	564,800	295,900	436,700	424,000
Fire Penalties		1,100		1,100
Bequests/Gifts		212		212
Municipal Alliance	1,708	400	1,708	400
Off-Duty Police	278,494	1,094,487	1,063,091	309,890
POAA Expenditures	35,895	9,028		44,923
Employee Health Fund	21,762	14,327	34,661	1,428
COAH	1,346,680	27,620		1,374,300
Recreation	317,294	243,368	319,807	240,855
Adult Workshop	473,976	530,253	357,103	647,126
	$ 3,908,946	2,511,105	2,513,584	3,906,467

	Increased	Decreased
Cash Receipts	$ 2,215,205	
Cash Disbursements		2,076,884
Interfunds	295,900	436,700
	$ 2,511,105	2,513,584

Exhibit B-5

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Animal Trust Fund Expenditures

Trust Funds

Year Ended December 31, 2025

Balance - December 31, 2024			$	14,909
Increased by:				
Dog License Fees	$	5,290		
Miscellaneous Revenue:				
Late Fees - Dog		240		
				5,530
				20,439
Decreased by:				
Expenditures Under R.S. 4:19-15.11		1,506		
Statutory Excess Due to Current Fund		6,130		
				7,636
Balance - December 31, 2025			$	12,803

Animal License Fees Collected

Year		
2024	$	6,214
2023		6,589
Maximum Reserve	$	12,803

Exhibit B-6

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Unemployment Compensation Insurance Fund

Trust Funds

Year Ended December 31, 2025

Balance - December 31, 2024	$	113,691
Decreased by:		
Cash Disbursements		82,038
Balance - December 31, 2025	$	31,653

Exhibit B-7

TOWNSHIP OF LYNDHURST

Schedule of Service Award Contributions Receivable

Trust Funds

Year Ended December 31, 2025

Balance - December 31, 2024			$	36,414
Increased by:				
2025 Service Award Contributions	$	37,638		
2024 Service Award Contributions		14,161		
				51,799
				88,213
Decreased by:				
Receipt				50,575
Balance - December 31, 2025			$	37,638

Exhibit B-8

TOWNSHIP OF LYNDHURST

Schedule of Net Assets Available for Benefits

Trust Funds

Year Ended December 31, 2025

Balance - December 31, 2024		$ 2,676,145
Increased by:		
2025 Contributions	$ 37,638	
2024 Contributions	14,161	
Gain on Investments	315,084	
		366,883
		3,043,028
Decreased by:		
Account Charges/Tax	2,675	
Distributions	160,150	
		162,825
Balance - December 31, 2025		$ 2,880,203

Exhibit C-2

TOWNSHIP OF LYNDHURST

Schedule of Cash

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024			$	1,221,363
Increased by Receipts:				
Interfunds	$	2,860,425		
Fund Balance		140,990		
Capital Improvement Fund		250,000		
Reserve for Payment of Debt		125,000		
Grants Receivable		351,250		
Accounts Receivable - Board of Education		152,544		
Interest on Investments		17,990		
				3,898,199
				5,119,562
Decreased by Disbursements:				
Improvement Authorizations		2,055,779		
Reserve for Municipal Roof		79,768		
Interfunds		2,774,344		
				4,909,891
Balance - December 31, 2025			$	209,671

Exhibit C-3

TOWNSHIP OF LYNDHURST

Analysis of Cash

General Capital Fund

Year Ended December 31, 2025

Fund Balance	$	787,805
Accounts Receivable - Board of Education		(798,000)
Grants Receivable - NJ Department of Transportation		(266,097)
Interfund Accounts Payable		300,000
Reserve for Municipal Roof		2,207
Reserve for Curbs and Sidewalks		69,060
Reserve for Computer Technology		138,327
Reserve for Parks Department Roof		141,160
Reserve for Recreation Facility Improvements		14,825
Reserve for Municipal Parking Lot Improvements		211,950
Reserve for Kingsland Development		175,000
Reserve for Tontine Ave Improvements		266,097
Reserve for Grants Receivable		798,000
Capital Improvement Fund		778,241
Reserve for Payment of Debt		476,250

Improvement Authorizations:

Ordinance Number	Improvement Description		
2741-10	Refurbish Pump Stations		1,246,154
2941-16	Acquisition of Lincoln School		(290,000)
3048-20	Various Public Improvements		332,493
3095-21	Additional Costs - Construction of Lyndhurst Middle School		(2,091)
3114-22	Various Public Improvements		(1,720,760)
3117-22	Replacement of Synthetic Turf Field and Resurfacing of the Track at the High School		58,724
3158-23	Various Public Improvements		(782,552)
3195-24	Northwest drainage area survey and study and making of stormwater drainage imps.		(488,100)
3203-24	Various Public Improvements		(524,469)
3204-24	Various Public Improvements		(906,003)
3206-24	Various Public Improvements		(526,101)
3244-25	Various Public Improvements		(298,500)
		$	(806,380)

Exhibit C-4

TOWNSHIP OF LYNDHURST

Schedule of Interfunds

General Capital Fund

Year ended December 31, 2025

	Due from/(to) Balance Dec. 31, 2024	Increased	Decreased	Due from/(to) Balance Dec. 31, 2025
Current Fund	$ 601,892	2,774,344	3,676,236	(300,000)
Other Trust Fund		111,250	111,250	
Federal and State Grant Fund	218,584		218,584	
	$ 820,476	2,885,594	4,006,070	(300,000)

	Increased	Decreased
Cash Receipts	$	2,860,425
Interest on Investments		17,990
Budgeted Revenue - Reserve for Payment of Debt		789,627
Budgeted Revenue - Fund Balance		188,234
Interest Due from LHS		38,544
CDBG Grant	111,250	111,250
Cash Disbursements	2,774,344	
	$ 2,885,594	4,006,070

Exhibit C-5

TOWNSHIP OF LYNDHURST

Schedule of Accounts Receivable - Board of Education

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	912,000
Increased by:		
Interfund		38,544
		950,544
Decreased by:		
Cash Receipts		152,544
Balance - December 31, 2025	$	798,000

Exhibit C-6

TOWNSHIP OF LYNDHURST

Schedule of Grants Receivable

General Capital Fund

Year Ended December 31, 2025

	Grant Amount	Year	Ordinance	Balance Dec. 31, 2024	2025 Authorizations	Received	Balance Dec. 31, 2025
Bergen County Open Space							
Installation of Shade Structures	58,000	2022	n/a	$			
Renovation of Town Hall Park	100,000	2022	3204-24	100,000		100,000	
Renovation of Town Hall Park	140,000	2023	3204-24	140,000		140,000	
Total Bergen County Open Space				240,000		240,000	
Community Development Block Grant (Federal)							
Weart Avenue	111,250	2024	3204-24	111,250		111,250	
Total Community Development Block Grants				111,250		111,250	
Department of Transportation (Federal)							
Tontine Ave Improvements	224,000	2021	n/a	5,507			5,507
Local Freight Impact - Chubb Ave Project	675,000	2024	3203-24	168,750			168,750
FY24 Municipal Aid - Court Avenue, Phase 3	207,710	2024	3203-24	91,840			91,840
Total Department of Transportation				266,097			266,097
				$ 617,347		351,250	266,097

