REPORT OF AUDIT

TOWNSHIP OF HARDYSTON

COUNTY OF SUSSEX

DECEMBER 31, 2025

TOWNSHIP OF HARDYSTON, N.J.
TABLE OF CONTENTS

PART I

TOWNSHIP OF HARDYSTON, N.J.
TABLE OF CONTENTS, CONTINUED

PART I (CONTINUED)

TOWNSHIP OF HARDYSTON, N.J.
TABLE OF CONTENTS, CONTINUED

PART I (CONTINUED)

PART II

TOWNSHIP OF HARDYSTON

* * * * * * * *

PART I

REPORT OF AUDIT ON FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2025

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, RMA, PSA, CMFO
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, PSA, CMFO
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-6631
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the Township Council
Township of Hardyston
Hardyston, NJ 07419

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 Hardyston in the County of Sussex, as of December 31, 2025 and 2024, the related statement of operations and changes in fund balance – regulatory basis for the years then ended, and the related statement of revenues -regulatory basis and the statement of expenditures – regulatory basis of the various funds for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the 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 Hardyston 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 Hardyston, 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 Hardyston 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 11 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 $695,489 and $593,153 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 balances sheets and account group as of December 31, 2025, the regulatory basis statement of operations for the year 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 Hardyston'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.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Hardyston'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 and are not a required part of the basic financial statements.

The supplementary information listed in the table of contents 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 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 June 15, 2026 on our consideration of the Township of Hardyston'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 Hardyston's internal control over financial reporting and compliance.

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. 413

Wielkotz & Company, LLC

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

June 15, 2026

W&CO

Township of Hardyston , N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2025

Assets	Ref.		2025	2024
Current Fund:				
Cash	A-4	$	8,041,459	8,280,221
Change Fund	A-5		625	625
Due from State of New Jersey:				
Senior Citizen and Veteran Deductions	A-7		-	784
			8,042,084	8,281,630
Receivables and Other Assets with Full Reserves:				
Delinquent Taxes Receivable	A-8		337,144	318,396
Tax Title Liens Receivable	A-9		387,232	374,610
Property Acquired for Taxes -				
Assessed Valuation	A-10		14,700	14,700
Interfund Receivables:				
Animal Control Trust Fund	A-14		-	20
Assessment Trust Fund	A-14		5,017	-
General Capital Fund	A-14		48,049	59,769
			792,142	767,495
Deferred Charges:				
Emergency Authorization	A-11		150,000	200,000
Overexpenditure of Appropriation	A-12		1,925	1,925
			151,925	201,925
			8,986,151	9,251,050
Federal and State Grant Fund:				
Grants Receivable	A-22		647,936	672,019
Due From Current Fund	A-25		3,169,953	3,166,624
			3,817,889	3,838,643
		$	12,804,040	13,089,693

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

Township of Hardyston , N.J.

Comparative Balance Sheet - Regulatory Basis

Current Fund

December 31, 2025

	Ref.	2025	2024
Liabilities, Reserves and Fund Balance			
Current Fund:			
Appropriation Reserves			
Unencumbered	A-3; A-15	$ 530,981	764,239
Encumbered	A-3; A-15	426,418	279,957
Due to State of NJ:			
Senior Citizen and Veteran Deductions	A-7	1,024	-
Interfunds Payable			
State and Federal Grant Fund	A-14	3,169,953	3,166,624
Assessment Trust Fund	A-14	-	2,078
Animal Control Trust Fund	A-14	6,990	-
Other Trust Funds	A-14	155,858	2,410
Encumbrances Payable	A-16	10,212	5,482
Prepaid Taxes	A-17	381,326	456,084
County Taxes Payable	A-20	6,718	13,227
Tax Overpayments	A-21	9,712	8,075
Accounts Payable	A-21	41,277	59,957
Reserve for:			
Tax Appeals	A-21	76,575	76,575
Sale of Assets	A-21	16,606	16,606
Preparation of Tax Map	A-21	6,493	6,493
Revaluation	A-21	7,449	7,449
		4,847,592	4,865,256
Reserve for Receivables	Contra	792,142	767,495
Fund Balance	A-1	3,346,417	3,618,299
		8,986,151	9,251,050
Federal and State Grant Fund:			
Appropriated Reserve for Grants	A-23	3,377,845	3,651,470
Unappropriated Reserve for Grants	A-24	42,161	41,205
Encumbrances Payable	A-26	397,883	145,968
		3,817,889	3,838,643
		$ 12,804,040	13,089,693

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

Township of Hardyston , N.J.

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

Current Fund

Year Ended December 31, 2025

	Ref.		2025	2024
Revenues and Other Income:				
Fund Balance Utilized	A-2	$	1,392,000	1,342,000
Miscellaneous Revenue Anticipated	A-2		3,296,659	3,449,322
Receipts from Delinquent Taxes	A-2		319,798	342,643
Receipts from Current Taxes	A-2		35,106,949	34,025,847
Non-Budget Revenue	A-2		738,622	824,190
Other Credits to Income:				
Interfunds Returned	A-14		59,789	4,480
Unexpended Balance of PY Appropriation Reserves	A-15		228,616	112,211
Accounts Payable Cancelled			-	61,053
Total Revenues and Other Income			41,142,433	40,161,746
Expenditures:				
Budget and Emergency Appropriations:				
Operations:				
Salaries and Wages	A-3		5,222,850	4,927,021
Other Expenses	A-3		4,321,143	4,387,638
Capital Improvement Fund	A-3		484,900	377,192
Municipal Debt Service	A-3		971,406	1,117,860
Deferred Charges and Statutory Expenditures - Municipal	A-3		1,709,999	1,607,333
Refund of Prior Year Revenue	A-4		4,678	1,988
Interfund Advances	A-14		53,066	59,789
Local District School Tax	A-18		11,908,593	11,629,293
Regional High School Tax	A-19		7,444,634	7,117,912
County Taxes Including Added Taxes	A-20		7,901,046	7,636,122
Total Expenditures			40,022,315	38,862,148
Excess (Deficit) Revenue Over Expenditures			1,120,118	1,299,598
Adjustment to Income Before Fund Balance - Expenditures Included above Which are by Statute Deferred Charges to Budget of Succeeding Year			-	1,925
Statutory Excess to Fund Balance			1,120,118	1,301,523
Fund Balance, January 1,	A		3,618,299	3,658,776
			4,738,417	4,960,299
Decreased by:				
Fund Balance Utilized as Budget Revenue	A-2		1,392,000	1,342,000
Fund Balance, December 31,	A	$	3,346,417	3,618,299

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

Township of Hardyston , N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2025

	Ref.	Budget	Special N.J.S.A. 40A: 4-87	Realized	(Deficit)
Fund Balance Anticipated	A-1	$ 1,392,000	-	1,392,000	-
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-13	6,085	-	6,085	-
Fines and Costs:					
Municipal Court	A-13	65,000	-	53,093	(11,907)
Interest and Costs on Taxes	A-13	62,500	-	70,480	7,980
Interest on Investments	A-13	400,000	-	399,254	(746)
Garbage Collection Fees	A-13	4,739	-	3,913	(826)
Uniform Fire Safety Act (Local Fees)	A-13	57,000	-	69,476	12,476
Antenna Lease Fees	A-13	69,875	-	69,848	(27)
Sale of Solar Renewable Energy Credits	A-13	13,200	-	7,251	(5,949)
Quarry Lease Fees	A-13	26,785	-	29,582	2,797
Abandoned and Vacant Property Registration Fees	A-13	14,785	-	14,061	(724)
Energy Receipts Tax (P.L. 1999, Chapters 162 & 167)	A-13	506,370	-	506,370	-
Garden State Trust - PILOT Funds	A-13	36,882	-	36,882	-
Watershed Moratorium offset	A-13	194,721	-	194,721	-
Uniform Construction Code Fees	A-13	182,000	-	251,997	69,997
Hardyston Township MUA - Secretarial/Billing Services	A-13	125,000	-	125,000	-
Hardyston Elementary School - Recycling & Solid Waste Removal	A-13	12,000	-	12,000	-
Hardyston Elementary School - Park Maintenance	A-13	18,360	-	18,360	-
Hardyston Township MUA - Sewer and Water Operations	A-13	305,000	-	305,000	-
Franklin Borough - Construction Code Official	A-13	86,126	-	86,126	-
Hamburg Borough - Construction Code Official	A-13	60,815	-	60,815	-
Hamburg Borough - Solid Waste	A-13	46,520	-	46,520	-
Hamburg Borough - Recycling	A-13	4,150	-	4,150	-
Town of Newton - Construction	A-13	155,000	-	151,539	(3,461)
Sussex Borough - Construction	A-13	33,612	-	33,612	-
Wantage Township - Construction Official	A-13	206,936	-	206,936	-
Hamburg Borough - Field Coordinator	A-13	3,500	-	3,500	-
NJDOT Municipal Aid - Holland Mountain Rd Phase 2	A-22	115,332	-	115,332	-
Recycling Tonnage Grant	A-22	6,786	-	6,786	-
Clean Communities Program	A-22	29,936	-	29,936	-
Municipal Alliance on Alcoholism And Drug Abuse	A-22	5,358	-	5,358	-
NJ Division of Criminal Justice - Body Armor Grant	A-22	1,842	-	1,842	-
Interest on Special Legislative Grant	A-22	6,444	-	6,444	-
Opioid Settlement Funds	A-22	-	9,065	9,065	-
EMMA Grant	A-22	-	10,000	10,000	-
Local Recreation Improvement Grant	A-22	-	60,500	60,500	-
National Fitness Grant	A-22	-	40,000	40,000	-
Uniform Fire Safety Act	A-13	71,475	-	89,825	18,350
Reserve for Payment on Debt	A-13	105,000	-	105,000	-
Reserve for Accumulated Sick - Other Trust Fund	A-13	50,000	-	50,000	-
Total Miscellaneous Revenues	A-1	3,089,134	119,565	3,296,659	87,960
Receipts from Delinquent Taxes	A-1; A-2	347,000	-	319,798	(27,202)
Subtotal General Revenues		4,828,134	119,565	5,008,457	60,758
Amount to be Raised by Taxes for Support of Municipal Budget - Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	8,207,599	-	8,297,676	90,077
Budget Totals		13,035,733	119,565	13,306,133	150,835
Non-Budget Revenue	A-1; A-2		-	738,622	738,622
		$ 13,035,733	119,565	14,044,755	889,457
		A-3	A-3		

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

Township of Hardyston , N.J.

Statement of Revenues - Regulatory Basis

Current Fund

Year Ended December 31, 2025

Analysis of Realized Revenues

	Ref.		
Revenue from Collections	A-1; A-8		35,106,949
Allocated to School and County Taxes	A-8		27,254,273
Balance for Support of Municipal Budget Appropriations			7,852,676
Add : Appropriation - Reserve for Uncollected Taxes	A-3		445,000
Amount for Support of Municipal Budget Appropriations	A-2		$ 8,297,676
Receipts from Delinquent Taxes:			
Delinquent Taxes	A-8	$ 314,141	
Tax Title Liens	A-9	5,657	
			$ 319,798
			A-2

Analysis of Non-budget Revenues

	Ref.		
Miscellaneous Revenues Not Anticipated:			
Board of Health		11,645	
Zoning Permits		11,425	
Application Fees		9,329	
Tax Collector Receipts		176	
Clerk Receipts		9,240	
Senior Citizen and Veterans Administration Fee		1,210	
Cable TV Franchise Tax		25,928	
Soil Log/Perc Test		450	
Miscellaneous / Reimbursements		374	
Sale of Assets		15,349	
Payment in Lieu of Taxes		764	
NJ Hotel Tax		636,763	
Police Receipts		15,969	
	A-2		$ 738,622
			A-4

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Operations - within "CAPS":					
Administrative and Executive:					
Salaries and Wages	$	188,744	183,744	182,014	1,730
Other Expenses:					
Use of Office Equipment and Supplies		7,500	7,500	4,531	2,969
Miscellaneous Other Expenses		70,750	70,750	61,641	9,109
Elections:					
Other Expenses		8,000	8,000	7,970	30
Financial Administration:					
Salaries and Wages		91,137	101,137	101,126	11
Other Expenses		80,605	88,105	67,345	20,760
Computer Technology/Maintenance:					
Other Expenses		64,144	64,144	53,244	10,900
Collection of Taxes:					
Salaries and Wages		82,751	82,751	81,917	834
Other Expenses		14,445	25,445	13,528	11,917
Assessment Of Taxes:					
Salaries and Wages		99,779	99,779	99,778	1
Other Expenses		19,275	19,275	15,081	4,194
Legal Services and Costs:					
Other Expenses		77,500	77,500	52,582	24,918

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Engineering Services and Costs:					
Other Expenses		33,500	44,700	27,018	17,682
Economic Development Commission:					
Other Expenses		13,250	13,250	1,362	11,888
Municipal Land Use Law (N.J.S. 40:55D-11):					
Planning Board:					
Salaries and Wages		106,935	106,935	106,934	1
Other Expenses		38,700	38,700	32,756	5,944
Insurance:					
Other Insurance Premiums		200,595	200,595	198,644	1,951
Workers' Compensation Insurance		69,886	69,886	69,886	-
Employee Group Health Insurance		737,172	740,172	721,643	18,529
Health Benefit Waiver		82,000	76,395	74,415	1,980
Unemployment Compensation Insurance		12,330	14,430	14,357	73
Disability Insurance		38,100	41,100	36,458	4,642
Public Safety:					
Police:					
Salaries and Wages:		2,781,624	2,781,624	2,699,899	81,725
Other Expenses		102,730	102,730	62,075	40,655
Purchase of Police Cars		112,625	112,625	860	111,765
Purchase and Maintenance of Uniforms		24,000	24,000	10,359	13,641

