CITY OF BRIGANTINE

REPORT OF AUDIT

FOR THE YEAR ENDED

DECEMBER 31, 2025

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CITY OF BRIGANTINE

PART I

REPORT ON AUDIT OF

FINANCIAL STATEMENTS - REGULATORY BASIS

FOR THE YEAR ENDED

DECEMBER 31, 2025

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

To the Honorable Mayor and
Members of City Council
City of Brigantine
County of Atlantic, New Jersey

Report on the Financial Statements

Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Opinion on Regulatory Basis of Accounting

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

Basis for Opinions

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

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

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

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Brigantine'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 City of Brigantine's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brigantine'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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information listed in the table of contents is fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2026, on our consideration of the City of Brigantine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 City of Brigantine's internal control over financial reporting and compliance.

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

June 19, 2026

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EXHIBIT - A
CURRENT FUND

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

		2025	2024
ASSETS			
Regular Fund:			
Cash:			
Cash Treasurer	$	15,495,204.73	14,946,874.86
Change and Petty Cash Funds		2,975.00	2,475.00
Prepaid School Taxes		662,004.75	-
Total		16,160,184.48	14,949,349.86
Receivables and Other Assets with Full Reserves:			
Delinquent Property Taxes Receivable		352,122.35	300,628.03
Tax Title and Other Liens		24,045.41	22,051.41
Property Acquired for Taxes - at Assessed Valuation		308,862.00	308,862.00
Revenue Accounts Receivable		6,128.48	6,049.74
Interfund Receivable:			
Due from Water Sewer Operating		-	21,033.11
Due from Animal Control		666.40	1,078.80
Due from Trust Other		5,000.00	-
Total Receivables and Other Assets		696,824.64	659,703.09
Deferred Charges:			
Overexpenditure of Appropriation Reserves		-	5,469.03
Total Deferred Charges		-	5,469.03
Total Regular Fund		16,857,009.12	15,614,521.98
Federal and State Grant Fund:			
Cash		1,034,450.10	560,284.12
Federal and State Grants Receivable		575,576.58	739,591.02
Due from Current Fund		47,949.34	57,449.18
Total Federal and State Grant Fund		1,657,976.02	1,357,324.32
Total Current Fund	$	18,514,985.14	16,971,846.30

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

LIABILITIES, RESERVES AND FUND BALANCE		2025	2024
Regular Fund:			
Liabilities:			
Appropriation Reserves	$	860,457.71	464,578.84
Reserve for Encumbrances		520,349.05	328,206.25
Accounts Payable		88,050.07	32,516.30
Prepaid Taxes		1,310,203.96	1,191,499.87
Overpaid Taxes		5,277.56	43,928.86
Payroll Taxes Payable		362,330.37	307,349.47
Local School Taxes Payable		-	-
County Tax Payable		217,186.15	177,771.67
Tourism Commission		1,310.00	1,310.00
Due to State:			
Marriage Licenses		300.00	200.00
Senior Citizens & Vets		27,384.83	29,384.83
DCA Training Fees		10,531.00	6,450.00
Interfund Payable:			
Due General Capital Fund		298,295.82	144,601.47
Due Grant Fund		47,949.34	57,449.18
Due Utility Operating Fund		877,668.48	-
Other:			
Tax Appeals		504,000.00	503,500.00
Tax Map and Property Revaluation		188,419.00	300,019.00
Master Plan		20,065.02	20,065.02
Reserve for Future Capital Projects		1,371,956.26	1,371,956.26
		6,711,734.62	4,980,787.02
Reserve for Receivables and Other Assets		696,824.64	659,703.09
Fund Balance		9,448,449.86	9,974,031.87
Total Regular Fund		16,857,009.12	15,614,521.98
Federal and State Grant Fund:			
Unappropriated Reserves		4,255.03	4,255.03
Appropriated Reserves		1,351,581.27	1,286,029.66
Encumbrances Payable		302,139.72	67,039.63
Total Federal and State Grant Fund		1,657,976.02	1,357,324.32
Total Current Fund	$	18,514,985.14	16,971,846.30

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

		2025	2024
Revenue and Other Income Realized			
Fund Balance	$	4,070,000.00	3,425,000.00
Miscellaneous Revenue Anticipated		7,957,256.91	7,558,125.65
Receipts from Delinquent Taxes		301,436.27	328,884.51
Receipts from Current Taxes		69,366,233.49	65,857,226.40
Non Budget Revenue		274,237.11	342,355.52
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		442,761.51	1,304,215.60
Prior Accounts Payable		-	6,624.00
Reserves Liquidated:			
Interfunds Returned		22,111.91	850,527.50
Total Income		82,434,037.20	79,672,959.18
Expenditures			
Budget and Emergency Appropriations:			
Appropriations Within "CAPS"			
Operations:			
Salaries and Wages		14,444,292.50	13,631,961.92
Other Expenses		9,884,492.00	8,721,159.00
Deferred Charges & Statutory Expenditures Appropriations Within "CAPS"		4,338,960.03	4,255,193.08
Operations Excluded from "CAPS"			
Salaries and Wages		461,000.00	393,000.00
Other Expenses		462,230.46	397,996.75
Capital Improvements - Excluded from "CAPS"		860,000.00	860,000.00
Municipal Debt Service - Excluded from "CAPS"		4,218,197.41	4,208,847.73
Deferred Charges and Statutory Expenditures Municipal Excluded from "CAPS"		266,134.00	-
Transferred to Board of Education for Use of Local Schools		1,149,999.00	1,143,100.00
Local District School Tax		15,888,114.00	15,888,114.00
Senior Citizens' Deductions Disallowed by Collector - Prior Year Taxes		1,750.00	500.00
County Tax		26,691,597.26	24,560,260.32
County Share of Added Tax		217,186.15	177,771.67
Creation of Reserve for :			
Interfunds Created		5,666.40	736.60
Total Expenditures		78,889,619.21	74,238,641.07
Excess in Revenue		3,544,417.99	5,434,318.11

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

		2025	2024
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year		-	-
Total Adjustments		-	-
Statutory Excess to Fund Balance		3,544,417.99	5,434,318.11
Fund Balance January 1		9,974,031.87	7,964,713.76
		13,518,449.86	13,399,031.87
Decreased by:			
Utilization as Anticipated Revenue		4,070,000.00	3,425,000.00
Fund Balance December 31	$	9,448,449.86	9,974,031.87

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

	Anticipated Budget	Anticipated N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	$ 4,070,000.00		4,070,000.00	-
Total Fund Balance Anticipated	4,070,000.00	-	4,070,000.00	-
Miscellaneous Revenues:				
Section A: Local Revenues				
Licenses:				
Alcoholic Beverages	10,000.00		10,780.00	780.00
Other	7,100.00		19,251.00	12,151.00
Fees and Permits	130,000.00		380,359.19	250,359.19
Fines and Costs:				
Municipal Court	120,000.00		192,575.52	72,575.52
Interest and Costs on Taxes	100,000.00		115,147.37	15,147.37
Interest and Investments and Deposits	500,000.00		1,013,786.24	513,786.24
Beach Fees	850,000.00		869,796.00	19,796.00
Beach Vehicles Permits	850,000.00		897,645.00	47,645.00
Cable Franchise Fee	79,000.00		77,053.14	(1,946.86)
Emergency Medical Services	250,000.00		303,225.65	53,225.65
Leased City Property	200,000.00		271,383.35	71,383.35
County Share of Library Costs	50,000.00		50,000.00	-
Total Section A: Local Revenues	3,146,100.00	-	4,201,002.46	1,054,902.46
Section B: State Aid Without Offsetting Appropriations				
Energy Receipts Tax	664,966.00		664,965.56	(0.44)
Type I School Debt Service	150,000.00		-	(150,000.00)
Garden State Trust Fund	19,173.00		19,173.00	-
Total Section B: State Aid Without Offsetting Appropriations	834,139.00	-	684,138.56	(150,000.44)
Section C: Uniform Construction Code Fees				
Uniform Construction Code Fees	450,000.00		709,774.00	259,774.00
Total Section C: Uniform Construction Code Fees	450,000.00	-	709,774.00	259,774.00

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Anticipated			Excess or
	Budget	N.J.S. 40A:4-87	Realized	(Deficit)
Section D: Special Items of General Revenue Anticipated				
None	-		-	-
Total Section D: Special Items of General Revenue Anticipated	-	-	-	-
Section E: Special Items of General Revenue Anticipated With With Prior Written Consent of Director of Local Government Services - Additional Revenues				
Fire Prevention Inspection Fees	480,000.00		467,645.00	(12,355.00)
Total Section E: Special Items of General Revenue Anticipated With Prior Written Consent of Director of Local Government Services - Additional Revenues	480,000.00	-	467,645.00	(12,355.00)
Section F: Special Items - Public and Private Programs				
Recycling Tonnage Grant		15,304.23	15,304.23	-
Clean Communities		56,274.78	56,274.78	-
Drive Sober or Get Pulled Over-Year End Holiday		2,800.00	2,800.00	-
NJ DOT - Municipal Aid 2024 Harbor Beach Blvd		269,995.00	269,995.00	-
NJTSA Grant - CARES		2,100.00	2,100.00	-
Drive Sober or Get Pulled Over-Labor Day		4,200.00	4,200.00	-
Atlantic County Area Agency on Aging		62,247.60	62,247.60	-
Click It or Ticket		2,800.00	2,800.00	-
Municipal Alliance on Alcoholism and Drug Abuse	4,503.00		4,503.00	-
Cops in Shops	2,880.00		2,880.00	-
U Drive U Text U Pay	3,500.00		3,500.00	-
Emergency Management - EMAA Grant	10,000.00		10,000.00	-
Total Section F: Special Items - Public and Private Programs Off-Set with Appropriations	20,883.00	415,721.61	436,604.61	-

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Anticipated			
	Budget	N.J.S. 40A:4-87	Realized	Excess or (Deficit)
Section G: Other Special Items				
Minature Golf Receipts	25,000.00		20,330.00	(4,670.00)
Golf Course Receipts	1,190,000.00		1,252,177.81	62,177.81
Hotel Tax	150,000.00		185,584.47	35,584.47
Total Section G: Other Special Items	1,365,000.00	-	1,458,092.28	93,092.28
Total Miscellaneous Revenues:	6,296,122.00	415,721.61	7,957,256.91	1,245,413.30
Receipts from Delinquent Taxes	255,469.03		301,436.27	45,967.24
Amount to be Raised by Taxes for Support of Municipal Budget				
Local Tax for Municipal Purposes	25,556,936.45		27,077,588.68	1,520,652.23
Addition to Local District School Tax	1,000,000.00		1,000,000.00	-
Total Amount to be Raised by Taxes for Support of Municipal Budget	26,556,936.45	-	28,077,588.68	1,520,652.23
Budget Totals	37,178,527.48	415,721.61	40,406,281.86	2,812,032.77
Non- Budget Revenues:				
Other Non- Budget Revenues:	-		274,237.11	274,237.11
	37,178,527.48	415,721.61	40,680,518.97	3,086,269.88