Exhibit C-7

TOWNSHIP OF LYNDHURST

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024		$ 56,087,705
Decreased by:		
Current Year Budget Appropriations:		
NJ Environmental Infrastructure Trust Loans	$ 168,947	
Bond Principal	4,660,000	
		4,828,947
Balance - December 31, 2025		$ 51,258,758

Analysis of Balance:

NJEIT Loans Payable	$ 878,758
Bonds Payable	50,380,000
	$ 51,258,758

Exhibit C-8

TOWNSHIP OF LYNDHURST

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Decreased	Balance Dec. 31, 2025	Financed by Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorization
	General Improvements:							
2941-16	Acquisition of Lincoln School	$ 290,000			290,000		290,000	
2997-18	Various Capital Improvements	3,406,000		213,469	3,192,531	3,192,531		
3014-19	Various Public Improvements & Acquisition of New Communication & Signal Systems Equipment	5,573,000		358,948	5,214,052	5,214,052		
3046-20	Supplemental Appropriation for Acquisition of Block 89, Lot 9	3,324,895		42,088	3,282,807	3,282,807		
3048-20	Various Public Improvements	3,217,105		195,495	3,021,610	3,021,610		
3095-21	Additional Costs - Construction of Middle School	1,033,000			1,033,000	873,000	2,091	157,909
3114-22	Various Public Improvements	3,376,000			3,376,000	1,000,000	1,720,760	655,240
3117-22	Replacement of Synthetic Turf Field and Resurfacing of the Track at the High School	912,000		114,000	798,000	798,000		
3158-23	Various Public Improvements	2,614,000			2,614,000	1,000,000	782,552	831,448
3195-24	Northwest drainage area survey and study and making of stormwater drainage imps.	617,000			617,000		488,100	128,900
3203-24	Various Public Improvements	652,880			652,880		524,469	128,411
3204-24	Various Public Improvements	1,041,200			1,041,200		906,003	135,197
3206-24	Various Public Improvements	871,700			871,700		526,101	345,599
3244-25	Various Public Improvements		728,000		728,000		298,500	429,500
		$ 26,928,780	728,000	924,000	26,732,780	18,382,000	5,538,576	2,812,204
			Budget Appropriations $	924,000				

Improvement Authorizations - Unfunded			3,203,421
Less: Unexpended Proceeds of Bond Anticipation Notes Ordinance:			
3048-20	$	332,493	
3117-22		58,724	
			391,217
			$ 2,812,204

Exhibit C-9

TOWNSHIP OF LYNDHURST

Schedule of General Serial Bonds Payable

General Capital Fund

Year Ended December 31, 2025

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2025 Date	Amount	Interest Rate	Balance Dec. 31, 2024	Decreased	Balance Dec. 31, 2025
General Obligation Bonds, BCIA Series 2005	May 1, 2005	2,900,000	06/01/26	145,000	5.000%	1,125,000	140,000	985,000
			06/01/27	150,000	5.000%			
			06/01/28	160,000	5.000%			
			06/01/29	170,000	5.000%			
			06/01/30	175,000	5.000%			
			06/01/31	185,000	5.000%			
Refunding Bonds Series 2021	Aug. 15, 2021	14,075,000	08/15/26	2,700,000	1.188%	10,690,000	2,620,000	8,070,000
			08/15/27	2,675,000	1.389%			
			08/15/28	2,695,000	1.519%			
General Obligation Bonds	Aug. 10, 2021	47,500,000	03/01/26	1,900,000	4.000%	43,225,000	1,900,000	41,325,000
			03/01/27	1,900,000	4.000%			
			03/01/28	1,900,000	4.000%			
			03/01/29	1,900,000	4.000%			
			03/01/30	2,375,000	4.000%			
			03/01/31	2,850,000	3.000%			
			03/01/32	2,850,000	3.000%			
			03/01/33	2,850,000	2.000%			
			03/01/34	2,850,000	2.000%			
			03/01/35	2,850,000	2.000%			
			03/01/36	2,850,000	2.000%			
			03/01/37	2,850,000	2.000%			
			03/01/38	2,850,000	2.000%			
			03/01/39	2,850,000	2.000%			
			03/01/40	2,850,000	2.000%			
			03/01/41	2,850,000	2.125%			
						$ 55,040,000	4,660,000	50,380,000

Exhibit C-10

TOWNSHIP OF LYNDHURST

Schedule of New Jersey Environmental Infrastructure Trust Loan Payable

General Capital Fund

Year Ended December 31, 2025

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding, December 31, 2025 Date	Amount	Interest Rate	Balance Dec. 31, 2024	Decreased	Balance Dec. 31, 2025
Trust Share	12/02/10	$ 1,535,000	08/01/26	89,000	4.25%	$ 571,000	85,000	486,000
			08/01/27	94,000	4.50%			
			08/01/28	97,000	4.50%			
			08/01/29	101,000	4.50%			
			08/01/30	105,000	4.25%			
Fund Share	12/02/10	1,568,018	02/01/26	27,982	*	476,705	83,947	392,758
			08/01/26	55,965	*			
			02/01/27	27,982	*			
			08/01/27	55,965	*			
			02/01/28	27,982	*			
			08/01/28	55,965	*			
			02/01/29	27,982	*			
			08/01/29	55,965	*			
			02/01/30	27,982	*			
			08/01/30	28,988	*			
						$ 1,047,705	168,947	878,758

* - Interest Free

TOWNSHIP OF LYNDHURST

Schedule of Bond Anticipation Notes Payable

General Capital Fund

Year ended December 31, 2025

Ord. No.	Improvement Description	Date of Issue of Original Notes	Date of Issue	Date of Maturity	Interest Rate	Balance Dec.31 2024	Increased	Decreased	Balance, Dec.31, 2025
2997-18	2018 Road Resurfacing & Other Various Imp	02/08/19	01/30/25	01/30/26	3.750%	$ 3,406,000	3,192,531	3,406,000	3,192,531
3014-19	Various Public Improvements & Acquisition of New Communication & Signal Systems Equipment	02/07/20	01/30/25	01/30/26	3.750%	5,573,000	5,214,052	5,573,000	5,214,052
3048-20	Various Public Improvements	02/05/21	01/30/25	01/30/26	3.750%	3,217,105	3,021,610	3,217,105	3,021,610
3046-20	Acquisition of Block 89, Lot 9	02/04/22	01/30/25	01/30/26	3.750%	3,324,895	3,282,807	3,324,895	3,282,807
3095-21	Additional Costs - Construction of Lyndhurst Middle School	10/16/23	01/30/25	01/30/26	3.750%	873,000	873,000	873,000	873,000
3114-22	Various Public Improvements	10/16/23	01/30/25	01/30/26	3.750%	1,000,000	1,000,000	1,000,000	1,000,000
3117-22	Replacement of Synthetic Turf Field and Resurfacing of the Track at the Lyndhurst High School Field	10/16/23	01/30/25	01/30/26	3.750%	912,000	798,000	912,000	798,000
3158-23	Various Public Improvements	10/16/23	01/30/25	01/30/26	3.750%	1,000,000	1,000,000	1,000,000	1,000,000
						$ 19,306,000	18,382,000	19,306,000	18,382,000