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Police Communications:					
Salaries and Wages		457,337	446,337	427,233	19,104
Other Expenses		67,296	67,296	36,956	30,340
Emergency Management Services:					
Salaries and Wages		11,085	11,085	11,084	1
Other Expenses		10,500	10,500	7,705	2,795
Aid to Volunteer Fire Companies		58,500	58,500	41,405	17,095
Fire Prevention Bureau:					
Salaries and Wages		95,081	95,081	94,411	670
Other Expenses		6,090	6,090	5,880	210
Municipal Prosecutor:					
Other Expenses		17,700	17,700	17,600	100
Municipal Court:					
Salaries and Wages		38,023	38,023	38,022	1
Other Expenses		102,600	102,600	100,792	1,808
Streets and Roads:					
Road Repairs and Maintenance:					
Salaries and Wages		455,068	495,068	491,207	3,861
Other Expenses:					
Miscellaneous Other Expenses		364,325	323,725	154,115	169,610
Road Equipment Repair & Maintenance		180,500	180,500	141,361	39,139
Recycling:					
Other Expenses		184,250	184,250	179,369	4,881

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Buildings & Grounds:					
Other Expenses		135,300	152,800	130,596	22,204
Gypsy Moth Suppression					
Other Expenses		14,500	14,500	14,500	-
Dog Regulation:					
Other Expenses		13,710	13,710	11,462	2,248
Contribution to Senior Citizens Center:					
Other Expenses		2,000	2,000	2,000	-
Senior Citizen Transportation:					
Other Expenses		17,500	17,500	10,598	6,902
PEOSHA:					
Hepatitis - B Vaccination		500	500	-	500
Recreation and Education:					
Recreation:					
Salaries and Wages		15,750	14,250	13,828	422
Other Expenses		32,725	32,725	28,002	4,723
State Uniform Construction Code:					
Construction Official:					
Salaries and Wages		103,604	98,604	97,983	621
Other Expenses		7,792	7,792	7,093	699
Zoning Enforcement Officer:					
Salaries and Wages		31,950	34,555	34,019	536
Other Expenses		1,100	1,100	670	430

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Unclassified:					
Celebration of Public Events:					
Other Expenses		7,500	7,500	5,915	1,585
Accumulated Leave Compensation		25,000	25,000	25,000	-
Utility Expense/ Bulk Purchases:					
Electricity		60,000	61,500	50,022	11,478
Street Lighting		34,500	34,500	15,183	19,317
Telephone		48,500	83,500	69,274	14,226
Fuel Oil		35,000	33,000	22,926	10,074
Gasoline		95,000	70,000	51,145	18,855
Diesel Fuel		55,000	51,000	36,139	14,861
Natural Gas		35,000	35,000	24,468	10,532
Revaluation of Real Property		50,000	50,000	41,665	8,335
Total Operations within "CAPS"		8,028,363	8,073,063	7,237,051	836,012
Detail:					
Salaries and Wages	A-1	4,558,868	4,588,973	4,479,455	109,518
Other Expenses	A-1	3,469,495	3,484,090	2,757,596	726,494

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Deferred Charges and Statutory Expenditures - Municipal within "CAPS"					
Statutory Expenditures:					
Contribution to:					
Public Employees Retirement System		376,824	371,324	371,324	-
Social Security System (O.A.S.I.)		395,350	357,350	353,182	4,168
Police and Firemen's Retirement System of N.J.		895,995	895,995	895,995	-
DCRP		5,500	4,300	2,869	1,431
Total Deferred Charged and Statutory Expenditures - Municipal within "CAPS"	A-1	1,673,669	1,628,969	1,623,370	5,599
Total General Appropriations for Municipal Purposes within "CAPS"		9,702,032	9,702,032	8,860,421	841,611
Operations - Excluded from "CAPS":					
Reserve for Tax Appeals		30,000	30,000	-	30,000
Emergency Services Volunteer Length of Service Award Program - Other Expenses		38,000	38,000	-	38,000
Insurance					
Employee Group Health Insurance		60,648	60,648	60,648	-
Interlocal Municipal Service Agreements:					
Hardyston Twp. M.U.A. Sec./Billing Clerk Salaries and Wages		125,000	125,000	125,000	-

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Hardyston Elementary School - Park Maint.					
Other Expenses		18,360	18,360	18,360	-
Hardyston Township M.U.A. Water/Sewer Operations					
Other Expenses		305,000	305,000	305,000	-
Franklin Borough - Construction Code Official					
Salaries and Wages		86,126	86,126	66,950	19,176
Hamburg Borough - Construction Code Official					
Salaries and Wages		60,815	60,815	53,724	7,091
Hardyston Elementary School- Recycle/Solid					
Other Expenses		12,000	12,000	12,000	-
Hamburg Borough - Recycling					
Other Expenses		46,520	46,520	46,520	-
Newton - Construction Code Official					
Salaries and Wages		155,000	155,000	151,500	3,500
Sussex Borough - Construction Code Official					
Other Expenses		33,612	33,612	26,587	7,025
Wantage Township - Construction Code Official					
Salaries and Wages		206,936	206,936	195,940	10,996
Hamburg Borough - Solid Waste					
Other Expenses		4,150	4,150	4,150	-
Hamburg Borough Field Coordinator					
Salaries and Wages		3,500	3,500	3,500	-

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Public and Private Programs Offset by Revenues:					
Municipal Alliance on Alcoholism and Drug Abuse:					
State Share		5,358	5,358	5,358	-
Body Armor Grant		1,842	1,842	1,842	-
Recycling Tonnage Grant		6,786	6,786	6,786	-
Clean Communities Program		29,936	29,936	29,936	-
Interest on Special Legislative Grant		6,444	6,444	6,444	-
NJDOT Municipal Aid - Holland Mountain Rd Phase 2		115,332	115,332	115,332	-
Opioid Settlement Funds		-	9,065	9,065	-
EMMA Grant		-	10,000	10,000	-
Local Recreation Improvement Grant		-	60,500	60,500	-
National Fitness Grant		-	40,000	40,000	-
Total Operations - Excluded from "CAPS"		1,351,365	1,470,930	1,355,142	115,788
Detail:					
Salaries & Wages	A-1	637,377	633,877	596,614	40,763
Other Expenses	A-1	713,988	837,053	758,528	75,025
Capital Improvements					
Capital Improvement Fund		25,000	25,000	25,000	-
Various Capital Equipment Purchases		459,900	459,900	459,900	-
Total Capital Improvements Excluded from "CAPS"	A-1	484,900	484,900	484,900	-

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Municipal Debt Service:					
Payment of Bond Principal		765,000	765,000	765,000	-
Interest on Bonds		206,406	206,406	206,406	-
Total Municipal Debt Service-Excluded from "CAPS"	A-1	971,406	971,406	971,406	-
Deferred Charges:					
Special Emergency Authorization - 5 Years		50,000	50,000	50,000	-
Ordinance 13-01 (Sweeper)		19,500	19,500	19,500	-
Ordinance 13-08 (911 Equipment)		4,750	4,750	4,750	-
Ordinance 19-07 (Fire Protection System)		6,780	6,780	6,780	-
Total Deferred Charges - Municipal - Excluded from "CAPS"	A-1	81,030	81,030	81,030	-
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		2,888,701	3,008,266	2,892,478	115,788
Subtotal General Appropriations		12,590,733	12,710,298	11,752,899	957,399
Reserve for Uncollected Taxes		445,000	445,000	445,000	-

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

Township of Hardyston , N.J.

Statement of Expenditures - Regulatory Basis

Current Fund

Year Ended December 31, 2025

General Appropriations	Ref.	Budget	After Modification	Paid or Charged	Reserved
Total General Appropriations		$ 13,035,733	13,155,298	12,197,899	957,399
Analysis of Modified Budget					
Adopted Budget	A-2		13,035,733		
Appropriated by N.J.S.A. 40A:4-87	A-2		119,565		
			$ 13,155,298		
Analysis of Paid or Charged					
Reserve for Uncollected Taxes	A-2			445,000	
Cash Disbursements	A-4			11,412,573	
Deferred Charges	A-11			50,000	
Schedule of Interfunds	A-14			5,063	
Reserve for Federal and State Grants	A-23			285,263	
				$ 12,197,899	
Analysis of Appropriation Reserve					
Unencumbered	A				530,981
Encumbered	A				426,418
					$ 957,399

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

Township of Hardyston , N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31,

Assets	Ref.		2025	2024
Assessment Fund:				
Cash	B-1;B-2	$	134,250	88,446
Assessment Receivable	B-3		489,654	579,936
Assessment Liens	B-4		6,381	6,381
Amount to be Raised by Taxes				
Property Acquired for Taxes	B-5		2,531	2,531
Interfunds Receivable	B-6		-	2,078
			632,816	679,372
Animal Control Trust Fund				
Cash	B-1		13,589	17,797
Interfund Recievable	B-9		2,600	-
			16,189	17,797
Other Trust Funds:				
Cash	B-1		3,812,753	3,753,917
Interfund Animal Control Trust	B-13		4,390	4,390
Interfund Current Fund	B-14		155,858	2,410
			3,973,001	3,760,717
Emergency Services Volunteer Length of Service Award Program (Unaudited)				
Cash	B-1		667,889	563,253
Contributions Receivable	B-17		27,600	29,900
			695,489	593,153
		$	5,317,495	5,051,039

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

Township of Hardyston , N.J.

Comparative Balance Sheet - Regulatory Basis

Trust Funds

December 31,

Liabilities, Reserves & Fund Balance	Ref.		2025	2024
Assessment Fund:				
Interfunds Payable	B-6	$	505,549	507,312
NJDEP Loan Payable	B-7		111,984	156,777
Reserve for Assessments and Liens	B-8		15,283	15,283
			632,816	679,372
Animal Control Trust Fund				
Interfunds Payable	B-9		-	4,410
Reserve for Dog Fund Expenditures	B-11		16,189	13,386
Encumbrances Payable	B-12		-	1
			16,189	17,797
Other Trust Fund:				
Reserve for Encumbrances	B-15		83,126	21,921
Various Reserves	B-16		3,889,875	3,738,796
			3,973,001	3,760,717
Emergency Services Volunteer Length of Service Award Program (Unaudited)				
Net Assets Available for Benefits	B-18		695,489	593,153
		$	5,317,495	5,051,039

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

Township of Hardyston , N.J.

Comparative Balance Sheet- Regulatory Basis

General Capital Fund

December 31,

	Ref.		2025	2024
Assets				
Cash	C-2; C-3	$	2,231,002	2,824,210
Deferred Charges to Future Taxation:				
Funded	C-4		5,760,000	6,525,000
Unfunded	C-5		2,024,250	2,048,500
Interfund Assessment Trust Fund	C-10		500,532	507,312
			10,515,784	11,905,022
Liabilities, Reserves and Fund Balance				
Serial Bonds Payable	C-6		5,760,000	6,525,000
Improvement Authorizations:				
Funded	C-7		1,343,316	1,730,903
Unfunded	C-7		166,706	166,706
Capital Improvement Fund	C-8		63,820	38,820
Interfund Current Fund	C-10		48,049	59,769
Various Reserves	C-11		802,127	987,457
Reserve for Encumbrances	C-12		2,322,534	2,282,135
Fund Balance	C-1		9,232	114,232
		$	10,515,784	11,905,022

Footnote: There were Bonds and Notes Authorized But Not Issued on December 31, 2025 and 2024 in the amount of $2,024,250 and $2,048,500, respectively, as show on Exhibit C-13.

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

Township of Hardyston , N.J.

Comparative Statement of Fund Balance - Regulatory Basis

General Capital Fund

Year Ended December 31,

	Ref.		2025	2024
Balance - January 1,	C	$	114,232	114,232
Decreased by:				
Anticipated Revenue in Current Fund	C-2		105,000	-
Balance - December 31,	C	$	9,232	114,232

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

Township of Hardyston

Comparative Statement of General Fixed Assets - Regulatory Basis

December 31, 2025 and 2024

		Balance Dec. 31, 2025	Balance Dec. 31, 2024
General Fixed Assets:			
Land / Land Improvements and Buildings	$	7,420,900	7,420,900
Machinery and Equipment		9,124,860	9,002,964
	$	16,545,760	16,423,864
Investment in Fixed Assets	$	16,545,760	16,423,864

The accompanying "Notes to Financial Statements" are an integral part of these 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 generally accepted accounting principles (GAAP).

The financial statements of the Township of Hardyston (the "Township") 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 generally accepted accounting principles. 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 Hardyston operates under a Mayor/Council form of government. The Township's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

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 and the First Aid Squad 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:

Current Fund - This fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grants.

Trust Funds - Trust Funds are used to account for assets held by the government in a trustee capacity. Funds held by the Township as an agent for individual, private organizations, or other governments are recorded in the Trust Funds.

> Assessment Trust - This fund deals with the handling of special assessment levies against property for the cost of an improvement, the whole or a part of which costs are levied against the property receiving the benefit.
>
> Other Trust Fund - This fund is established to account for the assets and resources which are also held by the Township as a trustee or agent for individuals, private organizations, other governments and/or other funds.
>
> Dog License Fund - This fund is used to account for fees collected from dog licenses and expenditures which are regulated by NJS 4:19-15.11.
>
> Emergency Services Volunteer Length of Service Award Program - This fund is used to account for the cumulative payments to participant's in the emergency services volunteer length of service award program including any income, gains, losses or increases or decreases in market value attributable to the investment of the participant's length of service awards.

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.

General Fixed Asset Account Group - To account for all fixed assets of the Township. The Township's infrastructure is not reported in the 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. 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 generally accepted accounting principles (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 in the fiscal year levied, 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. 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)

Basis of Accounting, (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. 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
Trust Funds

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 last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line-item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line-item level. During 2025, the Township increased the original budget $119,565 by four special items of revenue and appropriation under N.J.S.A. 40A:4-87. In addition, several budget transfers were approved by the governing body.

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.

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

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

Basis of Accounting, (continued)

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 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.

Encumbrances - Contractual orders outstanding at December 31, are reported as expenditures through the establishment of encumbrances 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.

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

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

Basis of Accounting, (continued)

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 costs which approximates fair value 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.

Fixed Assets - The Township of Hardyston 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.

All fixed assets are valued at historical cost or estimated historical cost if actual 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.

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

The Township's fixed assets have been updated for the year ended December 31, 2025.

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

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

Basis of Accounting, (continued)

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.

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.

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

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

Recently Issued Accounting Pronouncements, (continued)

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.

[THIS AREA INTENTIONALLY LEFT BLANK]

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. 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, $-0- of the Township's bank balance of $15,053,211 was exposed to custodial credit risk. In comparison, as of December 31, 2024, $-0- of the Township's bank balance of $15,809,242 was 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.

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS, (continued)

New Jersey Cash Management Fund - all investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

As of December 31, 2025, the Township had $493,054 on deposit with the New Jersey Cash Management Fund.