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

Analysis of Realized Revenues		
Allocation of Current Tax Collections:		
Revenue from Collections		69,366,233.49
Less: Reserve for Tax Appeals Pending		-
Net Revenue from Collections		69,366,233.49
Allocated to:		
School, County and Other Taxes		42,796,897.41
Balance for Support of Municipal Budget Appropriations		26,569,336.08
Increased by:		
Appropriation "Reserved for Uncollected Taxes"		1,508,252.60
Amount for Support of Municipal Budget Appropriations		28,077,588.68
Receipts from Delinquent Taxes:		
Delinquent Tax Collection	301,436.27	
Tax Title Lien Collections	-	
Total Receipts from Delinquent Taxes		301,436.27
Analysis of Non-Budget Revenue:		
Miscellaneous Revenue Not Anticipated:		
Tax Sale Costs	2,764.59	
Administrative Fee - Senior Citizens and Veterans Deductions	1,150.00	
Police Special Detail-City Portion	23,227.50	
Trash Cans	300.00	
Vacant Property Registration	5,500.00	
Restitution	1,725.00	
Special Charges	1,607.68	
Zoning Fees	14,300.00	
Street Opening Permits	27,600.00	
Special Events Permits	3,300.00	
Dune Maintenance Permits	6,600.00	
Dog Park Permits / Dog Statutory Excess	666.40	
Horseback Riding Permits	400.00	
Copy/Notary Fees	2,036.15	
Bulkhead Permits	5,400.00	
List of Owners	805.00	
Ice Cream Proceeds	400.00	
Community Center Lease	6,127.25	
NSF Fees	190.00	
Sidewalk Permits	14,400.00	
Stale Dated Checks Voided	88,616.03	
Miscellaneous Collector Receipts	18,308.51	
Miscellaneous	48,813.00	
Total Miscellaneous Revenue Not Anticipated:		274,237.11

Exhibit A - 3

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
General Administration						
Salaries & Wages	$ 195,000.00	221,000.00	210,669.49		10,330.51	-
Other Expenses	78,300.00	63,300.00	60,060.28	1,424.22	1,815.50	-
Mayor and Council						
Salaries & Wages	58,000.00	58,000.00	57,899.96		100.04	-
Other Expenses	7,400.00	7,400.00	2,312.00		5,088.00	-
Municipal Clerk						
Salaries & Wages	115,000.00	102,500.00	98,435.07		4,064.93	-
Other Expenses	99,000.00	102,300.00	94,922.96	3,822.90	3,554.14	-
Financial Administration						
Salaries & Wages	193,000.00	194,000.00	192,878.60		1,121.40	-
Other Expenses	97,300.00	90,300.00	86,863.37	1,652.75	1,783.88	-
Audit Services						
Other Expenses	45,000.00	42,500.00	42,435.50		64.50	-
Revenue Administration (Tax Collector)						
Salaries & Wages	112,000.00	141,500.00	132,850.03		8,649.97	-
Other Expenses	38,200.00	39,700.00	39,244.52		455.48	-
Tax Assessment Administration						
Salaries & Wages	231,000.00	232,500.00	231,267.28		1,232.72	-
Other Expenses	34,400.00	37,900.00	19,902.78	4,322.00	13,675.22	-
Legal Services						
Other Expenses	440,500.00	361,500.00	332,672.01	19,910.38	8,917.61	-
Emergency Medical Billing						
Other Expenses	18,000.00	18,000.00	16,694.68	1,304.29	1.03	-
Engineering Services and Costs						
Other Expenses	152,500.00	182,500.00	114,334.17	66,706.25	1,459.58	-
Municipal Court						
Salaries & Wages	190,500.00	194,000.00	192,770.78		1,229.22	-
Other Expenses	16,000.00	11,200.00	6,963.40	2,631.25	1,605.35	-
Public Defender						
Other Expenses	15,200.00	15,200.00	11,050.00	1,500.00	2,650.00	-

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

Exhibit A - 3

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

	Appropriations		Expended			(Over expended) Unexpended
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Balance Cancelled
LAND USE ADMINISTRATION						
Planning Board						
Salaries & Wages	11,500.00	11,501.00	11,500.06		0.94	-
Other Expenses	40,560.00	26,560.00	26,426.86	96.92	36.22	-
INSURANCE						
General Liability	333,543.00	291,042.00	261,144.20		29,897.80	-
Workers Compensation Insurance	700,000.00	575,000.00	572,224.88		2,775.12	-
Employee Group Insurance	2,085,000.00	2,325,000.00	1,879,072.62	4,633.03	441,294.35	-
Health Benefits Waiver						
Salaries & Wages	210,000.00	200,000.00	199,928.21		71.79	-
PUBLIC SAFETY						
Fire Department						
Salaries & Wages	4,240,000.00	4,150,000.00	4,134,979.40		15,020.60	-
Other Expenses	298,400.00	298,400.00	251,917.17	40,945.74	5,537.09	-
Police Department						
Salaries & Wages	5,022,000.00	4,905,200.00	4,855,413.31		49,786.69	-
Other Expenses	266,150.00	266,150.00	233,465.57	20,882.44	11,801.99	-
Office of Emergency Management						
Salaries & Wages	10,000.00	16,700.00	16,050.48		649.52	-
Other Expenses	5,700.00	4,500.00	2,711.49	59.51	1,729.00	-
PUBLIC WORKS						
Streets and Roads Maintenance						
Salaries & Wages	520,000.00	537,000.00	536,575.62		424.38	-
Other Expenses	91,540.00	91,540.00	76,584.77	12,288.00	2,667.23	-
Demolition						
Other Expenses	75,000.00	25,300.00	22,800.00	2,500.00	-	-
Solid Waste Collection						
Other Expenses	1,624,000.00	1,764,000.00	1,485,681.19	150,222.46	128,096.35	-
Recycling Program						
Salaries & Wages	41,300.00	41,300.00	40,501.94		798.06	-
Other Expenses	13,000.00	11,000.00	4,971.23	800.57	5,228.20	-
Department of Public Works						
Salaries & Wages	198,200.00	199,200.00	198,386.18		813.82	-
Other Expenses	62,900.00	62,900.00	61,754.37		1,145.63	-
Buildings and Grounds						
Salaries & Wages	945,000.00	940,000.00	928,062.66		11,937.34	-
Other Expenses	462,700.00	462,700.00	381,493.02	64,536.31	16,670.67	-

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
Golf Course Operations						
Other Expenses	1,050,000.00	1,072,000.00	1,071,757.88		242.12	-
Vehicle Maintenance						
Salaries & Wages	102,200.00	106,200.00	105,416.41		783.59	
Other Expenses	145,000.00	165,000.00	151,162.66	6,194.70	7,642.64	
HEALTH AND HUMAN SERVICES						
Dog Regulation						
Other Expenses	19,000.00	19,000.00	14,575.00	1,325.00	3,100.00	-
PARKS AND RECREATION						
Beach Patrol and Maintenance						
Salaries & Wages	1,097,191.50	1,040,191.50	1,039,691.23		500.27	-
Other Expenses	81,800.00	71,800.00	58,606.46	7,660.59	5,532.95	-
Beach Fee Program						
Salaries & Wages	253,500.00	255,500.00	255,153.75		346.25	-
Other Expenses	47,000.00	77,000.00	45,486.09	30,912.54	601.37	-
Parks and Playgrounds (Recreation)						
Salaries & Wages	322,000.00	364,000.00	361,332.07		2,667.93	-
Other Expenses	24,500.00	24,500.00	20,984.92	2,730.45	784.63	-
Cultural Arts						
Other Expenses	5,000.00	5,000.00	5,000.00		-	-
Grant Coordinator						
Other Expenses	35,000.00	40,000.00	37,237.00	2,332.50	430.50	-
UNIFORM CONSTRUCTION CODE						
Construction Official						
Salaries & Wages	411,000.00	409,000.00	404,029.75		4,970.25	-
Other Expenses	61,300.00	61,300.00	59,520.00	612.01	1,167.99	-
UNCLASSIFIED						
Accumulated Leave Compensation	125,000.00	125,000.00	125,000.00		-	-
Maintenance Agreements - Contractual	200,000.00	185,000.00	144,660.28	39,543.30	796.42	-
Storm Reserve	50,000.00	50,000.00	50,000.00		-	-

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
UTILITY EXPENSES AND BULK PURCHASES						
Electric	275,000.00	280,000.00	279,753.93		246.07	-
Street Lighting	235,000.00	282,000.00	281,911.49		88.51	-
Telephone	138,000.00	143,000.00	122,163.40	15,484.56	5,352.04	-
Gas	70,000.00	70,000.00	66,831.29	3,168.71	0.00	-
Fuel	200,000.00	140,000.00	129,733.91	9,166.57	1,099.52	-
Cable	18,000.00	23,000.00	21,217.63		1,782.37	-
TOTAL OPERATIONS WITHIN "CAPS"	24,358,284.50	24,328,784.50	22,977,097.26	519,369.95	832,317.29	-
Contingent	500.00	-			-	-
TOTAL OPERATIONS INCLUDING CONTINGENT WITHIN "CAPS"	24,358,784.50	24,328,784.50	22,977,097.26	519,369.95	832,317.29	-
Detail:						
Salaries & Wages	14,603,391.50	14,444,292.50	14,328,792.28	-	115,500.22	-
Other Expenses	9,755,393.00	9,884,492.00	8,648,304.98	519,369.95	716,817.07	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES:						
Deferred Charges:						
Overexpenditure of Appro. Reserves	5,469.03	5,469.03	5,469.03			-
Statutory Expenditures:						
Contributions to:						
Public Employees' Retirement System	596,423.00	596,423.00	596,423.00		-	-
Social Security System (O.A.S.I.)	1,100,000.00	1,130,000.00	1,114,226.08		15,773.92	-
Police and Firemen's Retirement System	2,518,068.00	2,518,068.00	2,518,068.00		-	-
Unemployment Compensation Insurance	25,000.00	25,000.00	20,778.95		4,221.05	-
Lifeguard Pension	60,000.00	60,000.00	60,000.00		-	-
Defined Contribution Retirement Program	4,000.00	4,000.00	2,007.88		1,992.12	-
TOTAL DEFERRED CHARGES AND STATUTORY EXPENDITURES:	4,308,960.03	4,338,960.03	4,316,972.94	-	21,987.09	-
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"	28,667,744.53	28,667,744.53	27,294,070.20	519,369.95	854,304.38	-
OPERATIONS - EXCLUDED FROM "CAPS"						
(A) Operations - Excluded from "CAPS"						
Reserve for Tax Appeals	500.00	500.00	500.00		-	-
Fire Prevention Inspections						
Salaries & Wages	461,000.00	461,000.00	458,234.39		2,765.61	-
Other Expenses	19,000.00	19,000.00	15,759.03	979.10	2,261.87	-
	480,000.00	480,000.00	473,993.42	979.10	5,027.48	-