	Increased	Decreased
Budget Appropriation	$	924,000
Renewed	18,382,000	18,382,000
	$ 18,382,000	19,306,000

Exhibit C-12

TOWNSHIP OF LYNDHURST

Schedule of Improvement Authorizations

General Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Ordinance Amount	Balance Dec. 31, 2024 Funded	Balance Dec. 31, 2024 Unfunded	2025 Authorizations	Paid or Charged	Balance Dec. 31, 2025 Funded	Balance Dec. 31, 2025 Unfunded
2741-10	Refurbish Pump Stations	2,750,000	$ 1,246,154				1,246,154	
3048-20	Various Public Improvements	3,810,000		340,856		8,363		332,493
3095-21	Additional Costs - Construction of Lyndhurst Middle School	1,085,000		160,000		2,091		157,909
3114-22	Various Public Improvements	3,545,000		928,740		273,500		655,240
3117-22	Replacement of Synthetic Turf Field and Resurfacing of the Track at the High School	1,200,000		60,815		2,091		58,724
3158-23	Various Public Improvements	2,745,000		895,089		63,641		831,448
3195-24	Northwest drainage area survey and study and making of stormwater drainage imps.	650,000		594,354		465,454		128,900
3203-24	Various Public Improvements	1,275,000		977,135		848,724		128,411
3204-24	Various Public Improvements	1,096,000	54,800	1,041,200		960,803		135,197
3206-24	Various Public Improvements	1,214,000		457,762		112,163		345,599
3244-25	Various Public Improvements	764,500			764,500	335,000		429,500
			$ 1,300,954	5,455,951	764,500	3,071,830	1,246,154	3,203,421

Capital Improvement Fund	$ 36,500
Deferred Charges - Unfunded	728,000
	$ 764,500

Encumbrances Payable	$ 1,016,051
Cash Disbursements	2,055,779
	$ 3,071,830

Exhibit C-13

TOWNSHIP OF LYNDHURST

Schedule of Reserve Encumbrances Payable

General Capital Fund

Year Ended December 31, 2025

Increased by:	
Transferred from Improvement Authorizations	$ 1,016,051
Balance - December 31, 2025	$ 1,016,051

Exhibit C-14

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Municipal Roof

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	81,975
Decreased by:		
Cash Disbursement		79,768
Balance - December 31, 2025	$	2,207

Exhibit C-15

Schedule of Reserve for Curbs and Sidewalks

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	69,060
Balance - December 31, 2025	$	69,060

Exhibit C-16

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Computer Technology

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$ 138,327
Balance - December 31, 2025	$ 138,327

Exhibit C-17

Schedule of Reserve for Parks Department Roof

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$ 141,160
Balance - December 31, 2025	$ 141,160

Exhibit C-18

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Recreation Facility Improvements

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	14,825
Balance - December 31, 2025	$	14,825

Exhibit C-19

Schedule of Reserve for Municipal Parking Lot Improvements

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	211,950
Balance - December 31, 2025	$	211,950

Exhibit C-20

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Kingsland Development

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$ 175,000
Balance - December 31, 2025	$ 175,000

Exhibit C-21

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Grants Receivable -

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	617,347
Decreased by:		
Grants Receivable		351,250
Balance - December 31, 2025	$	266,097

Analysis of Balance:		
NJ Department of Transportation - Tontine Ave	$	5,507
NJ DOT - FY21 Local Freight Impact - Chubb Avenue - 3203-24		168,750
NJDOT - FY24 MA - Court Avenue, Phase 3 3203-24		91,840
	$	266,097

Exhibit C-22

Schedule of Reserve for Due from Board of Education

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	912,000
Increased by:		
Interfund		38,544
		950,544
Decreased by:		
Accounts Receivable		152,544
Balance - December 31, 2025	$	798,000

Exhibit C-23

TOWNSHIP OF LYNDHURST

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024	$	564,741
Increased by:		
Budget Appropriation - Cash		250,000
		814,741
Decreased by:		
Appropriated to Finance Improvement Authorizations		36,500
Balance - December 31, 2025	$	778,241

Exhibit C-24

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Payment of Debt

General Capital Fund

Year Ended December 31, 2025

Balance - December 31, 2024			$	675,627
Increased by:				
Cash Receipts	$	125,000		
Grants Receivable		351,250		
Reserve for Due from Board of Education		114,000		
				590,250
				1,265,877
Decreased by:				
Interfunds				789,627
Balance - December 31, 2025			$	476,250

Analysis of Balance

Ord. 3204-24 - Renovations of Town Hall Park	$	240,000
Ord. 3204-24 - Weart Avenue		111,250
Ord. 3204-24 - Bergen County Open Space		125,000
	$	476,250

Exhibit C-25

TOWNSHIP OF LYNDHURST

Schedule of Bonds and Notes Authorized But Not Issued

General Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Balance Dec. 31, 2025
	General Improvements:			
2941-16	Acquisition of Lincoln School	$ 290,000		290,000
3095-21	Additional Costs - Construction of Lyndhurst Middle School	160,000		160,000
3114-22	Various Public Improvements	2,376,000		2,376,000
3158-23	Various Public Improvements	1,614,000		1,614,000
3195-24	Northwest drainage area survey and study and making of stormwater drainage imps.	617,000		617,000
3203-24	Various Public Improvements	652,880		652,880
3204-24	Various Public Improvements	1,041,200		1,041,200
3206-24	Various Public Improvements	871,700		871,700
3244-25	Various Public Improvements		728,000	728,000
		$ 7,622,780	728,000	8,350,780

Exhibit D-5

TOWNSHIP OF LYNDHURST

Schedule of Cash - Treasurer

Water Utility Fund

Year Ended December 31, 2025

	Operating	Capital
Balance, December 31, 2024	$ 4,593,917	$ 155,480
Increased by Receipts:		
Water Collector	4,993,413	
Miscellaneous Revenue Not Anticipated	52,527	
Overpayments	35,869	
Interest on Investments		9,388
Interfunds	264,875	5,122,300
Prepaids	57	
	5,346,741	5,131,688
	9,940,658	5,287,168
Decreased by Disbursements:		
2025 Appropriations	3,738,003	
2024 Appropriation Reserves	285,865	
Accrued Interest on Bonds and Loans	79,880	
Encumbrances		2,222,455
Interfunds	3,266,242	2,509,388
Improvement Authorizations		472,723
	7,369,990	5,204,566
Balance, December 31, 2025	$ 2,570,668	$ 82,602

Exhibit D-6

TOWNSHIP OF LYNDHURST

Analysis of Cash

Water Utility Capital Fund

Year Ended December 31, 2025

			Balance, Dec. 31, 2025
Grants Receivable		$	
Interfunds			3,000,000
Capital Improvement Fund			600
Capital Fund Balance			825
Encumbrances Payable			801,253
NJ Infrastructure Bank Loan Receivable			(3,488,458)
Improvement Authorizations:			
Ordinance number	General Improvements		
2377	Installation of Water Mains - Ridge Road and Second Avenue		4,883
2378	Acquisition and Installation of Water Meter Reading System		640
2747	Water Utility Renewal		186
3174	Water Meter Replacement		140,588
3202	Replacement of Lead Water Service Lines		(186,770)
3207	Acquisition of Utility Truck		(190,578)
3233	Lead Service Line Replacement Phase I		(567)
		$	82,602