Concentration of Credit Risk

The Township places no limit on the amount the Township may invest in any one issuer.

Unaudited Investments

As more fully described in Note 14, 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 $667,889 and $563,253, respectively.

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

	2025	2024
AF Growth	$ 78,783	$ 63,206
Fidelity VIP Growth	33,918	29,044
Fixed	86,195	79,902
LVIP SSGA S & P 500 Index	210,089	174,173
Investments under 5%	258,904	190,525
Total	$ 667,889	$ 563,253

NOTE 3. MUNICIPAL DEBT

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

	Balance Dec. 31, 2024	Additions	Reductions	Balance Dec. 31, 2025	Amounts Due Within One Year
Bonds Payable - General Obligation Debt	$ 6,525,000	$ -	$ 765,000	$ 5,760,000	$ 865,000
Loans Payable - Assessment Trust: NJDEP Trust Loan	156,777	-	44,793	111,984	44,793
Other Liabilities - Compensated Absences Payable	87,320	4,655	-	91,975	-
	$ 6,769,097	$ 4,655	$ 809,793	$ 5,963,959	$ 909,793

	Balance Dec. 31, 2023	Additions	Reductions	Balance Dec. 31, 2024	Amounts Due Within One Year
Bonds Payable - General Obligation Debt	$ 7,415,000	$ -	$ 890,000	$ 6,525,000	$ 765,000
Loans Payable - Assessment Trust: NJDEP Trust Loan	201,570	-	44,793	156,777	44,793
Other Liabilities - Compensated Absences Payable	114,336	-	27,016	87,320	-
	$ 7,730,905	$ -	$ 961,809	$ 6,769,097	$ 809,793

Summary of Municipal Debt

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.

NOTE 3. MUNICIPAL DEBT, (continued)

The Township's debt is summarized as follows:

	Year 2025	Year 2024	Year 2023
Issued:			
General:			
Bonds and Notes	$ 5,760,000	$ 6,525,000	$ 7,415,000
Assessment Trust:			
Notes and Loans	111,984	156,777	201,570
Total Issued	5,871,984	6,681,777	7,616,570
Authorized But Not Issued:			
General:			
Bonds and Notes	2,024,250	2,048,500	72,750
Less:			
Assessment Trust Cash	8,246	25,300	42,630
Net Bonds and Notes Issued and Authorized But Not Issued	$ 7,887,988	$ 8,704,977	$ 7,646,690

Summary of Statutory Debt Condition - Annual Debt Statements

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.453%.

2025	Gross Debt	Deductions	Net Debt
Local and Regional School District Debt	$ 7,502,610	$ 7,502,610	$ -
General Debt	7,784,250	-	7,784,250
Assessment Debt	111,984	8,246	103,738
	$15,398,844	$ 7,510,856	$ 7,887,988

Net debt of $7,887,988 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of $1,741,481,514 equals 0.453%

NOTE 3. MUNICIPAL DEBT, (continued)

Summary of Statutory Debt Condition - Annual Debt Statements

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.561%.

2024	Gross Debt	Deductions	Net Debt
Local and Regional School District Debt	$ 10,895,000	$ 10,895,000	$ -
General Debt	8,573,500	-	8,573,500
Assessment Debt	156,777	25,300	131,477
	$ 19,625,277	$ 10,920,200	$ 8,704,977

Net debt of $8,704,977 divided by equalized valuation basis per N.J.S.A. 40A:2-2 as amended of $1,552,819,645 equals 0.561%

	2025	**2024**
3 1/2% of Equalized Valuation Basis (Municipal)	$ 60,951,853	54,348,588
Net Debt	7,887,988	8,704,977
Remaining Borrowing Power	$ 53,063,865	45,643,611

The foregoing debt information is not in agreement with the Annual Debt Statements filed by the Chief Financial Officer.

NOTE 3. MUNICIPAL DEBT, (continued)

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

Paid by Current Fund	2025	2024
General Improvement Bonds of 2015 with an interest rate of 2.75%, issued April 7, 2015, due through April 1, 2029	$ 595,000	745,000
General Refunding Bonds of 2015 with variable interest rates of 3.00% to 4.00%, issued February 1, 2015 due through February 1, 2030	1,290,000	1,580,000
General Improvement Bonds of 2023 with variable interest rates between 1.00% to 4.00%, issued August 1, 2023, due through August 1, 2033	3,875,000	4,200,000
	$ 5,760,000	$6,525,000

Assessment Trust:

New Jersey Department of Environmental Protection Loan, issued May 29, 2014, due May 29, 2028	$ 111,984

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.

In addition to the above, the Township had authorized but not issued debt as follows:

General Capital	$2,024,250

TOWNSHIP OF HARDYSTON, N.J.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025 AND 2024
(continued)

NOTE 3. MUNICIPAL DEBT, (continued)

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

	General Capital Fund			Assessment Trust Fund		
Year	Principal	Interest	Total	Principal	Interest	Total
2026	$ 865,000	187,806	1,052,806	42,833	1,961	44,794
2027	890,000	167,831	1,057,831	43,693	1,100	44,793
2028	900,000	138,706	1,038,706	22,175	222	22,397
2029	905,000	104,650	1,009,650	-	-	-
2030	635,000	75,856	710,856	-	-	-
2031-2033	1,565,000	105,463	1,670,463	-	-	-
	$ 5,760,000	780,313	6,540,313	108,702	3,283	111,984

	Grand Totals		
Year	Principal	Interest	Total
2026	$ 907,832	189,767	1,097,600
2027	933,693	168,931	1,102,625
2028	922,175	138,928	1,061,103
2029	905,000	104,650	1,009,650
2030	635,000	75,856	710,856
2031-2033	1,565,000	105,463	1,670,463
	$ 5,868,701	783,595	6,652,296

NOTE 4. SCHOOL TAXES

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district. The Township of Hardyston has not elected to defer local school or regional high school district taxes.

NOTE 5. PENSION 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).

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.

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and 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

NOTE 5. PENSION PLANS, (continued)

Benefits Provided, (continued)

Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Police and 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 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. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

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

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

NOTE 5. PENSION PLANS, (continued)

Police and Firemens' Retirement System (PFRS), (continued)

Defined Contribution Retirement Program

Prudential Financial 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.

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 except the SACT. 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.

NOTE 5. PENSION PLANS, (continued)

Contribution Requirements, (continued)

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

Year	PERS	PFRS	DCRP
2025	$371,324	$895,995	$2,869
2024	367,533	819,306	2,800
2023	366,469	782,801	3,810

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.

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

Public Employees Retirement System (PERS)

At June 30, 2025, the Township had a liability of $3,041,156 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2025. 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, 2025, the Township's proportion was 0.027275622 percent, which was an increase/(decrease) of (0.0029651203) percent from its proportion measured as of June 30, 2024.

For the year ended December 31, 2025, the Township recognized pension expense of $371,324.

NOTE 5. 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)

At June 30, 2025, deferred outflows of resources and deferred inflows of resources related to PERS from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 86,709	$ 3,250
Changes of assumptions	480	35,037
Net difference between projected and actual earnings on pension plan investments	-	253,592
Changes in proportion and differences between the Township's contributions and proportionate share of contributions	38,750	458,399
Total	$ 125,939	$ 750,278

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2025) 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:	
2026	$ 56,326
2027	(117,564)
2028	(90,720)
2029	(53,104)
2030	372

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 5.15, 5.08, 5.08, 5.04, 5.13 and 5.16 years for 2025, 2024, 2023, 2022, 2021 and 2020 amounts, respectively.

NOTE 5. 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)

Additional Information

Local Group Collective balances net of non-employer (State of New Jersey) balances at June 30, 2025 and June 30, 2024 are as follows:

	June 30, 2025	June 30, 2024
Collective deferred outflows of resources	$1,093,964,592	$1,079,580,780
Collective deferred inflows of resources	1,921,744,319	1,611,322,898
Collective net pension liability	12,298,650,125	13,588,045,796
Township's Proportion	0.0247275622%	0.0276926825%

Actuarial Assumptions

The collective total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of July 1, 2024, which rolled forward to June 30, 2025. This actuarial valuation used the following assumptions, applied to all periods in the measurement.

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	3.25%-7.75% based on years of service
Investment Rate of Return	7.00%

NOTE 5. 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)

Mortality Rates

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

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2021 to June 30, 2024.

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, 2025) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2025 are summarized in the following table:

NOTE 5. 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)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.55%
Non-U.S. Developed Market Equity	12.75%	8.77%
International Small Cap Equity	1.25%	8.77%
Emerging Market Equity	5.50%	10.30%
Private Equity	13.00%	12.00%
Real Estate	8.00%	10.78%
Real Assets.	3.00%	7.90%
High Yield	4.50%	6.63%
Private Credit	8.00%	9.00%
Investment Grade Credit	7.00%	5.47%
Cash Equivalents	2.00%	3.61%
U.S. Treasuries	4.00%	3.61%
Risk Mitigation Strategies	3.00%	7.26%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer 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.

NOTE 5. 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)

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, 2025 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, 2025		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Township's proportionate share of the pension liability	$4,172,842	$3,041,156	$2,076,660

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.

Police and Firemen's Retirement System (PFRS)

At June 30, 2025, the Township had a liability of $6,383,550 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2025. 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, 2025, the Township's proportion was 0.0636507 percent, which was an increase/(decrease) of (.00112442) percent from its proportion measured as of June 30, 2024.

NOTE 5. 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)

For the year ended December 31, 2025, the Township recognized pension expense of $895,995.

At June 30, 2025, 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 in actual and expected experience	$ 522,982	$ 121,325
Changes of assumptions	319,304	80,701
Net difference between projected and actual earnings on pension plan investments	-	312,714
Changes in proportion and differences between Township's contributions and proportionate share of contributions	559,954	143,412
Total	$1,402,240	$ 658,152

Amounts reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (June 30, 2025) 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:	
2026	$ 356,842
2027	(102,049)
2028	(52,762)
2029	28,032
2030	97,514

NOTE 5. 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), (continued)

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 5.86, 6.09, 6.16, 6.22, 6.17 and 5.90 years for 2025, 2024, 2023, 2022, 2021 and 2020 amounts, respectively.

Additional Information

Local Group Collective balances net of non-employer (State of New Jersey) balances at June 30, 2025 and June 30, 2024 are as follows:

	June 30, 2025	June 30, 2024
Collective deferred outflows of resources	$1,956,190,968	$1,350,388,724
Collective deferred inflows of resources	1,441,590,785	1,421,121,200
Collective net pension liability	10,029,033,268	10,326,599,453
Township's Proportion	0.06365070%	0.06477512%

Actuarial Assumptions

The collective total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of July 1, 2024, which rolled forward to June 30, 2025. This actuarial valuation used the following actuarial assumptions.

Inflation Rate:	
Price	2.50%
Wage	3.00%
Salary Increases:	
Through all future years	4.00%-17.50% (based on years of service)
Investment Rate of Return	7.00%

NOTE 5. 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), (continued)

Mortality Rates

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

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2021 to June 30, 2024.

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, 2025) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2025 are summarized in the following table:

NOTE 5. 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), (continued)

Long-Term Rate of Return, (continued)

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%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the non-employer contributing entity will be based on 78% 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.

NOTE 5. 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), (continued)

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, 2025, 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, 2025		
	1% Decrease 6.00%	At Current Discount Rate 7.00%	1% Increase 8.00%
Township's proportionate share of the pension liability	$9,875,720	$6,383,550	$3,459,980

Special Funding Situations - 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 non-employer 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 non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

NOTE 5. 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), (continued)

At June 30, 2025 and 2024, the State proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is $1,295,843 and $1,253,002, respectively. For the years ended June 30, 2025 and 2024, the pension system has determined the State proportionate share of the pension expense attributable to the Township for the PFRS special funding situation is $153,595 and $142,526, respectively, in comparison to the actual contributions the State made on behalf of the Township of $153,595 and $143,295, 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, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed at via the New Jersey, Division of Pension and Benefits, website at www.state.nj.us/treasury/pensions.

NOTE 6. OTHER POST EMPLOYMENT BENEFITS (OPEB)

PLAN OVERVIEW

Township of Hardyston ("Hardyston") provides post-employment benefits other than pensions ("OPEB") to employees who meet certain criteria. As a result of offering such benefits, Hardyston will be required to report the value of such benefits and the associated costs according to the accounting requirements of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting "by Employers for Postemployment Benefits Other Than Pensions ("GASB 75").

The summary below presents the results of the actuarial valuation of the post-retirement medical obligations as of December 31, 2024, including a determination of financial reporting information for the year ending December 31, 2024.

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB), (continued)

Contributions to pay for the health premiums of participating retirees in the Municipal Reinsurance Health Insurance Fund (MRHIF) are billed to the Township of Hardyston on a monthly basis. Funds for retiree health premiums are raised each year in the municipality via property taxes. There is no cost sharing policies that the current retirees contribute.

Results of Valuation

- *Total OPEB Liability*

The Total OPEB Liability ("TOL") is the actuarial accrued liability.

(1) Actives	$	833,258
(2) Retirees	$	1,809,876
(3) Total	$	2,643,134

- *Net OPEB Liability*

The Net OPEB Liability ("NOL") is the TOL less the Fiduciary Net Position (Assets). Since there are no plan assets to offset the liability, the two are equal.

(1) Total	$	2,643,134
(2) Fiduciary Net Position (Assets)	$	-
(3) NOL	$	2,643,134

- *Total OPEB Expense*

The Total OPEB Expense ("TOE") is the measure of annual cost based on the actuarial funding method utilized. It is comprised of the "Service Cost" (aka "normal cost") which is the portion of future liabilities attributable to the measurement year, plus the recognized portion of the experience gain or loss and interest on the NOL during the year.

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB), (continued)

The TOE as of December 31, 2025 is $36,424.

- *Impact of 1% Change in Discount Rate*

  Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. If the discount rate were to increase by 1% per annum, the NOL as of December 31, 2024 would decrease to $2,514,968 and if it were to increase by 1%, the NOL would increase to $2,787,950.

- *Impact of 1% Change in Trend Rate*

  Actuarial measurements are sensitive to changes in actuarial assumptions and where actual experience differs from assumptions. If medical trend were to increase by 1% per annum, the NOL as of December 31, 2024 would increase to $2,763,507 and if it were to decrease by 1%, the NOL would decrease to $2,533,557.