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
(A) Public and Private Programs Off-Set by Revenues						
Matching Funds for Grants	5,000.00	5,000.00	5,000.00		-	-
Recycling Tonnage Grant		15,304.23	15,304.23		-	-
Clean Communities		56,274.78	56,274.78		-	-
Click It or Ticket		2,800.00	2,800.00		-	-
Municipal Alliance on Alcoholism and Drug Abuse - County	4,503.00	4,503.00	4,503.00		-	-
Municipal Alliance on Alcoholism and Drug Abuse - Local	1,125.85	1,125.85			1,125.85	-
Drive Sober or Get Pulled Over-Year End Holiday		2,800.00	2,800.00		-	-
NJ DOT - Municipal Aid 2024 Harbor Beach Blvd		269,995.00	269,995.00		-	-
NJTSA Grant - CARES		2,100.00	2,100.00		-	-
Drive Sober or Get Pulled Over-Labor Day		4,200.00	4,200.00		-	-
Atlantic County Area Agency on Aging		62,247.60	62,247.60		-	-
Cops in Shops	2,880.00	2,880.00	2,880.00		-	-
U Drive U Text U Pay	3,500.00	3,500.00	3,500.00		-	-
Emergency Management - EMAA Grant	10,000.00	10,000.00	10,000.00		-	-
Total Public and Private Programs Off-Set by Revenues	27,008.85	442,730.46	441,604.61	-	1,125.85	-
Total Operations - Excluded from "CAPS"	507,508.85	923,230.46	916,098.03	979.10	6,153.33	-
Detail:						
Salaries & Wages	461,000.00	461,000.00	458,234.39	-	2,765.61	-
Other Expenses	46,508.85	462,230.46	457,863.64	979.10	3,387.72	-
(C) Capital Improvements						
Capital Improvement Fund	860,000.00	860,000.00	860,000.00		-	-
						-
Total Capital Improvements	860,000.00	860,000.00	860,000.00	-	-	-
(D) Debt Service						
Payment of Bond Principal	3,225,000.00	3,225,000.00	3,225,000.00			-
Interest on Bonds	955,887.50	955,887.50	955,887.50			-
Green Trust Loan Program:						
Loan Repayments for Principal & Interest	38,000.00	38,000.00	37,309.91			690.09
Total Debt Service	4,218,887.50	4,218,887.50	4,218,197.41	-	-	690.09

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

	Appropriations		Expended			(Over expended)
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Unexpended Balance Cancelled
(E) Deferred Charges - Municipal - Excluded from "CAPS"						
Deferred Charges to Future Taxation:						
Unfunded Ordinances	266,134.00	266,134.00	266,134.00		-	-
Total Deferred Charges - Municipal - Excluded from "CAPS"	266,134.00	266,134.00	266,134.00	-	-	-
(I) Local School District Purposes - Excluded from "CAPS"						
Type I District School Debt Service						
Payment of Bond Principal	870,000.00	870,000.00	870,000.00		-	-
Interest on Bonds	240,000.00	240,000.00	239,999.00		-	1.00
(J) Deferred Charges and Statutory Expenditures - Excluded from "CAPS"						
Local School - Emergency Authorizations - Schools	40,000.00	40,000.00	40,000.00		-	-
(K) TOTAL MUNICIPAL APPROPRIATIONS FOR LOCAL SCHOOL DISTRICT PURPOSES EXCLUDED FROM "CAPS"	1,150,000.00	1,150,000.00	1,149,999.00	-	-	1.00
TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS"	7,002,530.35	7,418,251.96	7,410,428.44	979.10	6,153.33	691.09
SUBTOTAL GENERAL APPROPRIATIONS	35,670,274.88	36,085,996.49	34,704,498.64	520,349.05	860,457.71	691.09
(M) Reserve for Uncollected Taxes	1,508,252.60	1,508,252.60	1,508,252.60		-	-
TOTAL GENERAL APPRORIATIONS	$ 37,178,527.48	37,594,249.09	36,212,751.24	520,349.05	860,457.71	691.09

Budget	37,178,527.48		Cancelled	691.09
Appropriations by 40A:4-87	415,721.61		Overexpended	-
	37,594,249.09			691.09

Reserve for Uncollected Taxes	1,508,252.60
Federal and State Grants	436,604.61
Due from Grant Fund	(9,499.84)
Reserve for Tax Appeals	500.00
Deferred Charges	311,603.03
Disbursements	33,965,290.84
	36,212,751.24

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - B

TRUST FUND

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2025	2024
Assets			
Animal Control Fund			
Cash and Investments	$	1,652.40	2,099.60
		1,652.40	2,099.60
Other Funds			
Cash and Investments		7,714,679.58	6,788,454.92
Revenue Receivable		34.00	-
		7,714,713.58	6,788,454.92
	$	7,716,365.98	6,790,554.52

TRUST FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31,

		2025	2024
Liabilities, Reserves and Fund Balance			
Animal Control Fund			
Reserve for Animal Control Expenditures	$	986.00	1,020.80
Due to Current Fund		666.40	1,078.80
Due State of New Jersey		-	-
		1,652.40	2,099.60
Other Funds			
Due to Current Fund		5,000.00	-
Reserve for Accumulated Absences		652,105.87	790,426.61
Reserve for Special Law Enforcement		45,221.34	50,548.02
Reserve for Police Special Detail Escrow		76,757.50	68,512.50
Reserve for POAA		2,289.00	1,543.00
Reserve for Engineering Escrow		238,085.30	205,704.36
Reserve for Lifeguard Pension		670,784.16	641,361.72
Reserve for Recreation		87,964.10	40,026.60
Reserve for Recreation-Benches/Bike Racks		11,651.14	18,903.56
Reserve for Recreation Green Team		47,008.07	52,087.39
Reserve for Garden Club		15,860.62	15,494.30
Reserve for COAH		4,588,548.54	3,870,408.99
Reserve for Tax Title Lien Redemptions		76,683.96	17,893.91
Reserve for Tax Title Lien Premiums		300,749.52	168,600.00
Reserve for Due to Third Parties Eng Escrow		-	-
Reserve for Fire Prevention		6,127.00	4,554.00
Reserve for Storm Expenses		879,041.05	831,901.15
Reserve for Municipal Alliance Donations		8,486.41	10,488.81
Reserve for Veteran's Banner Program		2,350.00	-
		7,714,713.58	6,788,454.92
	$	7,716,365.98	6,790,554.52

EXHIBIT - C
GENERAL CAPITAL FUND

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

		2025	2024
ASSETS			
Cash	$	16,949,012.28	15,022,570.36
Grant Receivable - FEMA House Raising 2017		4,615,608.93	4,726,072.88
Due from Current Fund		298,295.82	144,601.47
Deferred Charges to Future Taxation -			
Funded		41,084,863.96	34,715,540.56
Unfunded		26,595,831.00	21,466,134.00
		89,543,611.99	76,074,919.27
LIABILITIES, RESERVES AND FUND BALANCE			
Serial Bonds Payable		34,835,000.00	27,560,000.00
School Type I Bonds Payable		6,195,000.00	7,065,000.00
Green Trust Loan Payable		54,863.96	90,540.56
Improvement Authorizations:			
Funded		14,800,069.71	13,441,920.00
Unfunded		25,181,575.88	18,286,084.03
Reserve for Encumbrances		7,743,739.13	8,585,192.27
Accounts Payable		65,257.93	65,292.06
Due to Water Sewer Capital		-	311,725.11
Reserve for Debt Service		224,823.38	220,839.24
Reserve for Future Capital Project		264,555.00	264,555.00
Capital Improvement Fund		320.00	5,364.00
Fund Balance		178,407.00	178,407.00
	$	89,543,611.99	76,074,919.27

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

2024	21,466,134.00
2025	26,595,831.00

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

		2025	2024
Beginning Balance January 1	$	178,407.00	178,407.00
Increased by:			
None		-	-
Decreased by:			
None		-	-
Ending Balance December 31	$	178,407.00	178,407.00

EXHIBIT - D
WATER AND SEWER UTILITY FUND

Exhibit D
Sheet 1

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

		2025	2024
ASSETS			
Operating Fund:			
Cash	$	4,534,075.91	4,930,873.16
Interfunds and Receivables:			
Due from Water Sewer Capital		384,071.07	452,194.15
Due from Current Fund		877,668.48	-
		5,795,815.46	5,383,067.31
Receivables and Other Assets with Full Reserves:			
Consumer Accounts Receivable		100,728.43	94,633.65
Water Sewer Liens Receivable		825.74	-
		101,554.17	94,633.65
Deferred Charges:			
Overexpenditure of Appropriation		845.94	41,362.50
		845.94	41,362.50
Total Operating Fund		5,898,215.57	5,519,063.46
Capital Fund:			
Cash		9,938,460.00	15,059,840.41
New Jersey EIT Receivable		24,227.00	24,227.00
Due from General Capital		-	311,725.11
Fixed Capital		39,841,830.02	39,841,830.02
Fixed Capital - Authorized and Uncompleted		45,580,469.59	35,455,469.59
Total Capital Fund		95,384,986.61	90,693,092.13
	$	101,283,202.18	96,212,155.59

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

		2025	2024
LIABILITIES, RESERVES AND FUND BALANCE			
Operating Fund:			
Appropriation Reserves	$	467,265.98	313,402.42
Reserve for Encumbrances		201,987.78	333,590.58
Accounts Payable		74,945.67	1,621.67
Prepaid Rents		1,675,620.99	1,724,663.84
Overpaid Rents		39,142.00	41,833.92
Accrued Interest on Bonds and Notes		137,781.48	136,932.81
Reserve for Insurance Proceeds		5,500.00	5,500.00
Due to Current Fund		-	21,033.11
		2,602,243.90	2,578,578.35
Reserve for Receivables		101,554.17	94,633.65
Fund Balance		3,194,417.50	2,845,851.46
Total Operating Fund		5,898,215.57	5,519,063.46
Capital Fund:			
Encumbrances Payable		9,029,802.79	6,806,511.35
Serial Bonds Payable		17,660,000.00	17,450,000.00
NJEIT Bonds & Loans		1,631,042.14	2,034,896.37
Improvement Authorizations:			
Funded		3,776,454.03	8,114,831.95
Unfunded		15,872,104.04	10,897,000.00
Due to Water Sewer Operating		384,071.07	452,194.15
Reserve for Amortization		46,938,907.47	44,845,053.24
Reserve for Payment of Bonds		21,725.11	21,725.11
Reserve for American Recovery Plan		383.00	383.00
Deferred Reserve for Amortization		70,350.00	70,350.00
Fund Balance		146.96	146.96
Total Capital Fund		95,384,986.61	90,693,092.13
	$	101,283,202.18	96,212,155.59

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

2024	10,897,000.00
2025	19,122,000.00

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

		2025	2024
Revenue and Other Income Realized			
Fund Balance Utilized	$	1,440,000.00	1,459,846.73
Water and Sewer Rents		7,837,056.76	7,140,070.78
Miscellaneous		616,418.58	663,320.81
Other Credits to Income:			
Unexpended Balance of Appropriation Reserves		344,255.93	602,010.30
Total Income		10,237,731.27	9,865,248.62
Expenditures			
Operations:			
Salaries and Wages		1,500,000.00	1,335,000.00
Other Expenses		4,058,200.00	3,915,425.80
Debt Service		2,596,342.67	2,003,513.59
Deferred Charges and Statutory Expenditures		295,468.50	243,974.00
Total Expenditures		8,450,011.17	7,497,913.39
Excess in Revenue		1,787,720.10	2,367,335.23
Adjustments to Income before Fund Balance:			
Expenditures included above which are by Statute Deferred Charges to Budgets of Succeeding Year		845.94	41,362.50
Total Adjustments		845.94	41,362.50
Excess in Operations		1,788,566.04	2,408,697.73
Fund Balance January 1		2,845,851.46	1,897,000.46
		4,634,417.50	4,305,698.19
Decreased by:			
Utilization as Anticipated Revenue		1,440,000.00	1,459,846.73
Fund Balance December 31	$	3,194,417.50	2,845,851.46