Exhibit D-7

TOWNSHIP OF LYNDHURST

Schedule of Due from/(to) Other Funds

Water Utility Operating Fund

Year Ended December 31, 2025

Account		Balance, Dec. 31, 2024	Increases	Decreases	Balance, Dec. 31, 2025
Water Utility Capital Fund	$		3,000,000		3,000,000
Current Fund		(2,325)	266,242	264,875	(958)
	$	(2,325)	3,266,242	264,875	2,999,042
Due to Water Utility Operating Fund			3,000,000		3,000,000
Due from Water Utility Operating Fund		(2,325)	266,242	264,875	(958)
		(2,325)	3,266,242	264,875	2,999,042

Exhibit D-8

TOWNSHIP OF LYNDHURST

Schedule of Consumers' Accounts Receivable - Operating Fund

Water Utility Operating Fund

Year Ended December 31, 2025

Balance, December 31, 2024			$	1,366,001
Increased by:				
2025 Levy				4,873,320
				6,239,321
Decreased by:				
Cash Receipts	$	4,613,507		
Prepaids Applied		246		
Overpayments Applied		37,320		
				4,651,073
Balance, December 31, 2025			$	1,588,248

Exhibit D-9

TOWNSHIP OF LYNDHURST

Schedule of Fixed Capital

Water Utility Capital Fund

Year Ended December 31, 2025

Account	Balance, Dec. 31, 2024	Balance, Dec. 31, 2025
Unallocated	$ 21,492,654	$ 21,492,654
	$ 21,492,654	$ 21,492,654

Exhibit D-10

TOWNSHIP OF LYNDHURST

Schedule of Fixed Capital Authorized and Uncompleted

Water Utility Capital Fund

Year ended December 31, 2025

Ordinance Number	Improvement Description	Ordinance Date	Ordinance Amount	Balance, Dec. 31, 2024	2025 Authorizations	Balance, Dec. 31, 2025
3174	Water Meter Replacement	October 3, 2023	4,000,000	$ 4,000,000		4,000,000
3202	Replacement of Lead Water Service Lin	June 11, 2024	320,000	320,000		320,000
3207	Acquisition of Utility Truck	June 11, 2024	200,000	200,000		200,000
3233	Lead Service Line Replacement Phase I	July 10, 2025	15,000,000		15,000,000	15,000,000
				$ 4,520,000	15,000,000	19,520,000

Exhibit D-11

TOWNSHIP OF LYNDHURST

Schedule of Grants Receivable

Water Utility Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Improvement Description	Balance, Dec. 31, 2024	Decreased
3202-24	CDBG - Maple Ave	$ 122,300	$ 122,300
		$ 122,300	$ 122,300
		Interfunds	$ 122,300

Exhibit D-12

TOWNSHIP OF LYNDHURST

Schedule of NJ Infrastructure Bank Loan Receivable

Water Utility Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Improvement Description	Increased	Balance, Dec. 31, 2025
3174-23	Water Meter Replacement	$ 3,488,458	$ 3,488,458
		$ 3,488,458	$ 3,488,458

Exhibit D-13

TOWNSHIP OF LYNDHURST

Schedule of 2024 Appropriation Reserves

Water Utility Operating Fund

Year Ended December 31, 2025

	Balance, December 31, 2024	Balance after Transfers and Encumbrances	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	$ 9,821	9,821		9,821
Other Expenses	23,493	104,039	99,513	4,526
Water Purchase	232,272	186,372	186,352	20
Group Insurance	25,929	29		29
Other Insurance	1,900	1,900		1,900
Audit	5,000	800		800
Legal Services	5,000	1,000		1,000
Total Operating	303,415	303,961	285,865	18,096
Statutory Expenditures - Contribution to:				
Social Security System (O.A.S.I.)	495	495		495
Total Statutory Expenditures	495	495		495
	$ 303,910	304,456	285,865	18,591

Encumbrances	$ 546
Appropriation Reserves	303,910
	$ 304,456

Exhibit D-14

TOWNSHIP OF LYNDHURST

Schedule of Encumbrances Payable

Water Utility Operating Fund

Year Ended December 31, 2025

Balance, December 31, 2024	$	546
Increased by:		
Transferred from Current Year Budget		232,498
		233,044
Decreased by:		
Transferred to Appropriation Reserves		546
Balance, December 31, 2025	$	232,498

Exhibit D-15

TOWNSHIP OF LYNDHURST

Schedule of Water Rent Overpayments

Water Utility Operating Fund

Year Ended December 31, 2025

Balance, December 31, 2024	$	37,320
Increased by:		
Cash Receipts		35,869
		73,189
Decreased by:		
Applied		37,320
Balance, December 31, 2025	$	35,869

Exhibit D-16

TOWNSHIP OF LYNDHURST

Schedule of Prepaid Water Rent

Water Utility Operating Fund

Year Ended December 31, 2025

Balance, December 31, 2024	$	246
Increased by:		
Cash Receipts		57
		303
Decreased by:		
Applied		246
Balance, December 31, 2025	$	57

Exhibit D-17

TOWNSHIP OF LYNDHURST

Schedule of Accrued Interest on Bonds and Loans

Water Utility Fund

Year Ended December 31, 2025

Balance, December 31, 2024			$	33,158
Increased by:				
Budget Appropriation				72,325
				105,483
Decreased by:				
Payments	$	79,880		
Cancelled		207		
				80,087
Balance, December 31, 2025			$	25,396

Analysis of Balance	Principal Outstanding December 31, 2025	Period	Interest Rate		Required Amount
Refunding Bonds	495,000	4.5 months	Various	$	7,425
NJEIT Loan	924,000	5 months	Various		17,971
				$	25,396

Exhibit D-18

TOWNSHIP OF LYNDHURST

Schedule of Water Utility Serial Bonds

Water Utility Capital Fund

Year Ended December 31, 2025

Purpose	Date of issue	Original issue	Maturities of bonds outstanding, December 31, 2025 Date	Amount	Interest rate	Balance, Dec. 31, 2024	Decreased	Balance, Dec. 31, 2025
Refunding Bonds	December 21, 2017	1,395,000	February 15, 2026	105,000	4.00%	600,000	105,000	495,000
			February 15, 2027	105,000	4.00%			
			February 15, 2028	100,000	4.00%			
			February 15, 2029	100,000	4.00%			
			February 15, 1930	85,000	4.00%			
						$ 600,000	105,000	495,000

Exhibit D-19

TOWNSHIP OF LYNDHURST

Schedule of New Jersey Environmental Infrastructure Trust Loan Payable

Water Utility Capital Fund

Year Ended December 31, 2025

	Original Issue		Maturities of Loans Outstanding, December 31, 2025					
	Date	Amount	Date	Amount	Interest Rate	Balance Dec. 31, 2024	Decreased	Balance Dec. 31, 2025
Trust Share	12/02/10	$ 4,220,000	08/01/26	310,000	3.50%	$ 1,221,000	297,000	924,000
			08/01/27	328,000	4.00%			
			08/01/28	286,000	4.00%			
Fund Share	12/02/10	4,408,475	02/01/26	93,477	*	1,043,291	280,432	762,859
			08/01/26	186,955	*			
			02/01/27	93,477	*			
			08/01/27	186,955	*			
			02/01/28	93,477	*			
			08/01/28	108,518	*			
						$ 2,264,291	577,432	1,686,859