Basis of Valuation

This valuation has been conducted based on census, plan design and financial information provided by the Fund. Census includes 6 retirees and spouses currently receiving retiree benefits, and 41 active participants of whom 2 are eligible to retire as of the valuation date. The average age of the active population is 45 and the average age of the retiree population is 59.

Actuarial assumptions were selected with the intention of satisfying the requirements of New Jersey Local Finance Notice 2007-15 in addition to Statement of Government Accounting Standard Number 75.

Demographic assumptions were selected based on those used in the State Division of Pensions and Benefits in calculation pension benefits taken from the July 1, 2023 report from Cheiron. While some assumptions were simplified to reflect the smaller population, and to simplify the valuation process, the valuation results reasonably conform to the requirements of LFN 2007-15.

Health care (economic) assumptions were selected based on those used by the State Health Benefits Program in calculating SHBP member OPEB requirements taken from the July 1, 2023 report from Aon Consultants.

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB), (continued)

Key Actuarial Assumptions

Mortality	*PUB 2010 "General" classification headcount weighted mortality with generational improvement using Scale MP-2024*
Turnover	*NJ State Pensions Ultimate Withdrawal Rates - prior to benefits eligibility*
Assumed Retirement Age	*At first eligibility after the completion of 25 years of service*
Full Attribution Period	*Service to Assumed Retirement Age*
Annual Discount Rate	*3.72% Based on the Bond Buyer 20 Index December 31, 2022* *3.26% Based on the Bond Buyer 20 Index December 31, 2023* *4.08% Based on the Bond Buyer 20 Index December 31, 2024*
CPI Increase	*2.5%*
Rate of Salary Increase	*2.5%*
Medical Travel	*Medical: 6.5% in 2024, reducing by 0.25% per annum, leveling at 4.5% per annum in 2032* *Drug: 14.0% in 2024, 10.0% in 2025, 7.5% in 2026, reducing by 0.75% per annum, leveling at 4.5% per annum in 2030* *Medicare Advantage: 4.5% per annum* *Dental and Vision: 3.5% per annum*
Medical Cost Aging Factor	*NJ SHBP Medical Morbidity Rates*

- Attribution period - The attribution period begins with the date of hire and ends with full benefits eligibility date.

- Per capita cost methods - The employer will pay in full the single premium and in addition 50% of either the spouse or child portion of the premium in excess of the single premium. The age specific cost was derived based on per person costs at the average age of the active population (45) and scaled to each age based on the medical cost aging factors. At 65, benefits cease.

- Retiree contribution - The retiree pays the difference between total cost of coverage and the amount paid by the employer. Dependents of future retirees are not covered.

- Actuarial valuation method - Entry Age Normal Funding Method based on a level percentage of salary. 2024 salaries were reported as $3.697 million.

TOWNSHIP OF HARDYSTON, N.J.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025 AND 2024
(continued)

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB), (continued)

Net OPEB Liability as of 12/31/2024

Net OPEB Liability December 31, 2023	$2,576,180
Service Cost	92,741
Interest on total OPEB Liability - over measurement period	85,639
Benefit payments	(83,856)
Changes in Assumptions	(15,455)
Difference between expected and actual experience	(12,115)
Changes in Benefits	-
Total OPEB Liability December 31, 2025	$2,643,134

Total OPEB Expense Calculation as of 12/31/2024

Service Cost	$92,741
Interest on total OPEB Liability - over measurement period	85,639
Recognition of experience changes	(115,160)
Recognition of Assumption changes	(26,796)
Benefit Changes	231,193
Total OPEB expense recognized	$36,424

Interest on Total OPEB Liability

	Amount (a)	Time Period* (b)	Interest (c)	Calculation (a) x (b) x (c)
Beginning of Year Total OPEB Liability	$2,576,180	1.0	0.0326	$83,983
Service cost	92,741	1.0	0.0326	3,023
Benefit Payments	(83,856)	0.5	0.0326	(1,367)
Interest on Total OPEB Liability				$85,639

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB), (continued)

Special Funding Situation PFRS

In addition to the pension described in Note 5, the Township does not provide post-employment health care benefits as part of the State Health Benefits Local Government Retired Employments Plan. However, benefits are provided as describe below:

Under Chapter 330, P.L. 1997, the State shall pay the premium or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium or periodic charge for the category of coverage elected by the qualified retiree under the State managed care plan or a health maintenance organization participating in the program providing the lowest premium or periodic charge. The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under chapter 271, P.L. 1989.

Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No, 75 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan, there is no net OPEB liability, deferred inflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation.

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 December 31, 2025, the State's proportionate share of the net OPEB liability attributable to the Township for the PFRS special funding situation is $6,168,761 and the State's proportionate share of the OPEB expense for the PFRS special funding situation is $(597,649).

NOTE 7. FUND BALANCES

Fund balances as of December 31, 2025 and 2024 that have been anticipated as revenue in the 2026 and 2025 budget is as follows:

	2026	2025
Current Fund	$1,400,000	$1,392,000

NOTE 8. FIXED ASSETS

The following is a summary of changes in the general fixed asset account group for the year 2025.

	Dec. 31, 2024	Increases	Decreases	Dec. 31, 2024
Land, Buildings and Improvements	$ 7,420,900	$ -	$ -	$ 7,420,900
Machinery & Equipment	9,002,964	473,948	352,052	9,124,860
	$16,423,864	$ 473,948	$ 352,052	$16,545,760

NOTE 9. ACCRUED SICK AND VACATION BENEFITS

Under the existing policies and labor agreements of the Township, employees are allowed to accumulate (with certain restrictions) unused sick pay over the life of their working careers up to a maximum of 150 days. Of the days accumulated one-third will be paid as terminal leave upon retirement.

The estimated current cost of such unpaid compensation is $91,975. This amount is not reported either as an expenditure or liability. The Township has reserved $819,163 from previous budgets to be used to offset this liability and is reflected on the Trust Fund balance sheet. See Exhibit B-16 for an analysis. It is expected that any remaining cost of such unpaid compensation would be included in the Township's budget operating expenditures in the year in which it is used.

NOTE 10. INTERFUND BALANCES AND ACTIVITY

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

$3,169,953	Due to Federal and State Grant Fund from Current Fund various receipts and disbursements.
5,017	Due to Current Fund from Assessment Trust Fund for various receipts and disbursements.
500,532	Due to General Capital Fund from Assessment Trust Fund for various receipts and disbursements.
48,049	Due to Current Fund from General Capital Fund for interest earned and General Capital Fund.
6,990	Due to Animal Control Trust from Current Fund for various receipts and disbursements.
155,858	Due to Other Trust Funds from Current Fund for various receipts and disbursements.
4,390	Due to Other Trust Funds from Animal Control Trust for various receipts and disbursements.
$3,890,789	

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

NOTE 11. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP)

On January 17, 2001, the Division of Local Government Services approved the Township's LOSAP plan, provided by Lincoln Financial Group. The purpose of this plan is to enhance the Township's ability to retain and recruit volunteer firefighters and volunteer members of emergency service squads.

Lincoln Financial Group will provide for the benefit of participants, a multi-fund variable annuity contract as its funding vehicle. The plan shall provide for a fixed annual contribution of $1,150.00 to each eligible volunteer who accumulates a minimum of 350 service points based on criteria established by Township Ordinance No. 2000-17. The Township's contribution shall be included in the current years budget.

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 in the awards made 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.

NOTE 11. EMERGENCY SERVICES VOLUNTEER LENGTH OF SERVICE AWARD PLAN (LOSAP), (continued)

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 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 2023 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 Hardyston is currently a member of the Garden State Municipal Joint Insurance Fund (the "Fund"). The Fund provides their members with Liability, Property and Workers' Compensation and Employer Liability Insurance. The Fund is a risk-sharing public entity risk pool that is both an insured and self administered group of municipalities established for the purpose of providing low-cost insurance coverage for their respective members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

As a member of the Fund, the Township could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective share of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

Financial statements for the Fund are available at the office of the Fund's Executive Director, NIP Group, Inc., Woodbridge, New Jersey.

NOTE 13. 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	$381,326	$456,084
Cash Liability for Taxes Collected in Advance	$381,326	$456,084

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES

We are advised by the Township Counsel that there are several tax appeals pending whose impact on the financial statements is not known at this time.

NOTE 15. SUBSEQUENT EVENT

The Township has evaluated subsequent events through June 15, 2026, the date which the financial statements were available to be issued and no other items were noted for disclosure.

SUPPLEMENTARY DATA AND SCHEDULES

TOWNSHIP OF HARDYSTON, N.J.

OFFICIALS IN OFFICE AND SURETY BONDS

DECEMBER 31, 2025

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

Name	Title
Brian J. Kaminski	Mayor
Santo Verrilli	Deputy Mayor
Frank Cicerale	Councilperson
Stanley J. Kula	Councilperson
Carl B. Miller	Councilperson
Carrine Piccolo-Kaufer	Manager
Scott Holzhauer	Assessor
Jane Bakalarczyk	Clerk, Assessment Search Officer & Registrar of Vital Statistics
Anne-Marie Wilhelm	Land Use Administrator
Corinne Hockman	C.M.F.O.
Rebecca Westra	Tax Collector
Scott Loban	Chief of Police
Paris Eliades	Magistrate
Lauren Mitchener	Court Administrator
Fred Semrau	Township Attorney
Mike Vreeland	Township Engineer
Steven Wielkotz	Township Auditor

All employees are covered under a blanket bond in the amount of $2,000,000.00 ussed by the Statewide Insurance Fund, issued January 1, 2025.

All bonds were examined and determined to have been properly executed.

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE

CURRENT FUND

	Year 2025 Amount	Year 2025 %	Year 2024 Amount	Year 2024 %
Revenue and Other Income Realized				
Fund Balance Utilized	$ 1,392,000	3.38%	$ 1,342,000	3.14%
Miscellaneous - From Other Than Local Property Tax Levies	3,296,659	8.01%	3,449,322	8.92%
Collection of Delinquent Taxes and Tax Title Liens	319,798	0.78%	342,643	0.97%
Collection of Current Tax Levy	35,106,949	85.33%	34,025,847	84.54%
Other Credits to Income	1,027,027	2.50%	1,001,934	2.42%
Total Revenue and Other Income Realized	41,142,433	100.00%	40,161,746	100.00%
Expenditures				
Budget Expenditures:				
Municipal Purposes	12,710,298	31.758%	12,417,044	31.952%
Local and Regional School Taxes	19,353,227	48.356%	18,747,205	48.240%
County Taxes	7,901,046	19.742%	7,636,122	19.649%
Other Expenditures	57,744	0.144%	61,777	0.159%
Total Expenditures	40,022,315	100.00%	38,862,148	100.00%
Excess (Deficit) in Revenue	1,120,118		1,299,598	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are by Statute Deferred Charges to Budget of Succeeding Year	-		1,925	
Statutory Excess to Fund Balance	1,120,118		1,301,523	
Fund Balance, January 1,	3,618,299		3,658,776	
	4,738,417		4,960,299	
Less:				
Utilized as Anticipated Revenue	1,392,000		1,342,000	
Fund Balance, December 31,	$ 3,346,417		$ 3,618,299	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	2025	2024	2023
Tax Rate:	1.929	2.007	3.045
Apportionment of Tax Rate:			
Municipal	0.446	0.465	0.714
County	0.431	0.447	0.633
District School	0.648	0.679	1.070
Regional School	0.404	0.416	0.626

Assessed Valuation:			
2024	$1,838,417,900		
2023		$1,710,674,100	
2022			$1,086,596,600

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

		Currently	
Year	Tax Levy	Cash Collections	Percentage of Collection
2025	$35,493,150	$35,106,949	98.91%
2024	34,411,068	34,025,847	98.88%
2023	33,233,857	32,833,816	98.80%

DELINQUENT TAXES AND TAX TITLE LIENS

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2025	$387,232	$337,144	$724,376	2.04%
2024	374,610	318,396	693,006	2.01%
2023	356,784	341,565	698,349	2.10%

PROPERTY ACQUIRED BY TAX TITLE LIENS LIQUIDATION

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

Year	Amount
2025	$14,700
2024	14,700
2023	14,700

COMPARATIVE SCHEDULE OF FUND BALANCES

	Current Fund	
Year	Balance	Utilized in Budget of Succeeding Year
2025	$3,346,417	$1,400,000
2024	3,618,299	1,392,000
2023	3,658,776	1,342,000

Township of Hardyston

Schedule of Expenditures of Federeal Assistance

For the Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Program or Award Amount	Grant Period	12/31/2024 (Receivable)	12/31/2024 Reserve Balance	Receipts	Expended	12/31/2025 (Receivable)	12/31/2025 Reserve Balance	MEMO Cumulative Total Expenditures
FEDERAL AND STATE GRANT FUND										
U.S. Department of Treasury										
Pass Through New Jersey Department of Community Affairs - Division of Local Government Services:										
ARP - Firefighter Grant	21.027	$ 15,000	1/1/24-12/31/24	$ (15,000)	-	-	-	(15,000)	-	15,000
U.S. Department of Homeland Security:										
Pass Through NJ Department of Law & Public Safety:										
Assistance to Firefighters	97.044	29,421	9/22/22-9/21/24	(29,421)	29,421	-	-	(29,421)	29,421	-
Emergency Management Performance Grant	97.042	10,000	1/1/25-12/31/25	-	-	10,000	-	-	10,000	-
				(29,421)	29,421	10,000	-	(29,421)	39,421	-
TOTAL FEDERAL AND STATE GRANT FUND				(44,421)	29,421	10,000	-	(44,421)	39,421	15,000
GENERAL CAPITAL FUND										
U.S. Department of Treasury										
Pass Through New Jersey Department of Community Affairs - Division of Local Government Services:										
Local Fiscal Recovery Fund - ARP	21.027	814,949	3/1/21-12/31/26	-	209,410	-	160,410	-	49,000	765,949
TOTAL GENERAL CAPITAL FUND				-	209,410	-	160,410	-	49,000	765,949
TOTAL FEDERAL AID				$ (44,421)	238,831	10,000	160,410	(44,421)	88,421	801,823

Note: This schedule was not subject to an audit in accordance with Uniform Guidance.