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

		2025	2024
Beginning Balance January 1	$	146.96	146.96
Increased by:			
None		-	-
Decreased by:			
None		-	-
Ending Balance December 31	$	146.96	146.96

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

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

		Anticipated Budget	Realized	Excess or (Deficit)
Anticipated Revenue:				
Surplus Anticipated	$	1,440,000.00	1,440,000.00	-
Water & Sewer Rents		6,700,000.00	7,837,056.76	1,137,056.76
Miscellaneous		309,165.23	616,418.58	307,253.35
	$	8,449,165.23	9,893,475.34	1,444,310.11
Analysis of Realized Revenue:				
Water and Sewer Rents				
Accounts Receivable		7,837,056.76		
Total Water & Sewer Rents			7,837,056.76	
Miscellaneous Revenue				
Penalties and Interest		33,492.61		
Interest on Investments		431,627.24		
Water Reading Fees		14,400.00		
Meter Parts/Set Up		136,748.73		
Shut off Notice Fee		150.00		
Total Miscellaneous			616,418.58	

Exhibit D - 4

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

	Appropriations		Expended			(Over expended) Unexpended Balance Cancelled
	Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Operations:						
Salaries and Wages	$ 1,450,000.00	1,500,000.00	1,444,523.51		55,476.49	
Other Expenses	4,115,200.00	4,058,200.00	3,445,183.63	201,987.78	411,028.59	
	5,565,200.00	5,558,200.00	4,889,707.14	201,987.78	466,505.08	-
Debt Service:						
Payment of Bond Principal	2,003,854.23	2,003,854.23	2,003,854.23		-	-
Interest on Bonds	591,642.50	591,642.50	592,488.44		-	(845.94)
	2,595,496.73	2,595,496.73	2,596,342.67	-	-	(845.94)
Deferred Charges and Statutory Expenditures:						
Overexpenditure of Appropriations	41,362.50	41,362.50	41,362.50		-	
Contribution to: Public Employees Retirement System	149,106.00	149,106.00	149,106.00		-	
Social Security System (O.A.S.I.)	98,000.00	105,000.00	104,239.10		760.90	
	288,468.50	295,468.50	294,707.60	-	760.90	-
	$ 8,449,165.23	8,449,165.23	7,780,757.41	201,987.78	467,265.98	(845.94)

Cash Disbursed	$ 7,738,546.24		Cancelled	(0.00)
Accrued Interest	848.67		Overexpended	(845.94)
Deferred Charge	41,362.50			
	7,780,757.41			(845.94)

The Accompanying Notes to the Financial Statements are an Integral Part of this Statement

EXHIBIT - F
GENERAL FIXED ASSETS ACCOUNT GROUP

Exhibit F

CITY OF BRIGANTINE
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
AS OF DECEMBER 31,

	2025	2024
General Fixed Assets:		
Land	$ 145,770,900.00	145,770,900.00
Buildings and Improvements	17,813,300.00	17,813,300.00
Machinery and Equipment	13,314,090.00	12,127,527.64
Total General Fixed Assets	176,898,290.00	175,711,727.64
Investment in General Fixed Assets	$ 176,898,290.00	175,711,727.64

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Brigantine is an island community in the County of Atlantic, State of New Jersey. The City comprises an area of approximately 6.39 square miles with a population according to the 2020 census of 7,716.

The City is incorporated and operates under a Mayor - Council form of government. The Mayor is the chief officer of the City. The Council exercises the legislative power. The Manager oversees the day-to-day operation of the City. The Mayor and Council members are elected by the voters and the Manager is appointed by the Major and Council.

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

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

B. Description of Funds

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

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

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

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

Water and Sewer Operating and Capital Funds -- account for the operations of the water and sewer utility and acquisition of capital facilities of the municipally owned water and sewer utility.

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

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local governmental units. The more significant policies in New Jersey follow.

A modified accrual basis of accounting is followed with minor exceptions.

Revenues -- are recorded as received in cash except for certain amounts, which are due from other governmental units. Receipts from Federal and State grants are realized as revenue when anticipated in the City budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the City's Current Fund, in addition the receivables for utility billings are recorded with offsetting reserves in the Utility Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the City which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

Expenditures -- are recorded on the "budgetary" basis of accounting. Generally expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Appropriation reserves covering unencumbered appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the Governing Body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; interest on utility capital indebtedness is on the accrual basis. Compensated absences are treated on a pay as you go basis with no amount charged to operations in the year incurred.

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

Interfunds -- Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

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

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

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

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

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available except for land which is valued at estimated market value on the date of acquisition. Expenditures for long lived assets with an original cost in excess of $5,000.00 are capitalized.

No depreciation has been provided for in the financial statements.

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

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

Property and equipment purchased by a Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the costs of acquisitions of property, equipment and improvements. The utility does not record depreciation on fixed assets.

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

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

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

Levy of Utility Charges – The City operates a water and sewer utility fund. Rates are determined by ordinance and changed as necessary. Water and Sewer charges are based on flat fees and usage based on the type of City. Water charges are billed semi-annually and due June and December 1st. Sewer charges are billed semi-annually and due January and July 1st.

Interest on Delinquent Utility Charges – It is the policy of the City to collect interest for the nonpayment of utility charges on or before the date when they would become delinquent. The Utility Collector is authorized to charge eight percent (8%) per annum on the first $1,500.00 of charges becoming delinquent after due date and eighteen percent (18%) per annum on any amount of charges in excess of $1,500.00 becoming delinquent after due date.

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

D. Required Financial Statements

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

E. Comparative Data

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

F. Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, “Certain Risk Disclosures”. This statement, which is effective for fiscal years beginning after June 15, 2024, and all reporting periods, thereafter. This standard did not have a significant effect on the City’s financial reporting for the year ended December 31, 2025.

G. Recent Accounting Pronouncements Not Yet Effective

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

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

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

NOTE 2: BUDGETARY INFORMATION

Under New Jersey State Statutes, the annual budget is required to be a balanced cash basis document. To accomplish this, the City is required to establish a reserve for uncollected taxes. The 2025 and 2024 statutory budgets included a reserve for uncollected taxes in the amount of $1,508,252.60 and $1,446,140.67. To balance the budget, the City is required to show a budgeted fund balance. The amount of fund balance budgeted to balance the 2025 and 2024 statutory budgets was $4,070,000.00 and $3,425,000.00. In addition, the City operates a self-liquidating water and sewer utility. Under New Jersey Statutes a separate budget for the utility must be adopted concurrently with the operating budget of the City. The utility budget must be a balanced cash basis budget with fund balance being used to balance the budget. The fund balance budgeted to balance the water and sewer utility budget in 2025 and 2024 was $1,440,000.00 and $1,459,846.73.

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

Budget Category		2025	2024
Clean Communities Program	$	56,274.78	56,739.16
Local Recreational Improvement Grant			64,000.00
Click it or Ticket		2,800.00	2,800.00
Safe and Secure Communities Program			22,575.00
Recycling Tonnage Grant		15,304.23	16,790.67
Drive Sober or Get Pulled Over-Labor Day		4,200.00	
Drive Sober or Get Pulled Over			2,800.00
Drive Sober or Get Pulled Over-Holiday		2,800.00	1,050.00
NJ DOT - Municipal Aid 2024 Harbor Beach Blvd		269,995.00	
NJTSA Grant - CARES		2,100.00	
American Rescue Plan Firfighters Grant			75,000.00
Bulletproof Vest Partnership			601.71
Bulletproof Vest Partnership			3,088.55
Atlantic County Area Agency on Aging		62,247.60	54,452.40
Summer Shore Pedestrian Awareness			5,250.00
Body Armor Replacement Fund			2,849.26
Wawa Foundation Life Saving Equipment			1,000.00

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

Budget Category	2025	2024
Current Fund:		
General Administration		
Salaries and Wages	$ 26,000.00	
Municipal Clerk		
Other Expenses		(40,000.00)
Financial Administration		
Other Expenses		25,000.00
Revenue Administration (Tax Collector)		
Salaries and Wages	29,500.00	
Legal Services		
Other Expenses	(79,000.00)	
Engineering Services and Costs		
Other Expenses	30,000.00	
Insurance		
Worker's Compensation	(125,000.00)	(118,000.00)
JIF General Liability/Property/Auto	(42,501.00)	(29,170.00)
Employee Group Insurance	240,000.00	(55,000.00)
Police Department		
Salaries and Wages	(116,800.00)	235,000.00
Fire Department		
Salaries and Wages	(90,000.00)	(150,000.00)
Streets & Road Maintenance		
Salaries and Wages		(80,000.00)
Buildings and Grounds		
Salaries and Wages		81,000.00
Other Expenses		20,000.00
Demolition		
Other Expenses	(49,700.00)	(55,350.00)
Solid Waste Collection		
Other Expenses	140,000.00	(30,000.00)
Beach Patrol and Maintenance		
Salaries and Wages	(57,000.00)	
Beach Fee Program		
Salaries and Wages		48,500.00
Other Expenses	30,000.00	
Parks and Playgrounds (Recreation)		
Salaries and Wages	42,000.00	
Vehicle Maintenance		
Other Expenses		(30,000.00)
Maintenance Agreements - Contractual		31,000.00
Utilities		
Street Lighting	47,000.00	
Telephone		36,000.00
Fuel	(60,000.00)	(30,700.00)
Statutory Expenditures		
Social Security System (O.A.S.I.)	30,000.00	45,000.00
Police and Firemen's Retirement System		51,394.65
Operations - Excluded from "CAPS"		
Employee Group Insurance		50,000.00
Fire Prevention Inspections		
Salaries and Wages		90,000.00

Budget Category		2025	2024
Water Sewer Utility Operating Fund:			
Operations			
Salaries and Wages	$	50,000.00	
Other Expenses		(57,000.00)	
Bond Principal			(394,854.23)
Bond Interest			(50,304.80)
NJIB Principal			410,327.23
NJIB Interest			34,832.00

The City may make emergency appropriations, after the adoption of the budget, for a purpose which was not foreseen at the time the budget was adopted or for which adequate provision was not made therein. This type of appropriation shall be made to meet a pressing need for public expenditure to protect or promote the public health, safety, morals or welfare or to provide temporary housing or public assistance prior to the next succeeding fiscal year. Emergency appropriations, except those classified as a special emergency, must be raised in the budgets of the succeeding year. Special emergency appropriations are permitted to be raised in the budgets of the succeeding three or five years. As of December 31, 2025, the City did not have any special emergency appropriations.

NOTE 3: INVESTMENTS

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

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

Concentration of Credit Risk. The City places no limit on the amount that they can invest in any one issuer.

NOTE 4: CASH

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The City’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, all demand deposits are covered by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the City in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or fund that may pass to the municipality relative to the happening of a future condition. As of December 31, 2025, $1,021,904.90 of the City’s bank balance of $55,869,470.76 was exposed to custodial credit risk. As of December 31, 2024, $331,276.35 of the City’s bank balance of $57,501,541.18 was exposed to custodial credit risk.

New Jersey Cash Management Fund – During the year, the City participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Funds are not subject to custodial credit risk as defined above. At December 31, 2025, the City’s deposits with the New Jersey Cash Management Fund were $17,045,097.12.