* Interest Free

Exhibit D-20

TOWNSHIP OF LYNDHURST

Schedule of Infrastructure Bank Note Payable

Water Utility Capital Fund

Year Ended December 31, 2025

Increased by:		
Improvement Authorizations	$	34,885
Balance, December 31, 2025	$	34,885

Exhibit D-21

TOWNSHIP OF LYNDHURST

Schedule of Improvement Authorizations

Water Utility Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement description	Ordinance Date	Ordinance Amount	Balance, Dec. 31, 2024 Funded	Balance, Dec. 31, 2024 Unfunded	2025 Authorizations	Expended	Balance, Dec. 31, 2025 Funded	Balance, Dec. 31, 2025 Unfunded
2377	Installation of Water Mains - Ridge Road and Second Avenue	April 13, 1999	1,710,000	$ 4,883				4,883	
2378	Acquisition and Installation of Water Meter Reading System	April 13, 1999	1,400,000	640				640	
2747	Water Utility Renewal	February 16, 2010	700,000	186				186	
3174	Water Meter Replacement	October 3, 2023	4,000,000		1,775,000		1,157,755		617,245
3202	Replacement of Lead Water Service Lines	June 11, 2024	320,000		1,677		(9,253)		10,930
3207	Acquisition of Utility Truck	June 11, 2024	200,000		9,422				9,422
3233	Lead Service Line Replacement Phase I	July 10, 2025	15,000,000			15,000,000	567		14,999,433
				$ 5,709	1,786,099	15,000,000	1,149,069	5,709	15,637,030

Cash Disbursements	$ 472,723
Encumbrances Payable	658,255
Notes Payable	34,885
Prior Year Encumbrances Cancelled	(16,794)
	$ 1,149,069

Exhibit D-22

TOWNSHIP OF LYNDHURST

Schedule of Encumbrances Payable

Water Utility Capital Fund

Year Ended December 31, 2025

Balance, December 31, 2024			$	2,382,247
Increased by:				
Transfer from Improvement Authorizations				658,255
				3,040,502
Decreased by:				
Cash Disbursements	$	2,222,455		
Cancelled		16,794		
				2,239,249
Balance, December 31, 2025			$	801,253

TOWNSHIP OF LYNDHURST

Schedule of Due from/(to) Other Funds

Water Utility Captial Fund

Year Ended December 31, 2025

Account		Balance, Dec. 31, 2024	Increases	Decreases	Balance, Dec. 31, 2025
Current Fund	$	(500,000)	2,509,388	2,009,388	
Water Utility Operating Fund				3,000,000	(3,000,000)
Other Trust Fund			122,300	122,300	
	$	(500,000)	2,631,688	5,131,688	(3,000,000)

Cash Disbursements	$	2,509,388	
Cash Receipts			5,122,300
Grants Receivable		122,300	
Interest on Investments			9,388
	$	2,631,688	5,131,688

Exhibit D-24

TOWNSHIP OF LYNDHURST

Schedule of Capital Improvement Fund

Water Utility Capital Fund

Year Ended December 31, 2025

Balance, December 31, 2024	$	600
Balance, December 31, 2025	$	600

Exhibit D-25

Schedule of Reserve for Amortization

Water Utility Capital Fund

Year Ended December 31, 2025

Balance, December 31, 2024			$	18,628,363
Increased by:				
Payment of Serial Bond Principal	$	105,000		
Payment of NJ Environmental Infrastructure Loan Principal		577,432		
Grants Receivable		122,300		
				804,732
Balance, December 31, 2025			$	19,433,095

Exhibit D-26

TOWNSHIP OF LYNDHURST

Schedule of Reserve for Grants Receivable

Water Utility Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Improvement Description	Balance, Dec. 31, 2024	Decreased
3202-24	CDBG - Maple Ave	$ 122,300	$ 122,300
		$ 122,300	$ 122,300
		Interfunds	$ 122,300

Exhibit D-27

TOWNSHIP OF LYNDHURST

Schedule of Reserve for NJ Infrastructure Bank Loan Receivable

Water Utility Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Improvement Description	Increased	Balance, Dec. 31, 2025
3174-23	Water Meter Replacement	$ 3,488,458	$ 3,488,458
		$ 3,488,458	$ 3,488,458

Exhibit D-28

TOWNSHIP OF LYNDHURST

Schedule of Bonds and Notes Authorized But Not Issued

Water Utility Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance, Dec. 31, 2024	Authorized	Decreased	Balance, Dec. 31, 2025
3174	Water Meter Replacement	$ 4,000,000		3,523,343	476,657
3202	Replacement of Lead Water Service Lines	320,000		122,300	197,700
3207	Acquisition of Utility Truck	200,000			200,000
3233	Lead Service Line Replacement Phase I		15,000,000		15,000,000
		$ 4,520,000	15,000,000	3,645,643	15,874,357

Grants Receivable	$ 122,300
I-Bank Short Term Temporary Note Payable	3,523,343
	$ 3,645,643

Exhibit E-4

TOWNSHIP OF LYNDHURST

Schedule of Cash - Collector-Treasurer

Swimming Pool Utility Fund

Year Ended December 31, 2025

		Operating
Balance - December 31, 2024	$	433,257
Increased by Receipts:		
Rents		177,898
Shared Service Agreement - BOE		60,000
Interfunds		9,502
Miscellaneous Revenues		10,176
		257,576
		690,833
Decreased by Disbursements:		
2025 Appropriations		194,784
Appropriation Reserve		12,208
		206,992
Balance - December 31, 2025	$	483,841

Exhibit E-5

TOWNSHIP OF LYNDHURST

Schedule of 2024 Reserves - Operating Fund

Swimming Pool Utility Fund

Year Ended December 31, 2025

		Balance, Dec. 31, 2024	Balance after Transfers	Paid or Charged	Balance Lapsed
Salaries and Wages	$	4,426	4,426		4,426
Other Expenses		37,174	37,174	1,772	35,402
Utility Expenses		14,564	14,564	10,436	4,128
Total Operating		56,164	56,164	12,208	43,956
Statutory Expenditures:					
Contribution to:					
Social Security System (O.A.S.I.)		350	350		350
Total Deferred Charges and Statutory Expenditures		350	350		350
	$	56,514	56,514	12,208	44,306

Appropriation Reserves	$	56,514

TOWNSHIP OF LYNDHURST

Schedule of Interfunds

Swimming Pool Utility - Operating Fund

Year Ended December 31, 2025

	Balance Dec. 31, 2024	Decreased
Current Fund	$ 9,502	9,502
	$ 9,502	9,502

TOWNSHIP OF LYNDHURST

PART II

LETTER ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2025

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and
Members of the Township Council
Township of Lyndhurst
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; 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 of the Township of Lyndhurst in the County of Bergen as of and for the year ended December 31, 2025 and the related notes to the financial statements, and have issued our report thereon dated May 13, 2026, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

Honorable Mayor and
Members of the Township Council
Page 2.