Township of Hardyston

Schedule of Expenditures of State Financial Assistance

For the Year Ended December 31, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Year	12/31/2024 (Receivable)	12/31/2024 Reserve Balance	Receipts	Expended	Adjustment/ Canceled	12/31/2025 (Receivable)	12/31/2025 Reserve Balance	MEMO Cumulative Total Expenditures
FEDERAL AND STATE GRANT FUND											
NJ Department of Environmental Protection:											
Recycling Tonnage	042-4910-100-224	$ 25,360	2021	$ (5,877)	-	-	-	-	(5,877)	-	25,360
Recycling Tonnage	042-4910-100-224	7,096	2022	-	6,471	-	6,471	-	-	-	7,096
Recycling Tonnage	042-4910-100-224	7,773	2023	-	7,773	-	3,720	-	-	4,053	3,720
Recycling Tonnage	042-4910-100-224	6,786	2024	-	6,786	-	-	-	-	6,786	-
Recycling Tonnage	042-4910-100-224	4,802	2025	-	-	4,802	-	-	-	4,802	-
Total Recycling Tonnage				(5,877)	21,030	4,802	10,191	-	(5,877)	15,641	36,176
Clean Communities	042-4900-765-004	23,498	2022	-	11,099	-	11,099	-	-	-	23,498
Clean Communities	042-4900-765-004	26,356	2023	-	26,356	-	5,056	-	-	21,300	5,056
Clean Communities	042-4900-765-004	29,936	2024	-	29,936	-	-	-	-	29,936	-
Clean Communities	042-4900-765-004	29,690	2025	-	-	29,690	-	-	-	29,690	-
Total Clean Communities				-	67,391	29,690	16,155	-	-	80,926	28,554
Stormwater Assistance Grant	042-4850-100-099	25,000	2023	-	23,603	-	1,801	-	-	21,802	3,198
Stormwater Assistance Grant	042-4850-100-099	50,000	2024	(50,000)	50,000	50,000	-	-	-	50,000	-
				(50,000)	73,603	50,000	1,801		-	71,802	3,198
Total NJ Environmental Protection Agency				(55,877)	162,024	84,492	28,147	-	(5,877)	168,369	67,928
NJ Highlands Council											
Highlands Planning	N/A	68,050	2017	(68,050)	235	-	-	-	(68,050)	235	67,815
NJ Division of Highway Traffic Safety:											
Drunk Driving Enforcement Fund	078-6400-100-YYYY	34,752	2024	(34,752)	11,793	-	757	-	(34,752)	11,036	23,716
Total NJ Division of Highway Traffic Safety				(34,752)	11,793	-	757	-	(34,752)	11,036	23,716
NJ Department of Transportation:											
Local Municipal Aid - Scenic Lakes Rd Phase I	078-6320-480-AO1	129,945	2022	(32,901)	5,007	-	4,512	6,542	(32,901)	7,037	122,908
Local Municipal Aid - Campbell Dr & Old Quarry Rd	078-6320-480-APF	139,730	2023	(49,895)	8,351	-	208	-	(49,895)	8,143	131,587
Local Municipal Aid - Holland Mountain Rd Phase 1	078-6320-480-APS	142,524	2024	(142,524)	142,524	103,061	142,524	-	(39,463)	-	142,524
Local Municipal Aid - Holland Mountain Rd Phase 2	078-6320-480-AP3	115,332	2025	-	-	86,499	115,071	-	(28,833)	261	115,071
Total NJ Department of Transportation				(225,320)	155,882	189,560	262,315	6,542	(151,092)	15,441	512,090
NJ Department of Health:											
Alcohol Education & Rehabilitation	098-9735-760-001	6,692	2019	(6,324)	5,664	-	-	-	(6,324)	5,664	1,028
Total NJ Department of Health				(6,324)	5,664	-	-	-	(6,324)	5,664	1,028
NJ Department of Law & Public Safety:											
Body Armor Replacement	066-1020-718-001	2,904	2021	-	1,918	-	1,918	-	-	-	2,904
Body Armor Replacement	066-1020-718-001	4,405	2022	-	4,405	-	1,273	-	-	3,132	1,273
Body Armor Replacement	066-1020-718-001	1,574	2023	-	1,574	-	-	-	-	1,574	-
Body Armor Replacement	066-1020-718-001	1,780	2024	-	1,780	-	-	-	-	1,780	-
Body Armor Replacement	066-1020-718-001	1,842	2025	-	1,842	-	-	-	-	1,842	-
Body Armor Replacement	066-1020-718-001	4,123	2026	-	-	4,123	-	-		4,123	-
				-	11,519	4,123	3,191	-	-	12,451	4,177
Body-worn Camera Grant	100-066-1020-495	50,950	2022	-	2,740			-	-	2,740	48,210
Total NJ Department of Law & Public Safety:				-	14,259	4,123	3,191	-	-	15,191	52,387

Note: This schedule was not subject to an audit in accordance with NJ OMB Circular 15-08

Township of Hardyston

Schedule of Expenditures of State Financial Assistance

For the Year Ended December 31, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Year	12/31/2024 (Receivable)	12/31/2024 Reserve Balance	Receipts	Expended	Adjustment/ Canceled	12/31/2025 (Receivable)	12/31/2025 Reserve Balance	MEMO Cumulative Total Expenditures
NJ Department of CommunityAffairs:											
Special Legislative Grant - Walkill River Cleanup	N/A	3,500,000	2000	-	2,986,204	-	118,986	-	-	2,867,218	632,782
Special Legislative Grant Interest	N/A	77,467	Prior Years	-	58,226	-	-	-	-	58,226	19,241
Special Legislative Grant Interest	N/A	534	2016	-	534	-	-	-	-	534	-
Special Legislative Grant Interest	N/A	1,185	2017	-	1,185	-	-	-	-	1,185	-
Special Legislative Grant Interest	N/A	3,314	2018	-	3,314	-	-	-	-	3,314	-
Special Legislative Grant Interest	N/A	3,102	2019	-	3,102	-	-	-	-	3,102	-
Special Legislative Grant Interest	N/A	1,814	2020	-	1,814	-	-	-	-	1,814	-
Special Legislative Grant Interest	N/A	746	2021	-	746	-	-	-	-	746	-
Special Legislative Grant Interest	N/A	655	2022	-	655	-	-	-	-	655	-
Special Legislative Grant Interest	N/A	3,805	2023	-	3,805	-	-	-	-	3,805	-
Special Legislative Grant Interest	N/A	2,641	2024	-	2,641	-	-	-	-	2,641	-
Special Legislative Grant Interest	N/A	6,444	2025	-	-	2,848	-	-	-	2,848	3,596
				-	3,062,226	2,848	118,986	-	-	2,946,088	655,619
Local Recreation Improvement Grant		73,000	2024	(73,000)	73,000	-	73,000	-	(73,000)	-	73,000
Local Recreation Improvement Grant		60,500	2025	-	-	-	60,500	-	(60,500)	-	60,500
				(73,000)	73,000	-	133,500	-	(133,500)	-	133,500
Total NJ Departmnet of Community Affairs				(73,000)	3,135,226	2,848	252,486	-	(133,500)	2,946,088	789,119
NJ Governor's Council on Alcoholism and Drug Abuse:											
Passed Through County of Sussex Division of Community and Youth Services:											
Municipal Alliance	N/A	4,017	2021	-	1,526	-	-	-	-	1,526	2,491
Municipal Alliance	N/A	7,905	2022	-	5,358	-	-	-	-	5,358	2,547
Municipal Alliance	N/A	5,358	2023	(3,463)	5,358	3,463	-	-	-	5,358	-
Municipal Alliance	N/A	5,358	2024	(5,358)	5,358	5,358	-	-	-	5,358	-
Municipal Alliance	N/A	5,358	2025	-	-	5,358	5,058	-	-	300	5,058
Municipal Alliance - Leadership	N/A	2,547	2022	(360)	1,273	360	-	-	-	1,273	1,274
Municipal Alliance - Leadership	N/A	2,547	2023	(2,547)	2,547	239	-	-	(2,308)	2,547	-
Municipal Alliance - Leadership	N/A	2,547	2024	(2,547)	2,547	-	-	-	(2,547)	2,547	-
Municipal Alliance - Leadership	N/A	2,547	2025	-	-	698	-	-	-	698	1,849
Total Governor's Council on Alcoholism and Drug Abuse				(14,275)	23,967	15,476	5,058	-	(4,855)	24,965	13,219
NJ Department of the Treasury											
BPU Clean Energy Program - EV Tourism	082-2008-100-009	150,000	2022	(150,000)	150,000	-	-	-	(150,000)	150,000	-
TOTAL FEDERAL AND STATE GRANT FUND:				(627,598)	3,659,050	296,499	551,954	6,542	(554,450)	3,336,989	1,527,302
TOTAL STATE AID				$ (627,598)	3,659,050	296,499	551,954	6,542	(554,450)	3,336,989	1,527,302

Note: This schedule was not subject to an audit in accordance with NJ OMB Circular 15-08

Township of Hardyston , N.J.

Schedule of Cash - Treasurer

Current Fund

Year Ended December 31, 2025

	Ref.			Current Fund
Balance - December 31, 2024	A		$	8,280,221
Increased by Receipts:				
Miscellaneous Revenue Not Anticipated	A-2	$	738,622	
Petty Cash	A-6		50	
State of NJ Receipts	A-7		60,308	
Taxes Receivable	A-8		34,906,506	
Tax Title Lien Receipts	A-9		5,657	
Revenue Accounts Receivable	A-13		2,932,452	
Interfunds	A-14		521,799	
Prepaid Taxes	A-17		381,326	
Various Cash Liabilities and Reserves	A-21		32,935	
				39,579,655
				47,859,876
Decreased by Disbursements:				
Refund Prior Year Revenue	A-1		4,678	
Current Year Budget Appropriations	A-3		11,412,573	
Petty Cash	A-6		50	
Interfunds	A-14		327,006	
Appropriation Reserves	A-15		745,201	
Encumbrances Payable - Various Reserves	A-16		5,482	
Local District School Taxes	A-18		11,908,593	
Regional High School Taxes	A-19		7,444,634	
County Taxes Payable	A-20		7,907,555	
Various Cash Liabilities and Reserves	A-21		62,645	
				39,818,417
Balance - December 31, 2025	A		$	8,041,459

A-5

Township of Hardyston , N.J.

Schedule of Cash - Change Fund

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A	$	625
Balance - December 31, 2025	A	$	625
Analysis of Balance:			
Tax Collector			200
Clerk			100
Recreation			100
Police			25
Building Department - Wantage			100
Building Department			100
		$	625

A-6

Schedule of Cash - Petty Cash

Current Fund

Year Ended December 31, 2025

	Ref.		
Increased by:			
Cash Disbursements	A-4	$	50
Decreased by:			
Cash Receipts	A-4	$	50

Township of Hardyston , N.J.

Schedule of Amount Due From/(To) State of New Jersey for Senior Citizens' and Veterans' Deductions - CH. 73 P.L. 1976

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A		$ 784
Increased by:			
State Share of Senior Citizens and Veteran Deductions Received in Cash	A-4		60,308
			(59,524)
Decreased by:			
Senior Citizens Deductions Per Tax Billing		$ 6,250	
Veterans Deductions Per Tax Billing		49,750	
Senior Citizens & Veterans Deduction Allowed by Tax Collector		3,750	
Less: Deductions Disallowed by Tax Collector			
Current Year		(1,000)	
Prior Years		(250)	
	A-8		58,500
Balance - December 31, 2025	A		$ (1,024)

Township of Hardyston , N.J.

Schedule of Taxes Receivable and Analysis of Property Tax Levy

Current Fund

Year Ended December 31, 2025

Year	Balance, Dec. 31, 2024	Levy	Added Taxes	Collected 2024	Collected 2025	Senior Citizen and Veteran Deductions	Transferred to Tax Title Liens	Canceled	Balance, Dec. 31, 2025
2019	$ 1,168	-	-	-	-	-	-	-	1,168
2020	2,326	-	-	-	-	-	-	-	2,326
2023	2,907	-	-	-	-	-	-	-	2,907
2024	311,995	-	6,252	-	314,391	(250)	-	-	4,106
	318,396	-	6,252	-	314,391	(250)	-	-	10,507
2025	-	35,463,084	30,066	456,084	34,592,115	58,750	18,279	41,285	326,637
	$ 318,396	35,463,084	36,318	456,084	34,906,506	58,500	18,279	41,285	337,144
	A			A-2; A-17	A-2; A-4	A-2; A-7	A-9		A

Analysis of Tax Levy

	Ref.		
Tax yield:			
General Property Tax			35,463,084
Added Tax (R.S. 54:4-63.1 et seq.)			30,066
			$ 35,493,150
Tax Levy:			
Local District School Tax	A-18		11,908,593
Regional High School Tax	A-19		7,444,634
County Tax		7,274,466	
County Library		592,218	
County Health		2	
County Open Space Preservation		27,642	
Added County Taxes		6,718	
	A-20		7,901,046
	A-2		27,254,273
Local Tax for Municipal Purposes		8,207,599	
Additional Taxes		31,278	
			8,238,877
			$ 35,493,150

Township of Hardyston , N.J.

Schedule of Tax Title Liens

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A	$	374,610
Increased by:			
Transfer from Taxes Receivable	A-8		18,279
			392,889
Decreased by:			
Cash Receipts	A-2;A-4		5,657
Balance - December 31, 2025	A	$	387,232

Schedule of Property Acquired for

Taxes Assessed Valuation

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A	$	14,700
Balance - December 31, 2025	A	$	14,700

Township of Hardyston , N.J.

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

Curerent Fund

Year Ended December 31, 2025

Date Authorized	Purpose		Balance, Dec. 31, 2024	Amount in 2025 Budget	Balance, Dec. 31, 2025
5/24/2023	Revaluation of Real Property	$	200,000	50,000	150,000
			A	A-3	A

Township of Hardyston , N.J.

Schedule of Deferred Charges

Current Fund

Year Ended December 31, 2025

Purpose	Balance, Dec. 31, 2024	Balance, Dec. 31, 2025
Overexpenditure of Appropriations	$ 1,925	1,925
	A	A

Township of Hardyston , N.J.