NOTE 5: FIXED ASSETS

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

	Balance 12/31/2023	Additions	Deletions	Balance 12/31/2024
Land	$ 145,770,900.00			145,770,900.00
Buildings and Improvements	17,813,300.00			17,813,300.00
Equipment and Machinery	12,274,635.00	457,300.64	(604,408.00)	12,127,527.64
	175,858,835.00	457,300.64	(604,408.00)	175,711,727.64

	Balance 12/31/2024	Additions	Deletions	Balance 12/31/2025
Land	$ 145,770,900.00			145,770,900.00
Buildings and Improvements	17,813,300.00			17,813,300.00
Equipment and Machinery	12,127,527.64	1,199,603.36	(13,041.00)	13,314,090.00
	175,711,727.64	1,199,603.36	(13,041.00)	176,898,290.00

NOTE 6: SHORT-TERM OBLIGATIONS

	Balance 12/31/23	Issued	Retired	Balance 12/31/24
Bond Anticipation Notes payable:				
General	$ 13,650,000.00	-	13,650,000.00	-
	$ 13,650,000.00	-	13,650,000.00	-

The Capital Bond Anticipation Note was paid in full on September 24, 2024. The note was permanently funded with General Improvement Bonds on September 24, 2024.

As of December 31, 2025, the city has authorized but not issued bonds in the amount of $26,595,831.00 in the General Capital Fund.

NOTE 7: LONG TERM DEBT

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

	Balance 12/31/2023	Issued	Retired	Balance 12/31/2024	Amounts Due Within One Year
Bonds payable:					
General	$ 15,890,000.00	22,355,000.00	3,620,000.00	34,625,000.00	4,095,000.00
Water Sewer Utility	11,920,000.00	6,710,000.00	1,180,000.00	17,450,000.00	1,600,000.00
Total	27,810,000.00	29,065,000.00	4,800,000.00	52,075,000.00	5,695,000.00
Other liabilities:					
Loans Payable:					
General	125,514.19		34,973.63	90,540.56	35,676.60
Water Sewer Utility	2,429,750.60		394,854.23	2,034,896.37	403,854.23
Compensated Absences Payable	2,158,912.74	1,502,705.11		3,661,617.85	
Total long-term liabilities	$ 32,524,177.53	30,567,705.11	5,229,827.86	57,862,054.78	6,134,530.83

	Balance 12/31/2024	Issued	Retired	Balance 12/31/2025	Amounts Due Within One Year
Bonds payable:					
General	$ 34,625,000.00	10,500,000.00	4,095,000.00	41,030,000.00	4,145,000.00
Water Sewer Utility	17,450,000.00	1,810,000.00	1,600,000.00	17,660,000.00	1,860,000.00
Total	52,075,000.00	12,310,000.00	5,695,000.00	58,690,000.00	6,005,000.00
Other liabilities:					
Loans Payable:					
General	90,540.56		35,676.60	54,863.96	36,393.70
Water Sewer Utility	2,034,896.37		403,854.23	1,631,042.14	413,854.23
Compensated Absences Payable	3,661,617.85	98,478.85		3,760,096.70	
Total long-term liabilities	$ 57,862,054.78	12,408,478.85	6,134,530.83	64,136,002.80	6,455,247.93

Outstanding bonds whose principal and interest are paid from the Current Fund Budget of the City:

$6,850,000 General Obligation Bonds dated December 1, 2015 due in annual installments through December 1, 2024 bearing interest at various rates. There is no balance remaining as of December 31, 2025.

$6,450,000 General Obligation Bonds dated October 15, 2017 due in annual installments through October 15, 2030 bearing interest at various rates. The balance remaining as of December 31, 2025, is $2,920,000.00.

$13,000,000 General Obligation Bonds dated September 18, 2019 due in annual installments through October 1, 2031 bearing interest at various rates. The balance remaining as of December 31, 2025, is $6,965,000.00.

$15,290,000 General Obligation Bonds dated September 24, 2024 due in annual installments through September 15, 2036 bearing interest at various rates. The balance remaining as of December 31, 2025, is $14,450,000.00

$11,000,000 General Obligation Bonds dated October 15, 2025 due in annual installments through October 15, 2037 bearing interest at various rates. The balance remaining as of December 31, 2025, is $10,500,000.00.

$7,065,000 Type I School Bond dated September 24, 2024, due in annual installments through September 15, 2031, bearing interest at various rates. The balance remaining as of December 31, 2025, is $6,195,000.00.

$600,000 Green Trust Loan dated 2007, due in annual installments through March 16, 2027, bearing an interest rate of 2.00%. The balance remaining as of December 31, 2025, is $54,863.96.

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

$3,000,000 Water and Sewer Utility Bond dated October 15, 2017, due in annual installments through October 15, 2030, bearing interest at various rates. The balance remaining as of December 31, 2025, is $1,430,000.00.

$7,000,000 Water and Sewer Utility Bond dated September 18, 2019, due in annual installments through October 15, 2030, bearing interest at various rates. The balance remaining as of December 31, 2025, is $3,635,000.00.

$6,065,000 Water and Sewer Utility Bond dated October 19, 2021, due in annual installments through October 15, 2033, bearing interest at various rates. The balance remaining as of December 31, 2025, is $4,445,000.00.

$6,710,000 Water and Sewer Utility Bond dated September 24, 2024, due in annual installments through September 15, 2036, bearing interest at various rates. The balance remaining as of December 31, 2025, is $6,340,000.00.

$1,900,000 Water and Sewer Utility Bond dated October 15, 2025, due in annual installments through October 15, 2037, bearing interest at various rates. The balance remaining as of December 31, 2025, is $1,810,000.00.

$325,000 Water and Sewer Utility New Jersey Environmental Infrastructure Trust Bond dated March 10, 2010, due in annual installments through August 1, 2029, bearing interest at various rates. The balance remaining as of December 31, 2025, is $91,000.00.

$931,500 Water and Sewer Utility New Jersey Environmental Infrastructure Trust Loan dated March 10, 2010, due in annual installments through August 1, 2019, bearing no interest rate. The balance remaining as of December 31, 2025, is $184,619.00.

$2,335,000 Water and Sewer Utility New Jersey Environmental Infrastructure Trust Bond dated February 2, 2010, due in annual installments through August 1, 2030, bearing interest at various rates. The balance remaining as of December 31, 2025, is $428,000.00.

$2,512,650 Water and Sewer Utility New Jersey Environmental Infrastructure Trust Loan dated February 2, 2011, due in annual installments through August 1, 2030, bearing no interest rate. The balance remaining as of December 31, 2025, is $205,909.53.

$435,000 Water and Sewer Utility New Jersey Environmental Infrastructure Trust Bond dated May 28, 2015, due in annual installments through August 1, 2034, bearing interest at various rates. The balance remaining as of December 31, 2025, is $255,000.00.

$1,049,067 Water and Sewer Utility New Jersey Environmental Infrastructure Trust Loan dated May 28, 2015, due in annual installments through August 1, 2034, bearing no interest rate. The balance remaining as of December 31, 2025, is $466,513.61.

Schedule of Annual Debt Service for Principal and Interest for Serial Bonds and Green Trust Loans Issued and Outstanding

Year Ending December 31,		General Capital Bonds Principal	General Capital Bonds Interest
2026	$	3,250,000.00	1,247,225.00
2027		3,470,000.00	1,143,762.50
2028		3,655,000.00	1,015,812.50
2029		3,810,000.00	880,500.00
2030		3,710,000.00	746,100.00
2031-2035		13,110,000.00	1,983,200.00
2036-2037		3,830,000.00	131,100.00
	$	34,835,000.00	7,147,700.00

Year Ending December 31,		General Capital Green Trust Principal	General Capital Green Trust Interest
2026	$	36,393.70	916.22
2027		18,470.26	184.70
	$	54,863.96	1,100.92

Year Ending December 31,		Utility Capital Fund Principal	Utility Capital Fund Interest
2026	$	2,273,854.23	602,056.11
2027		2,323,240.06	531,050.00
2028		2,354,092.38	454,420.00
2029		2,266,711.38	379,510.00
2030		2,283,342.38	312,200.00
2031-2035		6,709,801.71	706,450.00
2036-2037		1,080,000.00	30,100.00
	$	19,291,042.14	3,015,786.11

As of December 31, 2025, the carrying value of the above bonds and notes approximates the fair value of the bonds. No interest was charged to capital projects during the year and the total interest charged to the current budget was $957,920.82 and to the water and sewer utility budget was $592,488.44.

Summary of Municipal Debt	Year 2025	Year 2024	Year 2023
Issued:			
General - Bonds and Notes	$ 41,084,863.96	$ 34,715,540.56	$ 29,665,514.19
Water/Sewer Utility - Bonds and Notes	19,291,042.14	19,484,896.37	14,349,750.60
Total Issued	60,375,906.10	54,200,436.93	44,015,264.79
Authorized but not issued:			
General - Bonds and Notes	26,595,831.00	21,466,134.00	15,558,274.00
Water/Sewer Utility - Bonds and Notes	19,122,000.00	10,897,000.00	8,937,000.00
Total Authorized But Not Issued	45,717,831.00	32,363,134.00	24,495,274.00
Total Bonds & Notes Issued and Authorized But Not Issued	$ 106,093,737.10	$ 86,563,570.93	$ 68,510,538.79

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 0.990%.

	Gross Debt	Deductions	Net Debt
Local School Debt	$ 6,195,000.00	6,195,000.00	-
Utility Debt	38,413,042.14	38,413,042.14	-
General Debt	61,485,694.96	224,823.38	61,260,871.58
	$ 106,093,737.10	44,832,865.52	61,260,871.58

Net Debt $61,260,871.58 ÷ Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, $6,187,632,502.33 = 0.990%.

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

3 1/2 % of Equalized Valuation Basis (Municipal)	$ 216,567,138
Net Debt	61,260,872
Remaining Borrowing Power	$ 155,306,266

NOTE 8: FUND BALANCES APPROPRIATED

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

	2026	2025
Current Fund	$ 4,100,000.00	4,070,000.00
Water/Sewer Utility	1,596,720.13	1,440,000.00

NOTE 9: SCHOOL TAXES

Local District School Tax in the amount of $15,888,114.00 and $15,888,114.00 has been raised for the 2025 and 2024 calendar years and remitted to the school district.

NOTE 10: 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 12/31/25	Balance 12/31/24
Prepaid Taxes	$ 1,310,203.96	$ 1,191,499.87
Cash Liability for Taxes Collected in Advance	$ 1,310,203.96	1,191,499.87

NOTE 11: PENSION FUNDS

Description of Plans

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

Public Employees' Retirement System

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

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15c-1 et seq). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries, with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43: 15c-1 et seq. Currently there are four individuals enrolled in DCRP.

Police and Fireman's Retirement System

The contribution policy for the Police and Fireman's Retirement System (PFRS) is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute to an actuarially determined rate.

Pension Plan for Lifeguards

The City of Brigantine has established a pension plan to provide retirement, disability, and survivor pension benefits for the individuals who serve on the City's lifeguard force. An eligible employee becomes a plan member upon employment. Employee contributions shall be withheld from the member's salary and contributed to plan for his benefit for his/her benefit. Retiree benefits are paid out of the current fund and charged to the current operating budget of the City. A plan member may retire with a pension only after his/her 45th birthday and after he/she has completed 20 years of service, the last 10 must have been completed immediately preceding his/her application.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PERS provided for employee contributions of 7.50% of employee's annual compensation, as defined. Employers are required to contribute to an actuarially determined rate in PERS. The current PERS rate is 17.11% of covered payroll. The City's contributions to PERS for the years ended December 31, 2025, 2024, and 2023 were $745,529.00, $739,874.00, and $721,411.81.