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.

We did identify certain immaterial deficiencies in internal control, that we have reported to management of the Township in the accompanying comments and recommendations section of this report.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Lyndhurst's financial statements-regulatory basis are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance that we have reported to the management of the Township of Lyndhurst in the accompanying comments and recommendations section of this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Lyndhurst'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 Township of Lyndhurst's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

May 13, 2026

W&CO

WIELKOTZ & COMPANY LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY N.J. OMB 25-12

Honorable Mayor and
Members of the Township Council
Township of Lyndhurst
County of Bergen, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Township of Lyndhurst in the County of Bergen's compliance with the types of compliance requirements identified as subject to audit in the N.J. Office of Management and Budget Circular 25-12 Compliance Supplement that could have a direct and material effect on each of the Township of Lyndhurst's major state programs for the year ended December 31, 2025. Township of Lyndhurst's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Township of Lyndhurst 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 state programs for the year ended December 31, 2025.

Basis for Opinion on Each Major 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; and the audit requirements of N.J. OMB Circular 25-12. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Township of Lyndhurst and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Township of Lyndhurst'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 Township of Lyndhurst's 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 Township of Lyndhurst's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and N.J. OMB Circular 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 judgement made by a reasonable user of the report on compliance about Township of Lyndhurst's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and N.J. OMB Circular 25-12, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design an perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Township of Lyndhurst'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 Township of Lyndhurst'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 N.J. OMB Circular 25-12, but not for the purpose of expressing an opinion on the effectiveness of Township of Lyndhurst'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 N.J. OMB Circular 25-12.

Government Auditing Standards requires that auditor to perform limited procedures on Township of Lyndhurst's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Township of Lyndhurst's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and 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 and 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 N.J. OMB Circular 25-12. Accordingly, this report is not suitable for any other purpose.

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

May 13, 2026

W&CO

Schedule 1

TOWNSHIP OF LYNDHURST

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2025

Program	Assistance Listing Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Cash Received	Expenditures	MEMO Cumulative Total Expenditures
Federal and State Grant Fund:								
U.S. Department of Law and Public Safety:								
National Highway Traffic Safety Administration:								
Comprehensive Distracted Driving Grants - Section 405e	20.616	AL-18-45-04-MH-90	066-1160-100-165	2019	5,500			5,470
Click it or Ticket	20.616	AL-18-45-04-MH-90	066-1160-100-155	2022	6,895			
Occupant Protection	20.616	AL-18-45-04-MH-90	066-1160-100-165	2022	12,480			
Non-Motorized Safety	20.616	AL-18-45-04-MH-90	066-1160-100-163	2021	3,840			3,588
Total U.S. Department of Law and Public Safety								9,058
U.S. Department of Health and Human Services:								
Passed through the State of New Jersey								
Department of Human Services, Division of Dev. Disabilities:								
Medical Assistance Program	93.778			2019	553			
Total U.S. Department of Health and Human Services								
U.S. Department of Homeland Security:								
Fire Department FEMA - Veterans	97.036		K65723031	2014	6,412			
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	DHS-21-GPD-083-00-99		2021	67,400			22,396
Total U.S. Department of Homeland Security								22,396
U.S. Department of Housing and Urban Development								
(passed through County of Bergen)								
Community Development Block Grant								
Lake & Jay Street Lead Service	14.218	H25UC340100		2025	135,000		94,815	94,815
Total U.S. Department of Housing and Urban Development							94,815	94,815
U.S. Department of Community Affairs								
ARP - Firefighter Grant Program	21.027		8030-100-022-689	2023	42,000			
ARP - Firefighter Grant Program	21.027		8030-100-022-689	2025	75,000	75,000		
Spotted Lantern Fly Prevention	21.027			2024	7,686		5,714	5,714
SLFRF DRM - Lyndhurst Water Utiltiy Program	21.027		8022-100-022-412	2025	500,000	500,000		
Total U.S. Department of Justice						575,000	5,714	5,714
Total Federal and State Grant Fund						575,000	100,529	131,983

Schedule 1

TOWNSHIP OF LYNDHURST

Schedule of Expenditures of Federal Awards

Year Ended December 31, 2025

Program	Assistance Listing Number	FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Cash Received	Expenditures	MEMO Cumulative Total Expenditures
Current Fund:								
U.S. Department of Law & Public Safety								
FEMA - Tropical Storm Isaias	97.036		PA4574PW503	2025	1,468	1,468	1,468	1,468
Total U.S. Department of Law & Public Safety						1,468	1,468	1,468
Total Current Fund						1,468	1,468	1,468
General Capital Fund:								
U.S. Department of Housing and Urban Development								
(passed through County of Bergen)								
Community Development Block Grant				2024	111,250	111,250		111,250
Total U.S. Department of Housing and Urban Development						111,250		111,250
Total General Capital Fund						111,250		111,250
Trust Fund:								
U.S. Department of Justice:								
DEA/Equitable Sharing	16.922	19-DEA-631603	NJ0023200	2017-2025	3,917,747	1,754,767	343,874	2,047,960
Total U.S. Department of Justice						1,754,767	343,874	2,047,960
U.S. Department of Treasury:								
DEA/Equitable Sharing	21.016	19-DEA-631603	NJ0023200	2019-2024	193,733			
Total U.S. Department of Treasury								
Total Trust Fund						1,754,767	343,874	2,047,960
Total Federal Awards						$ 2,442,485	445,871	2,292,661

This schedule was not subject to audit in accordance with the Uniform Guidance.

Note: See accompanying notes to schedules of expenditures of federal and state awards.

Schedule 2

TOWNSHIP OF LYNDHURST

Schedule of Expenditures of State and Local Financial Assistance

Year Ended December 31, 2025

	Grant Number	Grant Period	Award Amount	Cash Received	Expenditures	MEMO Cumulative Total Expenditures
Federal and State Grant Fund:						
Department of Community Affairs						
Recreation Opportunities for Individuals with Disabilities	8050-022-035-5157	2023	12,000			2,444
Special Legislative Grant - Communication Tower		2001	250,000			217,972
Local Recreation Improvement Grant	n/a	2024	75,000	75,000	75,000	75,000
Local Recreation Improvement Grant		2025	68,000	68,000	68,000	68,000
Lead Service Line Replacement and Pavement Restoration	8030-022-495-858	2024	5,000,000		1,730,264	1,775,528
Total Department of Community Affairs				143,000	1,873,264	2,138,944
Department of Environmental Protection						
Clean Communities Program	4900-765-042-4900	2022	39,491		38,362	1,129
Clean Communities Program	4900-765-042-4900	2023	44,294		1,892	
Clean Communities Program	4900-765-042-4900	2024	50,311			
Clean Communities Program	4900-765-042-4900	2025	49,900	49,900		
Recycling Tonnage Grant	4910-100-042-4910	2019	28,311			
Recycling Tonnage Grant	4910-100-042-4910	2020	35,273		10,140	14,573
Recycling Tonnage Grant	4910-100-042-4910	2021	40,698			
Recycling Tonnage Grant	4910-100-042-4910	2022	35,536	35,536		
Stormwater Assistance Grant	4850-100-042-4910	2023	15,000			
Total Department of Environmental Protection				85,436	50,394	15,702
Department of Justice						
Alcohol Education/Rehabilitation Fund	9735-760-098-Y900	2021	7,043		5,213	7,073
Alcohol Education/Rehabilitation Fund	9735-760-098-Y900	2022	5,528		4,541	4,541
Alcohol Education/Rehabilitation Fund	9735-760-098-Y900	2023	5,192			
Alcohol Education/Rehabilitation Fund	9735-760-098-Y900	2024	2,942			
Alcohol Education/Rehabilitation Fund	9735-760-098-Y900	2025	4,230	4,230		
Total Department of Justice				4,230	9,754	11,614