Schedule of Revenue Accounts Receivable

Current Fund

Year Ended December 31, 2025

	Ref.		Accrued	Collected
Licenses:				
Alcoholic Beverages	A-2	$	6,085	6,085
Fines and Costs:				
Municipal Court	A-2		53,093	53,093
Interest and Costs on Taxes	A-2		70,480	70,480
Interest on Investments	A-2		399,254	399,254
Garbage Collection Fees	A-2		3,913	3,913
Uniform Fire Safety Act (Local Fees)	A-2		69,476	69,476
Antenna Lease Fees	A-2		69,848	69,848
Sale of Solar Renewable Energy Credits	A-2		7,251	7,251
Quarry Lease Fees	A-2		29,582	29,582
Abandoned and Vacant Property Registration Fees	A-2		14,061	14,061
Energy Receipts Tax (P.L. 1999, Chapters 162 & 167)	A-2		506,370	506,370
Garden State Trust - PILOT Funds	A-2		36,882	36,882
Watershed Moratorium offset	A-2		194,721	194,721
Uniform Construction Code Fees	A-2		251,997	251,997
Hardyston Township MUA - Secretarial/Billing Services	A-2		125,000	125,000
Hardyston Elementary School - Recycling & Solid Waste Removal	A-2		12,000	12,000
Hardyston Elementary School - Park Maintenance	A-2		18,360	18,360
Hardyston Township MUA - Sewer and Water Operations	A-2		305,000	305,000
Franklin Borough - Construction Code Official	A-2		86,126	86,126
Hamburg Borough - Construction Code Official	A-2		60,815	60,815
Hamburg Borough - Solid Waste	A-2		46,520	46,520
Hamburg Borough - Recycling	A-2		4,150	4,150
Town of Newton - Construction	A-2		151,539	151,539
Sussex Borough - Construction	A-2		33,612	33,612
Wantage Township - Construction Official	A-2		206,936	206,936
Hamburg Borough - Field Coordinator	A-2		3,500	3,500
Uniform Fire Safety Act	A-2		89,825	89,825
Reserve for Payment on Debt	A-2		105,000	105,000
Reserve for Accumulated Sick - Other Trust Fund	A-2		50,000	50,000
		$	3,011,396	3,011,396

Analysis of Collections			
Cash Receipts	A-4		2,932,452
Interfunds Accounts Receivable	A-14		78,944
		$	3,011,396

Township of Hardyston, N.J.

Schedules of Interfunds

Current Fund

Year Ended December 31, 2025

Fund	Ref.	Due From/(To) Balance Dec. 31, 2024	Increased	Decreased	Due From/(To) Balance Dec. 31, 2025
State and Federal Grant Fund	A	$ (3,166,624)	303,170	306,499	(3,169,953)
Assessment Trust Fund	A	(2,078)	7,095	-	5,017
Animal Control Fund	A	20	557	7,567	(6,990)
Other Trust Funds	A	(2,410)	15,197	168,645	(155,858)
General Capital Fund	A	59,769	79,931	91,651	48,049
		$ (3,111,323)	405,950	574,362	(3,279,735)
		A			A
Analysis:					
Due From Current Fund		(3,171,112)			(3,332,801)
Due To Current Fund	A-1	59,789			53,066
		$ (3,111,323)			(3,279,735)

	Ref.	Increased	Decreased
Budget Appropriation	A-3	-	5,063
Cash Receipts	A-4	-	521,799
Cash Disbursements	A-4	327,006	-
Revenue Accounts Receivable	A-13	78,944	-
Appropriation Reserves	A-15	-	47,500
		$ 405,950	574,362

Township of Hardyston , N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2025

		Balance, Dec. 31, 2024	Balance after Transfers	Paid or Charged	Balance Lapsed
Operations - within "CAPS"					
Administrative and Executive:					
Salaries and Wages	$	-	2,000	-	2,000
Other Expenses:					
Use of Office Equipment and Supplies		1,731	731	467	264
Miscellaneous Other Expenses		18,806	12,806	6,823	5,983
Elections:					
Other Expenses		424	424	-	424
Financial Administration:					
Salaries and Wages		391	391	-	391
Other Expenses		19,767	24,767	15,531	9,236
Computer Technology/Maintenance:					
Other Expenses		3,926	3,926	2,911	1,015
Collection of Taxes:					
Other Expenses		1,982	1,982	19	1,963
Assessment of Taxes:					
Salaries and Wages		174	174	-	174
Other Expenses		5,429	5,429	49	5,380
Revaluation of Real Property		6,800	6,800	6,800	-
Legal Services and Costs:					
Other Expenses		17,941	28,960	28,340	620
Engineering Services and Costs:					
Other Expenses		18,624	18,624	17,912	712
Economic Development Commission:					
Other Expenses		11,768	11,768	5,555	6,213
Municipal Land Use Law (N.J.S. 40:55D-11):					
Planning Board:					
Salaries and Wages		78	78	-	78
Other Expenses		9,481	13,132	7,226	5,906
Insurance:					
Employee Group Health Insurance		21,690	21,690	19,941	1,749
Health Benefit Waiver		8,690	8,690	-	8,690
Unemployment Compensation Insurance		2,637	131	131	-
Disability Insurance		6,239	3,876	3,876	-
Public Safety:					
Police:					
Salaries and Wages		100,497	100,497	52,222	48,275
Other Expenses		49,528	43,378	31,055	12,323
Purchase of Police Cars		119,210	119,210	119,210	-
Purchase and Maintenance of Uniforms		9,990	9,990	442	9,548
Police Communications:					
Salaries and Wages		25,806	15,806	5,501	10,305
Other Expenses		22,811	22,811	5,934	16,877
Emergency Management Services:					
Other Expenses		3,320	3,320	1,143	2,177
Aid to Volunteer Fire Companies		15,771	25,771	23,769	2,002
Fire Prevention Bureau:					
Salaries and Wages		488	488	-	488
Other Expenses		419	419	419	-
Municipal Court:					
Salaries and Wages		1	1	-	1
Other Expenses		2,156	2,156	1,627	529

Township of Hardyston , N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2025

	Balance, Dec. 31, 2024	Balance after Transfers	Paid or Charged	Balance Lapsed
Streets and Roads:				
Road Repairs and Maintenance:				
Salaries and Wages	5,029	5,029	2,065	2,964
Other Expenses:				
Miscellaneous Other Expenses	210,744	210,744	209,903	841
Road Equipment Repair and Maintenance	16,843	16,843	14,691	2,152
Recycling:				
Other Expenses	1,522	1,522	752	770
Buildings & Grounds:				
Other Expenses	16,812	16,812	16,812	-
Dog Regulation:				
Other Expenses	2,967	2,967	2,967	-
Contribution to Senior Citizen Center:				
Other Expenses	2,000	2,000	2,000	-
Senior Citizen Transportation:				
Other Expenses	3,318	3,318	728	2,590
PEOSHA:				
Hepatitis - B Vaccination	500	500	-	500
Recreation and Education:				
Recreation:				
Salaries and Wages	386	386	386	-
Other Expenses	4,101	4,101	4,101	-
State Uniform Construction Code:				
Construction Official:				
Salaries and Wages	6,653	-	-	-
Other Expenses	9,099	15,789	11,597	4,192
Zoning Enforcement Officer:				
Salaries and Wages	3,651	-	-	-
Other Expenses	717	680	168	512
Unclassified:				
Celebration of Public Events:				
Other Expenses	395	395	395	-
Accumulated Leave Compensation	3,698	3,698	3,698	-
Utility Expense/Bulk Purchases:				
Electricity	2,203	6,203	6,119	84
Street Lighting	25,790	25,790	22,575	3,215
Telephone	4,199	4,199	2,801	1,398
Fuel Oil	4,836	6,536	6,535	1
Gasoline	47,408	45,708	40,803	4,905
Diesel Fuel	24,706	24,706	22,799	1,907
Natural Gas	17,418	13,418	5,565	7,853
Total Operations within "CAPS"	921,570	921,570	734,363	187,207
Deferred Charges and Statutory Expenditures - Municipal within "CAPS":				
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	4,298	4,298	3,689	609
DCRP	2,700	2,700	-	2,700
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	928,568	928,568	738,052	190,516

Township of Hardyston , N.J.

Schedule of Appropriation Reserves

Current Fund

Year Ended December 31, 2025

		Balance, Dec. 31, 2024	Balance after Transfers	Paid or Charged	Balance Lapsed
Operations - Excluded from "CAPS":					
Reserve for Tax Appeals		30,000	30,000	-	30,000
Emergency Services Volunteer Length of Service Award Program - Other Expenses		38,000	38,000	29,900	8,100
Interlocal Municipal Service Agreements:					
Franklin Borough - Construction Code Official Salaries and Wages		19,176	19,176	19,176	-
Hamburg Borough - Construction Code Official Salaries and Wages		7,091	7,091	7,091	-
Newton - Construction Code Official Salaries and Wages		3,500	3,500	3,500	-
Sussex Borough - Construction Code Official Other Expenses		7,025	7,025	7,025	-
Wantage Township - Construction Code Official Salaries and Wages		10,836	10,836	10,836	-
Total Operations - Excluded from "CAPS"		115,628	115,628	77,528	38,100
Total General Appropriations	$	1,044,196	1,044,196	815,580	228,616
	Ref.				A-1
Analysis of Appropriation Reserves					
Unencumbered	A	764,239			
Encumbered	A	279,957			
	$	1,044,196			
Analysis of Paid or Charged					
Cash Disbursements	A-4			745,201	
Schedule of Interfunds	A-14			47,500	
Accounts Payable	A-21			22,879	
			$	815,580	

Township of Hardyston , N.J.

Schedule of Encumbrances Payable - Non-Budget

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A	$	5,482
Increased by:			
Various Reserves	A-21		10,212
			15,694
Decreased by:			
Cash Disbursements	A-4		5,482
Balance - December 31, 2025	A	$	10,212

Schedule of Prepaid Taxes

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A	$	456,084
Increased by:			
Cash Receipts	A-4		381,326
			837,410
Decreased by:			
Applied to 2025 Taxes	A-8		456,084
Balance - December 31, 2025	A	$	381,326

A-18

Township of Hardyston , N.J.

Schedule of Local District School Tax

Current Fund

Year Ended December 31, 2025

	Ref.	
Increased by:		
Levy Calendar Year 2025	A-1; A-8	$ 11,908,593
Decreased by:		
Cash Disbursements	A-4	$ 11,908,593

A-19

Schedule of Regional High School Tax

Current Fund

Year Ended December 31, 2025

	Ref.	
Increased by:		
Levy Calendar Year 2025	A-1; A-8	$ 7,444,634
Decreased by:		
Cash Disbursements	A-4	$ 7,444,634

Township of Hardyston , N.J.

Schedule of County Taxes Payable

Current Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A		$ 13,227
Increased by:			
Tax Levy 2025			
County Tax		$ 7,274,466	
County Library		592,218	
County Health		2	
County Open Space Preservation		27,642	
Added and Omitted Taxes		6,718	
	A-1; A-8		7,901,046
			7,914,273
Decreased by:			
Cash Disbursements	A-4		7,907,555
Balance - December 31, 2025	A		$ 6,718

Township of Hardyston , N.J.

Schedule of Various Cash Liabilities and Reserves

Current Fund

Year Ended December 31, 2025

Liabilities and Reserves		Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Liabilities:					
Tax Overpayments	$	8,075	30,985	29,348	9,712
Accounts Payable		59,957	22,879	41,559	41,277
Due to State of N.J. Marriage Surcharge		-	1,950	1,950	-
Reserves for:					
Tax Appeals		76,575	-	-	76,575
Sale of Assets		16,606	-	-	16,606
Tax Map		6,493	-	-	6,493
Revaluation		7,449	-	-	7,449
	$	175,155	55,814	72,857	158,112
		A			A

	Ref.		Increased	Decreased
Cash Receipts	A-4		32,935	-
Cash Disbursements	A-4		-	62,645
Appropriation Reserves	A-15		22,879	-
Reserve for Encumbrances	A-16		-	10,212
		$	55,814	72,857

Township of Hardyston , N.J.

Schedule of Grants Receivable

Federal and State Grant Fund

Year Ended December 31, 2025

Grant		Balance, Dec. 31, 2024	Budget Revenue	Received	Transfer From Unappropriated Reserves	Cancelled	Balance, Dec. 31, 2025
Alcohol Education and Rehabilitation Fund	$	6,324	-	-	-	-	6,324
ARP Firefighter Grant		15,000	-	-	-	-	15,000
Body Armor Grant		-	1,842	-	1,842	-	-
Clean Communities Grant		-	29,936	-	29,936	-	-
Clean Energy Electric Vehicle Tourism Grant		150,000	-	-	-	-	150,000
Drunk Driving Enforcement Fund		34,752	-	-	-	-	34,752
EMMA Grant		-	10,000	10,000	-	-	-
FEMA Assistance to Firefighters Grant		29,421	-	-	-	-	29,421
Highlands Compliance Grant		68,050	-	-	-	-	68,050
Local Recreation Improvement Grant		73,000	60,500	-	-	-	133,500
Municipal Alliance on Alcoholism and Drug Abuse		8,820	5,358	14,178	-	-	-
Municipal Alliance Leadership Grant		5,455	-	600	-	-	4,855
National Fitness Grant		-	40,000	-	-	-	40,000
NJDOT Municipal Aid:							
Campbell Dr & Old Quarry Rd		49,895	-	-	-	-	49,895
Scenic Lakes Rd Phase I		32,901	-	-	-	-	32,901
Holland Mountain Rd Phase 1		142,524	-	103,061	-	-	39,463
Holland Mountain Rd Phase 2		-	115,332	86,499	-	-	28,833
NJ Special Legislative Grant Interest		-	6,444	-	2,641	3,803	-
Opioid Settlement Funds		-	9,065	-	-	-	9,065
Recycling Tonnage Grant		5,877	6,786	-	6,786	-	5,877
Stormwater Assistance Grant		50,000	-	50,000	-	-	-
	$	672,019	285,263	264,338	41,205	3,803	647,936
		A	A-2	A-25	A-24	A-25	A

Township of Hardyston , N.J.