The contribution policy for the PFRS is set by N.J.S.A. 43:16 and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. PFRS provides for employee contributions of 10.0% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate. The City's contributions to PFRS for the years ended December 31, 2025, 2024, and 2023 were $2,518,068.00, $2,522,975.65, and $2,504,037.00.

The total payroll for the year ended December 31, 2025, was $14,450,753.94. Payroll covered by PFRS was $7,305,131.00 and PERS was $5,008,512.00.

The Lifeguard Pension provides for employee contributions of 4.00% of employees' annual compensation. The City's contributions to the Lifeguard Pension for the year ended December 31, 2025, 2024, and 2023 was $60,000.00, $60,000.00, and $60,000.00. The City's trust for the Lifeguard Pension at December 31, 2025 was $670,784.16. Currently there are twelve individuals receiving benefits. The benefits paid by the trust for the year ended December 31, 2025, 2024, and 2023 were $92,032.98, $80,157.93, and $86,300.43.

Significant Legislation

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

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

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

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

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

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

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

Note 12: PENSION LIABILITIES

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

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

Public Employees' Retirement System

The City has a liability of $7,444,723 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, that was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the City's proportion would be 0.05478876930%, which would be a decrease of 0.60% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the City would have recognized pension expense of $139,972. At December 31, 2024, the City would report deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 149,132	(19,820)
Changes of assumptions	9,249	(84,704)
Changes in proportion	64,109	(283,508)
Net difference between projected and actual earnings on pension plan investments		(345,191)
Total	$ 222,490	(733,223)

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

Year ended June 30,		
2025	$	(1,637,945)
2026		2,170,990
2027		(624,870)
2028		(440,147)
2029		21,240
Total	$	(510,733)

Actuarial Assumptions

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

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

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

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

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

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

Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability	$ 9,057,220	7,444,723	6,073,751

Pension plan fiduciary net position.

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

Police and Firemen's Retirement System

The City has a liability of $18,798,684 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as July 1, 2023, that was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the City's proportion would be 0.18204137%, which would be a decrease of 1.95% from its proportion measured as of June 30, 2023.

For the year ended December 31, 2024, the City would have recognized pension expense of $802,835. At December 31, 2024, the City would have reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	$ 1,184,303	$ (643,561)
Changes of assumptions	29,717	(552,086)
Changes in proportion	981,856	(1,379,160)
Net difference between projected and actual earnings on pension plan investments		(147,133)
Total	$ 2,195,876	$ (2,721,940)

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

Year ended June 30,		
2025	$	8,155,632
2026		(10,317,562)
2027		2,099,616
2028		770,346
2029		(1,139,023)
Thereafter		(95,072)
Total	$	(526,064)

Actuarial Assumptions

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	3.25% - 16.25% (based on years of service)
Investment rate of return:	7.00%

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

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

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

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

Discount Rate

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the net pension liability	$ 25,591,350.95	18,798,684.00	13,141,210.43

In addition to the PFRS liabilities listed above, a special funding situation exists for the Local employers of the Police and Fire Retirement System of New Jersey. The State of New Jersey, as a non-employer, is required to pay the additional costs incurred by Local employers under 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 June 30, 2024 State special funding situation net pension liability amount of $2,035,866,994 is the accumulated differences between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. The fiscal year ending June 30, 2024, State special funding situation pension expense of $234,210,000 is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2024. The pension expense is deemed to be a State administrative expense due to the special funding situation.

The contribution policy for PFRS is set by N.J.S.A. 43:16A and required contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. For fiscal year 2024, the State contributed an amount more than the actuarially determined amount.

Although the liabilities related to the special funding situation are the liabilities of the State of New Jersey, the proportionate share of the statewide liability allocated to the City was 0.18204137000% for 2024. The net pension liability amount allocated to the City was $3,706,120. For the fiscal year ending June 30, 2024, State special funding situation pension expense of $426,360 is allocated to the City.

Pension plan fiduciary net position.

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

NOTE 13 – OTHER POST-RETIREMENT BENEFITS - STATE

General Information about the Plan:

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

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

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

1) retired on a disability pension;

or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer;

or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

Allocation Methodology:

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

Special Funding Situation:

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 outflows of resources or deferred inflows of resources 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 OPEB liability that is associated with the local participating employer.

Net OPEB Liability:

Components of Net OPEB Liability

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

		June 30, 2024 Collective Total
Total OPEB Liability	$	17,748,257,548
Plan Fiduciary Net Position (Deficit)		(157,187,957)
Net OPEB Liability	$	17,905,445,505
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		-0.89%

At June 30, 2024, the State's proportionate share attributable to the City of the Collective Net OPEB Liability for the Special Funding Situation was 0.559502% which was a decrease from the prior year of 6.65%.

City's Proportionate Share of Collective Net OPEB Liability	$	-
State's proportionate share that is associated with the City		27,284,926
Total	$	27,284,926

For the year ended June 30, 2024, the State's proportion share that is associated with the City is $27,284,926.

For the year ended June 30, 2024, the State of New Jersey realized Toal OPEB Expense (Benefit) in the amount of $(2,643,448) for its proportionate share of Total OPEB Expense that is associated with the City.

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

Salary increases*:

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

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

Pre-Retirement Healthy Mortality:

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

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

Post-Retirement Healthy Mortality:

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

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

Disable Retiree Mortality:

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

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

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

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

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

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

Health Care Trend Assumptions

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

Discount Rate

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

Sensitivity of Net OPEB Liability to Changes in the Discount Rate

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

		1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Collective Net OPEB Liability	$	20,857,914,273	17,905,445,505	15,540,780,410
Proportionate Share Net OPEB Liability	$	31,783,998	27,284,926	23,681,569

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

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

		1% Decrease	Healthcare cost Trend Rate	1% Increase
Collective Net OPEB Liability	$	15,144,352,142	17,905,445,505	21,455,435,620
Proportionate Share Net OPEB Liability	$	23,077,478	27,284,926	32,694,522

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

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

		Collective Totals	
		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$	906,784,304	(3,033,798,337)
Changes of assumptions		2,993,451,517	(2,972,190,924)
Net difference between projected and actual earnings on OPEB plan investments		-	(8,105,194)
Changes in proportion and differences between contributions and proportionate share of contributions		-	
Total	$	3,900,235,821	(6,014,094,455)

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

Year Ended June 30,		Collective Totals
2025	$	(1,123,975,872)
2026		(483,903,543)
2027		(83,156,324)
2028		(443,334,965)
2029		(282,447,899)
Thereafter		302,959,969
Total	$	(2,113,858,634)

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

Collective OPEB Expenses reported by the State of New Jersey

The components of allocable OPEB Expense (Benefit) related to specific liabilities of individual employers for the year ending June 30, 2024, are as follows:

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

NOTE 14: POST-RETIREMENT BENEFITS - LOCAL

Retired members of the PBA and the fire department are entitled to an annual allowance of up to $900.00 for dental work. During 2025, the City provided post-retirement dental coverage to sixty-one (61) retired employees. In accordance with GASB Statement 75 "Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions" ("OPEB") and the State of New Jersey, the City obtained an actuarial valuation of the liability for providing these benefits.

City employees are also eligible to participate in the single – employer OPEB Plan discussed below.

A retiree and their covered dependents may also receive City-paid dental and vision benefits for a period of 3 to 5 years in accordance with labor agreements if they meet any one of the following requirements:

(1) Twenty-five (25) years or more of full-time service with the City and Twenty-five (25) years or more enrolled in the pension system; or

The Regulatory Basis of Accounting does not permit the accrual of Actuarily determined OPEB Expenses or Liabilities. The City reports all OPEB related costs on the "pay as you go" basis. The following information is for disclosure purposes only and has not been accrued in the Financial Statements of the City.

The actuarial determined valuation of these benefits has been reviewed and will be reviewed bi-annually for the purpose of estimating the present value of future benefits for active and retired employees and their dependents as required by GASB 75.

The actuarial valuation report was based on 142 total participants including 61 retirees.

Annual OPEB Cost and Net OPEB Liability

The City's annual OPEB cost represents the accrued cost for post-employment benefits under GASB 75. The cumulative difference between the annual OPEB cost and the benefits paid during a year will result in a net OPEB obligation. The annual OPEB cost is equal to the annual required contribution (ARC) less adjustment if a net OPEB obligation exists. The ARC is equal to the normal cost and amortization of the Unfunded Actuarial Accrued Liability (UAAL) plus interest.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrences of events fare into the future, including future employment, mortality and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

In the January 1, 2025, actuarial valuation, the "Entry-Age-Normal as a Percentage of Salary" method was used for all participants. The actuarial assumptions used to project future costs included a discount rate of 4.28%. In addition, the unfunded actuarial accrued liability is being amortized over the maximum acceptable period of 30 years.

Other Post-employment Benefit Costs and Obligations

In the January 1, 2025, actuarial valuation, the Actuarily Determined Contribution for the year ending December 31, 2025, were projected as follows:

		12/31/2025	12/31/2024	12/31/2023
Service Cost	$	63,000.00	84,605.00	75,869.00
30 Year Amortization of NOL at 3.26		179,493.00	216,653.00	207,128.00
Actuarily Determined Contribution		242,493.00	301,258.00	282,997.00
Actual Contribution		33,969.00	31,924.00	27,229.00
Excess Contribution	$	(208,524.00)	(269,334.00)	(255,768.00)
Covered Payroll	$	8,311,981.00	7,946,529.00	8,311,981.00
Actuarily Determined Contribution as a % of Covered Payroll		0.41%	0.40%	0.33%

		12/31/2022	12/31/2021	12/31/2020	12/31/2019
Service Cost	$	104,450.00	112,456.00	72,619.00	66,678.00
30 Year Amortization of NOL at 3.26		255,243.00	258,241.00	209,751.00	203,032.00
Actuarily Determined Contribution		359,693.00	370,697.00	282,370.00	269,710.00
Actual Contribution		28,976.00	29,192.00	28,284.00	30,376.00
Excess Contribution	$	(330,717.00)	(341,505.00)	(254,086.00)	(239,334.00)
Covered Payroll	$	8,344,348.00	8,031,861.00	7,735,843.00	7,571,000.00
Actuarily Determined Contribution as a % of Covered Payroll		0.35%	0.36%	0.37%	0.40%

The following reflects the change in the Total OPEB Liability as of the January 1, 2025, valuation date for the Year ended December 31, 2025.