Schedule 2

TOWNSHIP OF LYNDHURST

Schedule of Expenditures of State and Local Financial Assistance

Year Ended December 31, 2025

	Grant Number	Grant Period	Award Amount	Cash Received	Expenditures	MEMO Cumulative Total Expenditures
Department of Law and Public Safety:						
Drunk Driving Enforcement Fund	6400-100-078-6400	2020	14,310		3,181	13,186
Body Armor Replacement Program	1020-718-066-1020	2020	4,865			2,697
Body Armor Replacement Program	1020-718-066-1020	2021	3,630			
Body Armor Replacement Program	1020-718-066-1020	2021	2,461			
Body Armor Replacement Program	1020-718-066-1020	2022	3,401			
Body Armor Replacement Program	1020-718-066-1020	2023	3,891			
Body Armor Replacement Program	1020-718-066-1020	2024	4,057			
Safe and Secure Communities Program	1020-100-066-1020	2020	60,000			
Safe and Secure Communities Program	1020-100-066-1020	2021	32,400			
Safe and Secure Communities Program	1020-100-066-1020	2022	32,400			
Safe and Secure Communities Program	1020-100-066-1020	2023	32,400			
Safe and Secure Communities Program	1020-100-066-1020	2024	45,150			
Safe and Secure Communities Program	1020-100-066-1020	2025	45,150	45,150		
Body Worn Camera	1020-100-066-1020	2022	122,280			105,619
Total Department of Law and Public Safety				45,150	3,181	121,502
Total State Assistance				277,816	1,936,593	2,287,762
Other Financial Assistance:						
Bergen County:						
Arts Grant Program	n/a	2017	1,744			1,307
Arts Grant Program	n/a	2018	1,920			
Arts Grant Program	n/a	2019	1,391			
Arts Grant Program	n/a	2020	1,895			
Arts Grant Program	n/a	2021	1,350			
Arts Grant Program	n/a	2022	1,800			
Arts Grant Program	n/a	2023	1,800			
Arts Grant Program	n/a	2024	450			
DRE Grant Program	n/a	2021	481			
DRE Grant Program	n/a	2022	2,434			
DRE Grant Program	n/a	2023	2,520			
DRE Grant Program	n/a	2024	2,062			
DRE Grant Program	n/a	2025	980	980		
Open Space - Landell Park	n/a	2025	125,000		115,372	115,372
Prosecutor Confiscated Funds	n/a	2011	93,112			2,764
Total Bergen County				980	115,372	119,443

Schedule 2

TOWNSHIP OF LYNDHURST

Schedule of Expenditures of State and Local Financial Assistance

Year Ended December 31, 2025

	Grant Number	Grant Period	Award Amount	Cash Received	Expenditures	MEMO Cumulative Total Expenditures
Other Miscellaneous Local Assistance:						
Municipal Library Contribution to Parking Lot Paving	n/a	2022	138,590			130,097
NJSEA Arbor Tree Grant	n/a	2018	1,000			
Municipal Alliance	n/a	2025	2,332	2,332		
National Opioid Settlement	n/a	2022	13,261		13,261	13,261
National Opioid Settlement	n/a	2023	21,756		1,092	1,092
National Opioid Settlement	n/a	2024	68,046			
National Opioid Settlement	n/a	2025	28,080	28,080		
Total Local Financial Assistance				31,392	129,725	263,893
Total Federal and State Grant Fund				309,208	2,066,318	2,551,655
General Capital Fund:						
Department of Transportation						
National Highway Safety						
Pass through State of NJ						
Tontine Ave Improvements		2021	224,000			224,000
FY24 Municipal Aid - Court Ave, Phase 3		2024	207,710		169,087	376,797
Local Freight Impact - Chubb Ave Project		2024	675,000		485,417	675,000
Total Department of Transportation					654,504	1,275,797
Bergen County Open Space						
Renovations of Town Hall Park	Ord. 3204-24	2022	100,000	100,000		
Renovations of Town Hall Park	Ord. 3204-24	2023	140,000	140,000		
Total Bergen County Open Space				240,000		
Total General Capital Fund				240,000	654,504	1,275,797
Total State and Local Financial Assistance				$ 549,208	2,720,822	3,827,452

This schedule was subject to audit in accordance with NJ OMB Circular 25-12.

Note: See accompanying notes to schedules of expenditures of federal and state awards.

TOWNSHIP OF LYNDHURST
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 1. GENERAL

The accompanying schedules of expenditures of awards present the activity of all federal and state financial assistance programs of the Township of Lyndhurst, County of Bergen. The Township is defined in Note 1A to the Township's financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of expenditures of awards.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards are presented using the modified accrual basis of accounting as prescribed for municipalities by the Division of Local Government Services, Department of Community Affairs, State of New Jersey which differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. This basis of accounting is described in Note 1(B) to the Township's financial statements.

NOTE 3. RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules do not agree with amounts reported in the Township's financial statements because encumbrances are not reported in the accompanying schedules. Financial assistance awards are reported in the Township's financial statements on a basis of accounting described above as follows:

	Federal	State	Local	Total
Federal and State Grant Fund	$ 444,403	$ 1,936,593	$ 129,725	$ 2,510,721
Current Fund	1,468			1,468
General Capital Fund		654,504		654,504
	$ 445,871	$ 2,591,097	$ 129,725	$ 3,166,693

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules agree, in all material respects, with the amount reported in the related federal and state financial reports.

TOWNSHIP OF LYNDHURST
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025
(CONTINUED)

NOTE 5. ADJUSTMENTS

Amounts reported in the accompanying schedules were adjusted to report the financial assistance awards as described in Note 2 Basis of Accounting.

NOTE 6. FEDERAL AND STATE LOANS OUTSTANDING

The Township's federal and state loans outstanding at December 31, 2025, are as follows:

Loan Program		Total
State of New Jersey Environmental Infrastructure Trust Loan Program - General Capital Fund	$	878,758
State of New Jersey Environmental Infrastructure Trust Loan Program - Water Utility Capital Fund		1,686,859
	$	2,565,617

NOTE 7. INDIRECT COST RATE

The Township of Lyndhurst has elected not to use the 15-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

TOWNSHIP OF LYNDHURST
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Adverse: GAAP Unmodified: OCBOA	
Internal control over financial reporting:		
1. Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X none reported
2. Material weakness(es) identified?	____ yes	X no
Noncompliance material to financial statements noted?	____ yes	X no

Federal Awards Section

Not Applicable

State Awards Section

Dollar threshold used to determine type A programs:	$ 1,000,000	
Auditee qualified as low-risk auditee?	____ yes	X no
Type of auditors' report on compliance for major programs:	unmodified	
Internal Control over compliance:		
1. Material weakness(es) identified?	____ yes	X no
2. Significant deficiencies identified that are not considered to be material weaknesses?	____ yes	X no
Any audit findings disclosed that are required to be reported in accordance with OMB 25-12?	____ yes	X no

Section I – Summary of Auditor's Results (continued)

State Awards Section, (continued)

Identification of major programs:

GMIS Number(s)		Name of State Program
8030-022-495-858	(A)	Lead Service Line Replacement and Pavement Restoration

Note: (A) - Tested as Major Type A Program.