Schedule of Appropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2025

Grant		Balance, Dec. 31, 2024	Transfer From Budget Appropriations	Expended	Prior Year Encumbrance Canceled	Canceled	Dec. 31, 2025
Alcohol Education and Rehabilitation Fund	$	5,664	-	-	-	-	5,664
Body-worn Camera Grant		2,740	-	-	-	-	2,740
Body Armor Grant		9,677	1,842	3,191	-	-	8,328
Clean Communities Program		37,455	29,936	16,155	-	-	51,236
Clean Energy Electric Vehicle Tourism Grant		150,000	-	-	-	-	150,000
Drunk Driving Enforcement Fund		11,793	-	757	-	-	11,036
EMMA Grant		-	10,000	-	-	-	10,000
FEMA Assistance to Firefighters Grant		29,421	-	-	-	-	29,421
Highlands Compliance Grant		235	-	-	-	-	235
Local Recreation Improvement Grant		73,000	60,500	133,500	-	-	-
Municipal Alliance Leadership Grants		6,367	-	-	-	-	6,367
Municipal Alliance on Alcoholism and Drug Abuse:							
State Share		17,600	5,358	5,058	-	-	17,900
Local Share		4,204	-	621	-	-	3,583
National Fitness Grant		-	40,000	-	-	-	40,000
NJ DOT Municipal Aid:							
Campbell Dr & Old Quarry Rd		8,351	-	208	-	-	8,143
Scenic Lakes Road Phase I		5,007	-	4,512	6,542	-	7,037
Holland Mountain Rd Phase 1		142,524	-	142,524	-	-	-
Holland Mountain Rd Phase 2		-	115,332	115,071	-	-	261
NJ Special Legislative Grant - Wallkill River Cleanup		2,986,204	-	118,986	-	-	2,867,218
NJ Special Legislative Grant Interest		73,381	6,444	-	-	3,803	76,022
Opioid Settlement Funds		-	9,065	9,052	-	-	13
Recycling Tonnage Grant		14,244	6,786	10,191	-	-	10,839
Stormwater Assistance Grant		73,603	-	1,801	-	-	71,802
	$	3,651,470	285,263	561,627	6,542	3,803	3,377,845
		A	A-3		A-26	A-25	A

Analysis of Expended	Ref.	
Cash Disbursements	A-25	163,744
Encumbered	A-26	397,883
		$ 561,627

Township of Hardyston , N.J.

Schedule of Unappropriated Reserves for Grants

Federal and State Grant Fund

Year Ended December 31, 2025

Grant		Balance Dec. 31, 2024	Transfer To 2025 Budget	Received	Balance Dec. 31, 2025
Body Armor Grant	$	1,842	1,842	4,123	4,123
Clean Communities		29,936	29,936	29,690	29,690
Interest on Special Legislative Grant		2,641	2,641	2,848	2,848
State Recycling Grant		6,786	6,786	4,802	4,802
Municipal Alliance on Alcoholism and Drug Abuse		-	-	698	698
	$	41,205	41,205	42,161	42,161
		A	A-22	A-25	A

Schedule of Due From Current Fund

Federal and State Grant Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	A		$ 3,166,624
Increased by:			
Federal and State Grant Fund Receipts	A-22	$ 264,338	
Unappropriated Receipts	A-24	42,161	
			306,499
			3,473,123
Decreased by:			
Federal and State Grant Fund Expenditures	A-23	163,744	
Encumbrance Expenditures	A-26	139,426	
			303,170
Balance - December 31, 2025	A		$ 3,169,953

Township of Hardyston , N.J.

Schedule of Encumbrances Payable

Federal and State Grant Fund

Year Ended December 31, 2025

	Ref.				
Balance - December 31, 2024	A			$	145,968
Increased by:					
Charges to Federal and State Grants	A-23				397,883
					543,851
Decreased by:					
Canceled	A-23	$	6,542		
Cash Disbursements	A-25		139,426		
					145,968
Balance - December 31, 2025	A			$	397,883

Township of Hardyston , N.J.

Schedule of Cash

Trust Funds

Year Ended December 31, 2025

	Ref.		Assessment Trust Fund	Animal Control Trust Fund	Other Trust Funds	Emergency Services Volunteer Length of Service Award Program
Balance - December 31, 2024	B	$	88,446	17,797	3,753,917	563,253
Increase by Receipts:						
Assessment Receivable	B-3		83,502	-	-	-
Interfund - Current Fund	B-6		7,095	-	-	-
Interfund - Current Fund	B-9		-	557	-	-
State Share of Dog Licenses	B-10		-	1,214	-	-
Township Share of Dog Licenses	B-11		-	8,305	-	-
Late Fees	B-11		-	960	-	-
Current Fund Appropriation	B-11		-	2,967	-	-
Interfund - Current Fund	B-14		-	-	15,197	-
Other Trust Funds	B-16		-	-	7,982,749	-
Township Contributions	B-17		-	-	-	29,900
Increase in Investment Value	B-18		-	-	-	75,661
Total Receipts			90,597	14,003	7,997,946	105,561
			179,043	31,800	11,751,863	668,814
Decreased by Disbursements:						
Loan Payable	B-7		44,793	-	-	-
Interfund - Current Fund	B-9		-	7,567	-	-
Due to State of New Jersey	B-10		-	1,214	-	-
Reserve for Animal Control Expenditures	B-11		-	9,429	-	-
Reserve for Encumbrances - Animal Control	B-12		-	1	-	-
Reserve for Encumbrances - Trust	B-15		-	-	21,921	-
Other Trust Funds	B-16		-	-	7,917,189	-
Service Charges	B-18		-	-	-	925
Total Disbursements			44,793	18,211	7,939,110	925
Balance - December 31, 2025	B	$	134,250	13,589	3,812,753	667,889

Township of Hardyston , N.J.

Analysis of Assessment Cash

Assessment Trust Fund

Year Ended December 31, 2025

Ordinance Number		Balance Dec. 31, 2024	Receipts: Assessments	Receipts: Miscellaneous Receipts	Disbursements: Payment of DEP Loan	Transfers: From	Transfers: To	Balance Dec. 31, 2025
2013-09	Summit Lake Dam Improvements	$ 25,300	27,739	-	44,793	-	-	8,246
2020-01	Park Drive Improvements	(443,882)	55,763	-	-	-	8,574	(379,545)
	Interfund - Current Fund	(284)	-	7,095	-	1,794	-	5,017
	Interfund - General Capital	507,312	-	-	-	6,780	-	500,532
		$ 88,446	83,502	7,095	44,793	8,574	8,574	134,250
		B	B-3	B-6	B-7			B

Township of Hardyston , N.J.

Schedule of Assessments Receivable

Assessment Trust Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Date of Confir-mation	Balance Dec. 31, 2024	Collected	Balance Dec. 31, 2025	Balance Pledged to NJ DEP Loan	Balance Pledged to Reserve	Balance Pledged to Interfund General Capital
2013-09	Summit Lake Dam Improvements	4/22/2015	$ 122,565	27,739	94,826	94,826	-	-
2020-01	Park Drive Improvements	12/22/2021	457,371	62,543	394,828	-	15,283	379,545
			$ 579,936	90,282	489,654	94,826	15,283	379,545
			B		B			
		Ref.						
	Cash Receipts	B-1;B-2		83,502				
	Interfund - General Capital	B-6		6,780				
				90,282				

Township of Hardyston , N.J.

Schedule of Assessment Liens

Assessment Trust Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description		Balance Dec. 31, 2024	Balance Dec. 31, 2025	Balance Pledged to NJDEP Loan
2013-09	Summit Lake Dam Improvements	$	6,381	6,381	6,381
			B	B	

Township of Hardyston , N.J.

Schedule of Amount to Be Raised by Taxation for Property Acquired for Taxes

Assessment Trust Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	Balance Dec. 31, 2025
2013-09	Summit Lake Dam Improvements	$ 2,531	2,531
		B	B

Township of Hardyston , N.J.

Schedule of Interfunds

Assessment Trust Fund

Year Ended December 31, 2025

	Due (to)/from Balance Dec. 31, 2024	Increased	Decreased	Due (to)/from Balance Dec. 31, 2025
General Capital	$ (507,312)	6,780	-	(500,532)
Current Fund	2,078	-	7,095	(5,017)
	$ (505,234)	6,780	7,095	(505,549)
	B	B-3	B-1	B

Township of Hardyston , N.J.

Schedule of NJ DEP Loan Payable - Gordon Lake

Assessment Trust Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	B	$	156,777
Decreased by:			
Cash Disbursement	B-1;B-2		44,793
Balance - December 31, 2025	B	$	111,984

Payment Date		Principal	Interest		Balance
				$	111,984
05/29/26	$	21,310	1,087		89,587
11/29/26		21,523	874		67,190
05/29/27		21,738	659		44,793
11/29/27		21,955	441		22,397
05/29/28		22,175	222		-
	$	108,701	3,283		

Township of Hardyston , N.J.

Schedule of Reserve for Assessments and Liens

Assessment Trust Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	Balance Dec. 31, 2025
Assessments Receivable			
2020-01	Park Drive Improvements	$ 15,283	15,283
		B	B;B-3

Township of Hardyston , N.J.

Schedule of Interfunds

Animmal Control Trust Fund

Year Ended December 31, 2025

	Due (to)/from Balance Dec. 31, 2024	Increased	Decreased	Due from/(to) Balance Dec. 31, 2025
Other Trusts	$ (4,390)	-	-	(4,390)
Current Fund	(20)	7,567	557	6,990
	$ (4,410)	7,567	557	2,600
	B	B-1	B-1	B

Township of Hardyston , N.J.

Schedule of Due To State of New Jersey

Animal Control Trust Fund

Year Ended December 31, 2025

	Ref.		
Increased by:			
State License Fees Collected	B-1	$	1,214
Decreased by:			
Payments to State of NJ	B-1	$	1,214

Township of Hardyston , N.J.

Reserve for Animal Control Trust Expenditures

Animal Control Trust Fund

Year Ended December 31, 2025

	Ref.				
Balance - December 31, 2024	B			$	13,386
Increased by:					
Dog License Fees Collected in 2025	B-1	$	8,305		
Late Charges and Fines	B-1		960		
Current Fund Appropriation	B-1		2,967		
					12,232
					25,618
Decreased by:					
Expenditures R.S. 4:19-1511	B-1				9,429
Balance - December 31, 2025	B			$	16,189

License Fees Collected

Year		
2024		8,856
2023		8,780
	$	17,636

B-12

Township of Hardyston , N.J.

Schedule of Reserve for Encumbrances

Animal Control Trust Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	B	$	1
Decreased by:			
Cash Disbursements	B-1		1
Balance - December 31, 2025	B	$	-

B-13

Schedule of Interfund Animal Control Trust

Other Trust Funds

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	B	$	4,390
Balance - December 31, 2025	B	$	4,390

B-14

Township of Hardyston , N.J.

Schedule of Interfund Current Fund

Other Trust Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	B	$	2,410
Increased by:			
Other Trust Funds	B-16		168,645
			171,055
Decreased by:			
Cash Receipts	B-1		15,197
Balance - December 31, 2025	B	$	155,858

B-15

Schedule of Reserve for Encumbrances

Other Trust Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	B	$	21,921
Increased by:			
Charges to Reserves	B-16		83,126
			105,047
Decreased by:			
Cash Disbursements	B-1		21,921
Balance - December 31, 2025	B	$	83,126

Township of Hardyston , N.J.

Schedule of Other Trust Funds

Other Trust Fund

Year Ended December 31, 2025

	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Reserve for:				
Escrow Deposits	92,465	65,477	98,343	59,599
Performance Bonds Escrow	574,310	14,851	36,043	553,118
Recreation	30,077	19,757	21,156	28,678
Small Cities	67,908	-	-	67,908
Accumulated Sick Leave	796,217	76,198	53,252	819,163
Municipal Court - P.O.A.A.	466	24	-	490
Public Defender	2,915	1,806	1,800	2,921
Premiums on Tax Sale	181,100	176,200	45,800	311,500
Police Outside Work	-	7,154	6,180	974
Redemption of Outside Liens	-	32,042	31,094	948
Snow Removal/Storm Recovery	336,248	129,286	139,492	326,042
Affordable Housing	1,196,721	55,929	28,220	1,224,430
Uniform Fire Safety Fines	22,975	129,493	93,453	59,015
Uniform Construction Code Fees	433,148	121,145	125,585	428,708
Lead Abatement	570	1,160	160	1,570
Payroll Agency	3,676	3,919,295	3,918,220	4,751
Net Payroll	-	3,401,577	3,401,517	60
	3,738,796	8,151,394	8,000,315	3,889,875
	B			B

	Ref.		
Cash Receipts	B-1	7,982,749	-
Cash Disbursements	B-1	-	7,917,189
Interfunds	B-14	168,645	-
Reserve for Encumbrances	B-15	-	83,126
		8,151,394	8,000,315

B-17

Township of Hardyston , N.J.

Schedule of Contributions Receivable

Emergency Services Volunteer Length of Services Award Program

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	B	$	29,900
Increased by:			
Township Contributions	B-18		27,600
			57,500
Decreased by:			
Cash Receipts	B-1		29,900
Balance - December 31, 2025	B	$	27,600

B-18

Schedule of Net Assets Available for Benefits

Emergency Services Volunteer Length of Services Award Program

Year Ended December 31, 2025

	Ref.				
Balance - December 31, 2024	B			$	593,153
Increased by:					
Increase in Investment Value	B-1	$	75,661		
Township Contributions	B-17		27,600		
					103,261
					696,414
Decreased by:					
Service Charges	B-1				925
Balance - December 31, 2025	B			$	695,489

Township of Hardyston , N.J.

Schedule of Cash

General Capital Fund

Year Ended December 31, 2025

	Ref.				
Balance - December 31, 2024	C			$	2,824,210
Increased by Receipts:					
Deferred Charges to Future Taxation:					
Unfunded	C-5	$	24,250		
Capital Improvement Fund	C-8		25,000		
Down Payments on Improvements	C-9		459,900		
Schedule of Interfunds	C-10		86,711		
					595,861
					3,420,071
Decreased by Disbursements:					
Capital Fund Balance	C-1		105,000		
Improvement Authorizations	C-7		556,877		
Schedule of Interfunds	C-10		91,651		
Various Capital Reserves	C-11		85,330		
Reserve for Encumbrances	C-12		350,211		
					1,189,069
Balance - December 31, 2025	C			$	2,231,002

Township of Hardyston , N.J.