		12/31/2025	12/31/2024	12/31/2023
OPEB Liability, Beginning of Year	$	2,344,233.00	2,944,373.00	2,739,227.00
Changes for the Year:				
Service Cost		63,000.00	84,605.00	75,869.00
Interest		102,303.00	117,136.00	117,474.00
Assumption Changes & Difference				
Between Actual & Expected Experience		-	(387,873.00)	(146,658.00)
Change in Assumptions		(58,404.00)	(382,084.00)	185,690.00
Change in Actuarial Cost Method		-	-	-
Benefit Payments		(33,969.00)	(31,924.00)	(27,229.00)
OPEB Liability, End of Year	$	2,417,163.00	2,344,233.00	2,944,373.00
Covered payroll (for Covered Participants)	$	8,311,981.00	7,946,529.00	8,311,981.00
Total OPEB liability as a percentage of covered payroll		29.08%	29.50%	35.42%

		12/31/2022	12/31/2021	12/31/2020	12/31/2019
OPEB Liability, Beginning of Year	$	4,074,626.00	4,251,286.00	3,046,847.00	2,849,357.00
Changes for the Year:					
Service Cost		104,450.00	112,456.00	72,619.00	66,678.00
Interest		91,353.00	81,768.00	98,866.00	103,164.00
Assumption Changes & Difference					
Between Actual & Expected Experience		44,777.00	(152,741.00)	284,597.00	(143,354.00)
Change in Assumptions		(1,547,003.00)	(188,951.00)	776,641.00	201,378.00
Change in Actuarial Cost Method		-	-	-	-
Benefit Payments		(28,976.00)	(29,192.00)	(28,284.00)	(30,376.00)
OPEB Liability, End of Year	$	2,739,227.00	4,074,626.00	4,251,286.00	3,046,847.00
Covered payroll (for Covered Participants)	$	8,344,348.00	8,031,861.00	7,735,843.00	7,571,000.00
Total OPEB liability as a percentage of covered payroll		32.83%	50.73%	54.96%	40.24%

Sensitivity of the total OPEB liability to changes in the discount rate.

The January 1, 2025, valuation was prepared using a discount rate of 4.43%. If the discount rate were 1% higher than what was used in this valuation, the total OPEB liability would decrease to $2,037,017 or by 5.43%. If the discount rate were 1% lower than was used in this valuation, the total OPEB liability would increase to $2,905,729 or by 3.43%.

	Discount Rate		
	1% Decrease	Baseline 4.43%	1% Increase
Total OPEB Liability	$ 2,905,729	$ 2,417,163	$ 2,037,017

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The January 1, 2025, valuation was prepared using an initial trend rate of 4.5%. If the trend rate were 1% higher than what was used in this valuation, the total OPEB liability would increase to $2,966,672 or by 5.50%. If the trend rate were 1% lower than was used in this valuation, the total OPEB liability would decrease to $2,000,821 or by 3.50%.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 4.50%	1% Increase
Total OPEB Liability	$ 2,000,821	$ 2,417,163	$ 2,966,672

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

For the year ended December 31, 2025, the City's Actuarily determined OPEB expense was $(102,784). At December 31, 2025, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Increase in January 1, 2025 OPEB Liability due to Actuarial experience different from expected and actuarial assumption changes	$ 55,580	$ 411,944
Changes of Assumptions	228,967	892,632
Total	$ 284,547	$ 1,304,576

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

For the Year Ending December 31,	
2026	$ (252,160)
2027	(411,016)
2028	(111,829)
2029	(118,336)
2030	(118,342)
2031	(8,346)
	$ (1,020,029)

NOTE 15: POST-RETIREMENT BENEFITS - LIFEGUARD PENSION

The City of Brigantine has established a pension plan to provide retirement pension benefits for the individuals who serve on the City's lifeguard force. An eligible employee becomes a plan member upon employment. Employee contributions are withheld from the member's salary and contributed to the plan for his/her benefit. A plan member may retire with a pension only after his/her 45th birthday and after he/she has completed 20 years of service, the last 10 must have been completed immediately preceding his/her application. As of January 2024, the City provided post-retirement benefits to eleven (11) retired lifeguard employees. In accordance with GASB Statement 73 "Accounting and Financial Reporting for Pensions and Related Assets that are not within the scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68 and the State of New Jersey, the City obtained an actuarial valuation of the liability for providing these benefits.

The Regulatory Basis of Accounting does not permit the accrual of Actuarily determined OPEB Expenses or Liabilities. The city reports all OPEB related costs on the "pay as you go" basis. The following information is for disclosure purposes only and has not been accrued in the Financial Statements of the City.

The actuarial determined valuation of these benefits has been reviewed and will be reviewed bi-annually for the purpose of estimating the present value of future benefits for active and retired employees and their beneficiaries as required by GASB 73.

The actuarial valuation report was based on 107 total participants including 11 retirees.

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates and assumptions about the probability of occurrences of events fare into the future, including future employment, mortality and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

In the January 1, 2024, actuarial valuation, the "Entry-Age-Normal" method was used for all participants. The actuarial assumptions used to project future costs included a 4.00% interest rate of return. In addition, the unfunded actuarial accrued liability is being amortized over 30 years on a level percent of pay basis.

In the January 1, 2024, actuarial valuation, the plan assets were as follows:

		2023	2022	2021
Assets as of January 1,	$	562,030	537,656	551,623
Receipts:				
Contributions - Employee		60,000	60,000	35,376
Contributions - City		37,043	38,421	20,215
Interest		22,160	7,778	
		119,203	106,199	55,590
Disbursements:				
Benefit Payments		(86,300)	(81,825)	(69,558)
		(86,300)	(81,825)	(69,558)
Assets as of December 31,	$	594,933	562,030	537,656

The following reflects the Unfunded Accrued Liability as of January 1, 2024, valuation date for the Year ended December 31, 2024:

		2024	2023	2022
Actives	$	3,642,113	3,642,113	3,649,896
Non Actives		1,826,794	1,826,794	1,436,884
Total		5,468,907	5,468,907	5,086,780
(Less) Market Value of Assets		(594,933)	(594,933)	(537,656)
Unfunded Accrued Liability as of January 1,		4,873,974	4,873,974	4,549,124
Actuarial (Gain)/Loss		4,873,974	4,873,974	4,549,124
Normal Cost as of January 1,	$	41,132	44,683	42,964

NOTE 16: ACCRUED SICK AND VACATION BENEFITS

The City has permitted employees to accrue unused vacation and sick time, which may be taken as time off or paid at a later date. Personal time accrued during the year must be used during that year and does not accrue.

Upon termination or retirement, unused earned vacation hours are paid out in total at the employees' current hourly rate, sick time payouts vary with the different bargaining units and are determined by contractual agreements and hire dates as follows:

- Hired prior to May 22, 2010 - The majority of the sick time liability lies within the police and fire departments. Police and Fire employees having more than $50,000 in accrued sick time will be capped at 9 months of their salary as of January 1, 2015. All other employees with $50,000 or less in accrued sick time will be capped at the greater of $50,000 or the dollar value of the hours accrued.

- Hired after May 22, 2010 – Sick time payout for all employees is capped at a payout of $15,000.

The total monetary value of these earned and unused employee benefits has not been accrued by either charges to operations or to budgets of prior years, although in some cases they might be material, since the realization of this liability may be affected by conditions which preclude an employee from receiving full payment of the accrual. The City has been providing in the budget amounts to cover anticipated payouts during the budget year. At December 31, 2025, the City estimates this liability to be approximately $3,760,096.70 based upon 2025 pay rates and compensated balances.

NOTE 17: RISK MANAGEMENT

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

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

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

NOTE 18: ECONOMIC DEPENDENCY

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

NOTE 19: DEFERRED COMPENSATION

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. In 1998 the City of Brigantine amended the plan by resolution to comply with a private letter ruling of the Internal Revenue Service that requires assets of deferred compensation plans be held in trust under the beneficial ownership of the Trustee, (City of Brigantine) serving as Trustee, for the exclusive benefit of the plan participants and their beneficiaries, and that the assets shall not be diverted to any other purpose. The plan administrators are Nationwide, Aflac, Equitable TSA and Valic.

NOTE 20: INTERFUND BALANCES

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

		Due From	Due To
Current Fund:			
Animal Control Fund	$	666.40	
Trust Other Fund		5,000.00	
Grant Fund			47,949.34
General Capital Fund			298,295.82
Water-Sewer Operating Fund			877,668.48
Grant Fund:			
Current Fund		47,949.34	
Animal Control Fund:			
Current Fund			666.40
Other Trust Funds:			
Current Fund			5,000.00
General Capital Fund:			
Current Fund		298,295.82	
Water Sewer Capital Fund			
Water-Sewer Operating Fund:			
Water-Sewer Capital Fund		384,071.07	
Current Fund		877,668.48	
Water-Sewer Capital Fund:			
Water-Sewer Operating Fund			384,071.07
	$	1,613,651.11	1,613,651.11

The balances are primarily the result of disbursements made from the various funds which were not reimbursed prior to year-end.

NOTE 21: CONTINGENT LIABILITIES

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

NOTE 22: FEDERAL AND STATE GRANTS

In the normal course of operations, the City received grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as a result of these audits is not believed to be material.

NOTE 23: LEASE OBLIGATIONS

Operating Leases

In February 2020, the City entered into an agreement to lease copy machines for City Hall under an operating lease. The term for the lease was 60 months. The total monthly payment for the lease was $3,413.03. The lease expired in February 2025.

In May 2024, the City entered into an agreement to lease copy machines for City Hall under an operating lease. The term for the lease is 60 months, and it will expire in May 2029. The total monthly payment for the lease is $4,775.00. The City has the option to purchase this equipment at the termination of the lease for the fair market value.

In September 2024, the City entered into an agreement to lease copy machines for City Hall under an operating lease. The term for the lease is 57 months, and it will expire in May 2029. The total monthly payment for the lease is $238.74. The City has the option to purchase this equipment at the termination of the lease for the fair market value.

In September 2024, the City entered into an agreement to lease a postage machine for City Hall under an operating lease. The term of the lease is 60 months, and it will expire in September 2029. The total monthly payment for the lease is $555.00. The City has the option to purchase the equipment at the termination of the lease for the fair market value.

In February 2025, the City entered into an agreement to lease copy machines for City Hall under an operating lease. The term of the lease is 60 months, and it will expire in January 2030. The total monthly payment for the lease is $365.00. The City has the option to purchase the equipment at the termination of the lease for the fair market value.

In February 2026, the City entered into an agreement to lease copy machines for various City locations under an operating lease. The term of the lease is 39 months, and it will expire in May 2029. The total monthly payment for the lease is $473.18. The City has the option to purchase the equipment at the termination of the lease for the fair market value.

The total operating lease payments in 2025 and 2024 were $74,352.94 and $59,992.12 respectively.

The following is a schedule of the future minimum lease payments under these leases and the net minimum lease payments at December 31, 2025.

Year		Operating
2026	$	75,936.68
2027		76,883.04
2028		76,883.04
2029		31,479.60
2030		365.00
Total minimum lease payments		261,547.36
Less amount representing interest		-
Present value of minimum lease payments	$	261,547.36

NOTE 24: SUBSEQUENT EVENTS

The City has evaluated subsequent events through June 19, 2026, the date which the financial statements were available to be issued and identified no events requiring disclosure.

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SUPPLEMENTARY INFORMATION

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

To the Honorable Mayor and
Members of the City Council
City of Brigantine
County of Atlantic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements – regulatory basis, as listed in the accompanying table of contents, of the City of Brigantine, State of New Jersey, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 19, 2026, which was adverse due to being presented in accordance with the New Jersey Regulatory Basis of Accounting. Our report disclosed that, as described in Note 1 to the financial statements, the City of Brigantine prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), that demonstrates compliance with a modified accrual basis of accounting and the budget laws of the State of New Jersey.