Section II – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of General Auditing Standards.

FINANCIAL STATEMENT FINDINGS

NONE

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

FEDERAL AWARDS

Not applicable.

STATE AWARDS

Not applicable.

TOWNSHIP OF LYNDHURST

GENERAL COMMENTS

Contracts and Agreements

N.J.S.A. 40A:11-3 states:

a. When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of $17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L. 1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to $25,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, c.198 (C.40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L. 1999, c.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, c.198(C.40A:11-2), and shall round the adjustment to the nearest $1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made.

N.J.S.A. 40A:11-4 states:

a. Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, be resolution approved by a majority or the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder.

GENERAL COMMENTS
(continued)

Effective January 1, 2011, the bid threshold, in accordance with N.J.S.A. 40A:11-3 and 40A:11-4 (as amended) is $17,500 and with a qualified purchasing agent the threshold may be up to $36,000. On July 1, 2020, this amount was increased to $44,000. On July 1, 2025, this amount was increased to $53,000.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Lake Avenue and Jay Avenue Lead Water Service Replacement
HVAC Repair and Maintenance Servcies
Food Services
Lead Water Service Replacement Program - Phase I
Miscellaneous Concrete Repairs - Township Wide
Improvements to Fern Avenue
Vehicle Maintenance Services
Work Uniforms and Clothing for Parks and DPW Departments
Curbing and Drainage Improvements to Madison Avenue

Resolutions were adopted authorizing the awarding of contracts and agreements for "Professional Services" N.J.S. 40A:11-5.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any material or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violation existed. No violations were disclosed.

Our examination of expenditures did not reveal any individual payments, contracts or agreements in excess of the statutory threshold "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 14, 2025 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, taxes are payable in quarterly installments on February 1, May 1, August 1 and November 1 of each year and installments become delinquent if not paid on or before these dates,

THEREFORE, BE IT RESOLVED that the Board of Commissioners authorize an interest charge of 8% per annum, upon delinquent installments of taxes and assessments; and

BE IT FURTHER RESOLVED, that the Board of Commissioners authorize an interest charge of 18% per annum upon delinquent installments of taxes in excess of $1,500.

BE IT FURTHER RESOLVED, that the Board of Commissioners provide a grace period of 10 days, within which an installment of taxes or assessment may be received without an additional charge of interest; and

BE IT FURTHER RESOLVED, that any installment received after the expiration of the grace period shall bear interest from the due date,

BE IT FURTHER RESOLVED, that the rate of interest to be charged upon tax liens is hereby set at 18% per annum, and a copy of this resolution is to be filled with the Tax Collector and the Tax Assessor of the Township of Lyndhurst.

Delinquent Taxes and Tax Title Liens

A tax sale was held on December 11, 2025 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

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

Year	Number of liens
2025	2
2024	1
2023	2

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 tax-paying basis.

TOWNSHIP OF LYNDHURST
GENERAL COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2025

COMMENTS:

FINANCE

1. *There are unfunded improvement authorizations in the General Capital Fund greater than five years old.
2. The Township does not have a system in place for tagging fixed assets.
3. The Township could not provide detailed supporting documentation for selected payments made to Neglia Engineering.
4. The portion of employees' unemployment withholdings for state unemployment insurance that are to be retained by the Township are not being received and/or deposited into the Unemployment Trust Fund as required under the Benefit Reimbursement Method.
5. There were instances in which goods and services are being ordered prior to being encumbered.
6. Detailed supporting documentation for professional engineering expenses were not available for review at the time of audit.
7. Informal quotes were not obtained for purchases which exceeded 15% of the bid threshold as required by N.J.S.A. 40A: 11-6.1.

PAYROLL

1. *There were instances in which employees were not paid for outside duty work performed in a timely manner.
2. *The practice of payouts and/or utilization of accumulated sick time by the police department is in violation of N.J.S.A. 40A:9-10.4.

DEPARTMENTS

Building Department

1. *There were instances in which some fees being charged for building department permits were not included on the adopted fee ordinance.

Board of Health

1. Deposits are not being made within 48 hours of collection.

Township Clerk

1. *Formal evaluations for Request for Qualification submissions are not being prepared by the evaluation committee.

TOWNSHIP OF LYNDHURST
GENERAL COMMENTS AND RECOMMENDATIONS
DECEMBER 31, 2025

RECOMMENDATIONS:

FINANCE

1. *That all ordinances with cash deficits over five years old be funded through a valid funding source.
2. The Township should develop and implement a system for tagging fixed assets as required by Technical Accounting Directive #2, codified as N.J.A.C. 5:30-5.6.
3. Adequate supporting documentation should be obtained and verified prior to the processing of any payment.
4. The percentage portion of employees' unemployment withholdings due to the Unemployment Trust Fund must be recouped from the payroll service provider and deposited into the Unemployment Trust Fund.
5. That all goods and services be encumbered prior to being ordered.
6. Detailed supporting documentation should be obtained prior to the payment of all expenses.
7. That all purchases in excess of 15% of the bid threshold have informal quotes obtained as required by Local Public Contracts Law.

PAYROLL

1. *The Township should adopt a formal policy related to the off-duty or outside employment of its' officers. Private persons or entities requesting the services of police officers should be required to submit payment, based on estimates of the work to be done, in advance of services rendered in accordance with Local Finance Notice 2000-14.
2. *Supplemental compensation of sick time should be made in strict accordance with N.J.S.A. 40A:9-10.4.

DEPARTMENTS

Building Department

1. *All items included on permits should be charged in accordance with the Township's adopted fee ordinance.

Board of Health

1. All cash receipts should be deposited within 48 hours of collection in accordance with N.J.S.A. 40A:5-15.

Township Clerk

1. *That evaluation summaries be prepared by the committee when reviewing Request for Qualifications.

TOWNSHIP OF LYNDHURST

Suggestions to Management

1. That all required employees and government officers file an annual financial disclosure on time (April 30th) as required by LFN 2025-07.

Status of Prior Year Audit Findings/Recommendation

A review was performed on all prior year recommendations and corrective action was taken on all except for recommendations marked with an asterisk "*".

Acknowledgment

We received the complete cooperation of all of the officials of the municipality and we greatly appreciate the courtesies extended to all members of the audit team.

Respectfully submitted,

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. CR00413

Wielkotz & Company, LLC

WIELKOTZ & COMPANY, LLC
Certified Public Accountants
Pompton Lakes, New Jersey

May 13, 2026