Analysis of Cash

General Capital Fund

Year Ended December 31, 2025

	Balance or (Deficit) Dec. 31, 2024	Receipts		Disbursements			Transfers		Balance or (Deficit) Dec. 31, 2025
		Budget Appropriations	Miscellaneous	Improvement Authorizations	Anticipated as Revenue	Miscellaneous	From	To	
Fund Balance	$ 114,232	-	-	-	105,000	-	-	-	9,232
Capital Improvement Fund	38,820	25,000	-	-	-	-		-	63,820
Down Payments on Improvements	-	459,900	-	-	-	-	459,900	-	-
Various Reserves	987,457	-	-	-	-	85,330	100,000	-	802,127
Reserve for Encumbrances	2,282,135	-	-	247,058	-	103,153	-	390,610	2,322,534
Interfund - Current Fund	59,769	-	79,931	-	-	91,651	-	-	48,049
Interfund - Assessment Trust	(507,312)	-	6,780	-	-	-	-		(500,532)
Improvement Authorizations:									
13-01 Purchase of Street Sweeper	(39,000)	19,500	-	-	-	-	-	-	(19,500)
13-08 Upgrade to "911" Equip	(9,500)	4,750	-	-	-	-	-	-	(4,750)
18-08 Various Capital Improvements	372	-	-	-	-	-	-	-	372
18-13 Various Capital Improvements	1,334,687	-	-	323,560	-	-	20,388	-	990,739
19-05 Various Capital Improvements	888	-	-	-	-	-	-	-	888
20-04 Various Capital Improvements	3,203	-	-	1,100	-	-	-	-	2,103
21-05 Various Capital Improvements	2,347	-	-	-	-	-	-	-	2,347
21-13 Acquisition of FF Turnout Gear	141	-	-	-	-	-	-	-	141
22-06 Various Capital Improvements	55,563	-	-	7,488	-	-	-	-	48,075
23-05 Various Capital Improvements	295,181	-	-	39,549	-	-	-	-	255,632
24-05 Various Capital Improvements	38,521	-	-	26,745	-	-	2,110	-	9,666
24-13 Acquisition of Fire Truck	(1,833,294)	-	-	-	-	-	-	-	(1,833,294)
25-03 Various Capital Improvements	-	-	-	158,435	-	-	268,112	459,900	33,353
	$ 2,824,210	509,150	86,711	803,935	105,000	280,134	850,510	850,510	2,231,002
	C								C

Township of Hardyston , N.J.

Schedule of Deferred Charges to Future Taxation - Funded

General Capital Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	C	$	6,525,000
Decreased by:			
Serial Bonds Paid by Current Year Budget Appropriations	C-6		765,000
Balance - December 31, 2025	C	$	5,760,000

Township of Hardyston , N.J.

Schedule of Deferred Charges to Future Taxation - Unfunded

General Capital Fund

Year Ended December 31, 2025

Ordinance Number	Improvement Description	Balance, Dec. 31, 2024	Funded by Budget Appropriation	Balance, Dec. 31, 2025	Analysis of Balance Dec. 31, 2025: Expended	Analysis of Balance Dec. 31, 2025: Unexpended Improvement Authorization
13-01	Street Sweeper	$ 39,000	19,500	19,500	19,500	-
13-08	Upgrades to 911 Equipment	9,500	4,750	4,750	4,750	-
24-13	Acquisition of Fire Truck	2,000,000	-	2,000,000	1,833,294	166,706
		$ 2,048,500	24,250	2,024,250	1,857,544	166,706
		C	C-2; C-13	C		C-7

Township of Hardyston , N.J.

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 Improvement Bonds of 2015	4/1/2015	$ 1,700,000	04/01/26-28	$ 150,000	2.750%			
			04/01/29	145,000	2.750%	$ 745,000	150,000	595,000
General Refunding Bonds of 2015	4/1/2015	3,555,000	02/01/26-27	290,000	4.00%			
			02/01/28-29	285,000	4.00%			
			02/01/30	140,000	3.00%	1,580,000	290,000	1,290,000
General Improvement Bonds of 2023	8/1/2023	4,500,000	08/01/26	425,000	1.00%			
			08/01/27	450,000	3.00%			
			08/01/28	465,000	4.00%			
			08/01/29	475,000	4.00%			
			08/01/30	495,000	4.00%			
			08/01/31	500,000	4.00%			
			08/01/32	525,000	3.125%			
			08/01/33	540,000	3.25%	4,200,000	325,000	3,875,000
						$ 6,525,000	765,000	5,760,000
						C	C-4	C

Township of Hardyston , N.J.

Schedule of Improvement Authorizations

General 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	Paid or Charged	Balance, Dec. 31, 2025 Funded	Balance, Dec. 31, 2025 Unfunded
	General Improvements:								
18-08	Various Capital Improvements	06/27/18	$ 550,000	$ 372	-	-	-	372	-
18-13	Various Capital Improvements	11/28/18	4,825,000	1,334,687	-	-	343,948	990,739	-
19-05	Various Capital Improvements	05/22/19	375,900	888	-	-	-	888	-
20-04	Various Capital Improvements	05/27/20	345,200	3,203	-	-	1,100	2,103	-
21-05	Various Capital Improvements	05/26/21	382,500	2,347	-	-	-	2,347	-
21-13	Acquisition of FF Turnout Gear	12/08/21	25,000	141	-	-	-	141	-
22-06	Various Capital Improvements	05/25/22	531,792	55,563	-	-	7,488	48,075	-
23-05	Various Capital Improvements	05/24/23	623,674	295,181	-	-	39,549	255,632	-
24-05	Various Capital Improvements	05/22/24	352,192	38,521	-	-	28,855	9,666	-
24-13	Acquisition of Fire Truck	11/13/24	2,100,000	-	166,706	-	-	-	166,706
25-03	Various Capital Improvements	05/28/25	459,900	-	-	459,900	426,547	33,353	-
				$ 1,730,903	166,706	459,900	847,487	1,343,316	166,706
				C	C	C-9		C	C

Cash Disbursements	C-2		556,877
Encumbrances Payable	C-12		290,610
			$ 847,487

Township of Hardyston , N.J.

Schedule of Capital Improvement Fund

General Capital Fund

Year Ended December 31, 2025

	Ref.		
Balance - December 31, 2024	C	$	38,820
Increased by:			
Budget Appropriation	C-2		25,000
Balance - December 31, 2025	C	$	63,820

Schedule of Down Payments on Improvements

General Capital Fund

Year Ended December 31, 2025

	Ref.		
Increased by:			
Budget Appropriation	C-2	$	459,900
Decreased by:			
Appropriated to Finance Improvement Authorizations	C-7	$	459,900

Township of Hardyston , N.J.

Schedule of Interfunds

General Capital Fund

Year Ended December 31, 2025

Fund		Due From/(To) Balance, Dec. 31, 2024	Increased	Decreased	Due From/(To) Balance, Dec. 31, 2025
Current Fund	$	(59,769)	91,651	79,931	(48,049)
Assessment Trust Fund		507,312	-	6,780	500,532
	$	447,543	91,651	86,711	452,483
		C	C-2	C-2	C

Township of Hardyston , N.J.

Schedule of Various Reserves

General Capital Fund

Year Ended December 31, 2025

		Balance, Dec. 31, 2024	Decreased	Balance, Dec. 31, 2025
Improvements to Block 62 Lot 34.01	$	24,000	-	24,000
Improvement Ridgefield Road		51,000	-	51,000
Pembridge at CS		57,962	-	57,962
Imp. Shotland Bauer Cloverdale		40,428	15,428	25,000
Imp. Shotland Bauer High Grove		74,041	49,041	25,000
Ridgefield Commons		124,278	-	124,278
Imp. Shotland Bauer Ferndown Phase I		157,773	-	157,773
Brecia Farms		327,546	-	327,546
ARP Capital Improvements		130,429	120,861	9,568
	$	987,457	185,330	802,127
		C		C

	Ref.		
Cash Disbursements	C-2		85,330
Encumbrances Payable	C-12		100,000
		$	185,330

Township of Hardyston , N.J.

Schedule of Reserve for Encumbrances

General Capital Fund

Year Ended December 31, 2025

	Ref.				
Balance - December 31, 2024	C			$	2,282,135
Increased by:					
Charges to:					
Improvement Authorizations	C-7	$	290,610		
Various Reserves	C-11		100,000		
					390,610
					2,672,745
Decreased by:					
Cash Disbursements	C-2				350,211
Balance - December 31, 2025	C			$	2,322,534

Township of Hardyston , N.J.

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	Funded by Budget Appropriation	Balance, Dec. 31, 2025
13-01	Street Sweeper	$	39,000	19,500	19,500
13-08	Upgrades to 911 Equipment		9,500	4,750	4,750
24-13	Acquisition of FireTruck		2,000,000	-	2,000,000
		$	2,048,500	24,250	2,024,250
			Footnote C	C-5	Footnote C

TOWNSHIP OF HARDYSTON

PART II

LETTER ON COMPLIANCE AND ON INTERNAL CONTROL

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2025

WIELKOTZ & COMPANY LLC
CERTIFIED PUBLIC ACCOUNTANTS

STEVEN D. WIELKOTZ, CPA, RMA, PSA
MATTHEW B. WIELKOTZ, CPA, RMA, PSA, CMFO
DAVID BOTTGE, CPA, RMA, PSA
PAUL J. CUVA, CPA, RMA, PSA
KARI FERGUSON, CPA, RMA, PSA, CMFO
ROBERT C. MCNINCH, CPA, CFE, PSA
KEVIN REEVES, CPA, PSA

401 WANAQUE AVENUE
POMPTON LAKES, NEW JERSEY 07442
PHONE: (973)-835-7900
FAX: (973)-835-6631
EMAIL: OFFICE@W-CPA.COM
WWW.W-CPA.COM

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 Hardyston
Hardyston, New Jersey 07419

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 Hardyston in the County of Sussex 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 June 15, 2026, which was adverse due to being presented in accordance with New Jersey regulatory basis of accounting. The regulatory basis opinion was qualified for Length of Services Award Program not being audited.

Internal Control Over Financial Reporting

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

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Hardyston'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 no 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 Hardyston 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 Hardyston 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 Hardyston internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. 413

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

June 15, 2026

W&CO

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 contracts 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. That adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A:11-4 states: "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 therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsection 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."

Effective April 17, 2000 and thereafter the bid threshold in accordance with N.J.S.A. 40A:11-3 (as amended) is $17,500.00 and $25,000.00 with a qualified purchasing agent. On July 1, 2015, the bid threshold was increased to $40,000.00 with a qualified purchasing agent and on July 1, 2020, was increased to $44,000.00 with a qualified purchasing agent. On July 1, 2025, this amount was increased to $53,000.

GENERAL COMMENTS, (CONTINUED)

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

The Governing Body of the Township of Hardyston (the "Township") have the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year and where question arises as to whether any contract or agreement might result in violation of the statute, the Township Attorney's opinion should be sought before a commitment is made.

The minutes indicated the bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

Inasmuch as the system of records did not provide for the 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. None were noted.

Our review of the Township's minutes indicated that resolutions were adopted authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5.

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.A. 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 3, 2025 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, Chapter 75 of the Public Laws of 1991 of the State of New Jersey authorizes the governing body of each municipality by resolution to fix the rate of interest to be charged for nonpayment of taxes or assessments on or before the date when they would become delinquent, and

WHEREAS, the provisions of said statute provides that the rate of interest to be so charged may be fixed at a rate not to exceed 8% per annum on the first $1,500 of delinquency, and a rate of 18% per annum on any amount in excess of $1,500.

WHEREAS, the statute further provides that the governing body may provide that no interest shall be charged if payment is made within the tenth calendar day following the date which the same became payable, and

GENERAL COMMENTS, (CONTINUED)

WHEREAS, (N.J.S.A. 54:4-67 AS AMENDED) also provides that the governing body may fix a penalty to be charged to a taxpayer with a delinquency in excess of $10,000 who fails to pay that delinquency prior to the end of the (calendar) fiscal year which shall not exceed (6%) six percent; and

WHEREAS, the Governing Body of the Township of Hardyston deems that implementation of Chapter 75 of the P.L. of 1991 (N.J.S.A. 54:4-67) the same is desirable and appropriate;

NOW THEREFORE BE IT RESOLVED, by the Governing Body of the Township of Hardyston that pursuant to the authority granted to it by N.J.S.A. 54:4-67, AS AMENDED that the rate of interest be set in the amount of 8% on the first 1,500. of the delinquency and at the rate of 18% on any amount in excess of $1,500 provided payment is not made within the grace period of ten days from the date payable and that the penalty on amounts due in excess of $10,000 at the close of the (calendar) fiscal year be set at 6% of the amount of the delinquency.

It appears from our test of the collector's record that interest was collected in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

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	20
2024	21
2023	21

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services.

The results of the test, which was made as of December 31, 2025, are not yet known, but a separate report will be rendered if any irregularities were developed.

In addition, analytical review procedures were utilized to ascertain the validity of the receivables.

OTHER COMMENTS

Municipal Court

The report required by statute covering the accounts of the Municipal Court has been filed under a separate cover with the Magistrate, Township Clerk and the Division of Local Government Services. Comments regarding the financial records maintained by the Court Administrator are covered in this report.

1. Our review of the December Monthly Management Report revealed 9 tickets assigned but not issued over 180 days.

Finance

1. In several instances, purchases were not encumbered before invoiced/received indicating lack of appropriate approvals.

2. Resolutions awarding noncompetitive contracts for professional services lacked "not-to-exceed" language and the budget line-item(s) where the contract would be charged.

3. The annual debt statement filed with the State was incorrect.

RECOMMENDATIONS

1. That Municipal Court tickets assigned but not issued over 180 days be recalled/reissued.

2. That all purchases receive appropriate approvals in advance.

3. That resolutions awarding noncompetitive contracts include not-to-exceed language and indicate the line-item(s) intended to be charged.

4. That the annual debt statement be amended and re-filed.

STATUS OF PRIOR YEAR AUDIT FINDINGS/RECOMMENDATIONS

A review was performed on all prior years' recommendations and corrective action was taken on all findings.

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

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

Very truly yours,

Steven D. Wielkotz, C.P.A.
Registered Municipal Accountant
No. 413

Wielkotz & Company, LLC

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

June 15, 2026