Report Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

June 19, 2026

CITY OF BRIGANTINE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDING DECEMBER 31, 2025

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	**Unmodified Opinion issued on the Financial Statements – Regulatory Basis.**
Internal control over financial reporting:	
1) Material Weakness identified?	**No**
2) Significant Deficiencies?	**None Reported**
Non-Compliance material to Financial Statements – Regulatory Basis noted?	**No**

II. FINDINGS RELATING TO THE FINANCIAL STATEMENTS – REGULATORY BASIS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards, our audit disclosed the following findings relating to the financial statements – regulatory basis that are required to be reported. We have also issued an accompanying Management Letter.

MANAGEMENT RESPONSES

Management is required to respond to any findings and recommendations in the audit report. A corrective action plan is required to be filed with the Division of Local Government Services, Department of Community Affairs, State of New Jersey within 45 days of the filing of this report.

A corrective action plan is not required for 2025.

STATUS OF PRIOR YEAR FINDINGS

Finding 2024-1:

Recommendation:
That no commitment be made, or expenditure approved for payment unless there is a sufficient balance in the proper budget line item.

Current Status:

Corrective action has been implemented.

Exhibit A - 4

CURRENT FUND
SCHEDULE OF CASH - TREASURER

	Current Fund		Grant Fund	
Balance December 31, 2024	$	14,946,874.86		560,284.12
Increased by Receipts:				
Tax Collector	69,914,879.81			
State of New Jersey - Veterans' and Senior Citizens' Deductions	57,500.00			
Miscellaneous Revenue Anticipated	7,397,666.75			
Miscellaneous Revenue Not Anticipated	252,497.61			
Due to State of New Jersey - State Training Fees	38,211.00			
Due to State of New Jersey - Marriage Licenses	900.00			
Payroll Taxes Payable	54,980.90			
Due Water-Sewer Utility Operating Fund	898,701.59			
Due Dog Trust	1,078.80			
Federal and State Grant Fund:				
Due Current Fund			14,499.84	
Federal and State Grants Receivable			600,619.05	
Federal and State Unappropriated Reserves			-	
		78,616,416.46		615,118.89
		93,563,291.32		1,175,403.01
Decreased by Disbursements:				
Current Year Appropriation	33,965,290.84			
Prior Year Appropriations	334,534.64			
County Taxes	26,691,597.26			
Local District School Taxes	15,888,114.00			
Prepaid School Taxes	662,004.75			
Due to County - Added and Omitted Taxes	177,771.67			
Due to State of New Jersey - Marriage License Fees	800.00			
Due to State of New Jersey - State Training Fees	34,130.00			
Refund of Tax Overpayments	92,186.79			
Accounts Payable	14,855.17			
Reserve for Tax Map and Property Revaluation	56,700.00			
Change Fund	500.00			
Due Trust Other	5,000.00			
Due General Capital	144,601.47			
Federal and State Grant Fund:				
Federal and State Disbursements			140,952.91	
		78,068,086.59		140,952.91
Balance December 31, 2025	$	15,495,204.73		1,034,450.10

See Accompanying Auditor's Report

CURRENT FUND
SCHEDULE OF CURRENT CASH - COLLECTOR

Balance December 31, 2024		$	-
Increased by Receipts:			
Prepaid Taxes	1,310,203.96		
Taxes Receivable	68,468,455.38		
Interest on Taxes	115,147.37		
Miscellaneous Revenue	21,073.10		
			69,914,879.81
			69,914,879.81
Decreased By Disbursements:			
Payments to Treasurer	69,914,879.81		
			69,914,879.81
Balance December 31, 2025		$	-

Exhibit A - 6

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

Year	Balance Dec. 31, 2024	Current Year Levy	Added Taxes	Collections by Cash 2024	Collections by Cash 2025	Adjustments	Transferred To Tax Title Lien	Balance Dec. 31, 2025
Arrears	$ -							-
2023	1.76							1.76
2024	300,626.27				301,436.27	(810.00)		-
	300,628.03	-	-	-	301,436.27	(810.00)	-	1.76
2025	-	69,733,738.71	4,191.43	1,191,499.87	68,174,733.62	17,582.06	1,994.00	352,120.59
	$ 300,628.03	69,733,738.71	4,191.43	1,191,499.87	68,476,169.89	16,772.06	1,994.00	352,122.35

68,468,455.38	Cash Receipts
61,250.00	Senior Citizens and Veterans
(53,535.49)	Other
68,476,169.89	

Analysis of Current Year Tax Levy

Tax Yield:		
General Property Tax	69,733,738.71	
Added Taxes (54:4-63.1 et. Seq.)	4,191.43	
		69,737,930.14
Tax Levy:		
General County Taxes	23,408,889.40	
County Library Taxes	1,666,511.50	
County Health Service Taxes	978,742.44	
County Open Space Taxes	637,453.92	
County Added and Omitted Taxes	217,186.15	
Total County Taxes		26,908,783.41
Local School District Tax		15,888,114.00
Additional Local Open Space Tax		
Local Tax for Municipal Purposes	26,556,936.45	
Add: Additional Tax Levied	384,096.28	
		26,941,032.73
		69,737,930.14

See Accompanying Auditor's Report

Exhibit A - 7

CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

Balance December 31, 2024		$	22,051.41
Increased by:			
Transfers from Taxes Receivable	1,994.00		
			1,994.00
			24,045.41
Decreased by:			
None	-		
			-
Balance December 31, 2025		$	24,045.41

Exhibit A - 8

CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2024	Accrued in 2025	Collected by Collector	Collected by Treasurer	Balance Dec. 31, 2025
Licenses:					
Alcoholic Beverages	$ -	10,780.00		10,780.00	-
Other	-	19,251.00		19,251.00	-
Fees and Permits	-	380,359.19		380,359.19	-
Municipal Court					
Fines and Costs	6,049.74	192,654.26		192,575.52	6,128.48
Interest and Costs on Taxes	-	115,147.37	115,147.37		-
Interest and Investments and Deposits	-	1,013,786.24		1,013,786.24	-
Beach Fees	-	869,796.00		869,796.00	-
Beach Vehicles Permits	-	897,645.00		897,645.00	-
Cable Franchise	-	77,053.14		77,053.14	-
County Share of Library Costs	-	50,000.00		50,000.00	-
Emergency Medical Services	-	303,225.65		303,225.65	-
Lease of City Property	-	271,383.35		271,383.35	-
Uniform Construction Code Fees	-	709,774.00		709,774.00	-
Fire Prevention Inspection Fees	-	467,645.00		467,645.00	-
Minature Golf Receipts	-	20,330.00		20,330.00	-
Golf Course Receipts	-	1,252,177.81		1,252,177.81	-
Energy Receipts	-	664,965.56		664,965.56	-
Garden State Trust	-	19,173.00		19,173.00	-
Hotel Room Tax	-	185,584.47		185,584.47	-
Type I School Debt Service Aid	-	-			-
Miscellaneous Revenue Not Anticipated	-	274,237.11	21,073.10	253,164.01	-
	$ 6,049.74	7,794,968.15	136,220.47	7,658,668.94	6,128.48

See Accompanying Auditor's Report

Exhibit A - 9

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
OPERATIONS WITHIN "CAPS"					
GENERAL GOVERNMENT:					
General Administration					
Salaries & Wages	1,515.24	1,515.24		1,515.24	-
Other Expenses	4,172.31	4,172.31	3,067.99	1,104.32	-
Mayor and Council					
Salaries & Wages	799.42	799.42		799.42	-
Other Expenses	3,345.15	3,345.15	553.80	2,791.35	-
Municipal Clerk					
Salaries & Wages	1,476.73	1,476.73		1,476.73	-
Other Expenses	3,576.46	3,576.46	1,317.00	2,259.46	-
Financial Administration					
Salaries & Wages	8,886.02	8,886.02	4,713.00	4,173.02	-
Other Expenses	310.05	310.05	310.05	-	-
Revenue Administartion (Tax Collector)					
Salaries & Wages	469.38	469.38	469.00	0.38	-
Other Expenses	822.09	822.09		822.09	-
Tax Assessment Administration					
Salaries & Wages	2,118.70	2,118.70	2,118.00	0.70	-
Other Expenses	2,001.65	2,001.65	1,495.33	506.32	-
Legal Services					
Other Expenses	22,545.24	22,545.24	4,307.50	18,237.74	-
Emergency Medical Billing					
Other Expenses	2,119.32	2,119.32	1,305.81	813.51	-
Engineering Services and Costs					
Other Expenses	17,868.73	17,868.73	12,318.57	5,550.16	-

See Accompanying Auditor's Report

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
Municipal Court					
Salaries & Wages	1,770.96	1,770.96	1,770.00	0.96	-
Other Expenses	9,052.61	9,052.61	585.32	8,467.29	-
Public Defender					
Other Expenses	2,602.00	2,602.00		2,602.00	-
LAND USE ADMINISTRATION					
Planning Board					
Salaries & Wages	9.90	9.90		9.90	-
Other Expenses	2,455.24	2,455.24	20.24	2,435.00	-
INSURANCE					
General Liability	1,052.90	1,052.90	348.80	704.10	-
Workers Compensation Insurance	75.00	75.00		75.00	-
Employee Group Insurance	198,869.22	198,869.22	6,180.41	192,688.81	-
Health Benefits Waiver					
Salaries & Wages	478.64	478.64		478.64	-
PUBLIC SAFETY					
Fire Department					
Salaries & Wages	10,776.85	10,776.85		10,776.85	-
Other Expenses	88,587.01	88,587.01	85,854.87	2,732.14	-
Police Department					
Salaries & Wages	12,524.86	12,524.86		12,524.86	-
Other Expenses	69,417.89	69,417.89	62,281.77	7,136.12	-
Office of Emergency Management					
Salaries & Wages	115.52	115.52		115.52	-
Other Expenses	1,142.59	1,142.59		1,142.59	-

See Accompanying Auditor's Report

Exhibit A - 9

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
PUBLIC WORKS					
Streets and Roads Maintenance					
Salaries & Wages	4,228.19	4,228.19	(4,249.14)	8,477.33	-
Other Expenses	5,699.89	5,699.89	243.99	5,455.90	-
Demolition					
Other Expenses	710.00	710.00		710.00	-
Solid Waste Collection					
Other Expenses	115,040.05	115,040.05	107,709.55	7,330.50	-
Recycling Program					
Salaries & Wages	695.59	695.59		695.59	-
Other Expenses	786.19	786.19	110.02	676.17	-
Department of Public Works					
Salaries & Wages	1,888.83	1,888.83	1,888.00	0.83	-
Other Expenses	202.58	202.58		202.58	-
Buildings and Grounds					
Salaries & Wages	121.49	121.49		121.49	-
Other Expenses	22,326.12	22,326.12	20,550.95	1,775.17	-
Vehicle Maintenance					
Salaries & Wages	551.26	551.26		551.26	-
Other Expenses	7,025.26	7,025.26	1,956.70	5,068.56	-
HEALTH & HUMAN SERVICES					
Dog Regulation					
Other Expenses	1,325.00	1,325.00	1,325.00	-	-
PARKS AND RECREATION					
Beach Patrol & Maintenance					
Salaries & Wages	29.21	29.21		29.21	-

See Accompanying Auditor's Report

Exhibit A - 9

CURRENT FUND
SCHEDULE OF APPROPRIATION RESERVES - PRIOR YEAR

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
Beach Fee Program					
Salaries & Wages	514.67	514.67		514.67	-
Other Expenses	23,853.46	23,853.46	23,460.00	393.46	-
Parks and Playgrounds					
Salaries & Wages	1,790.26	1,790.26	1,790.26	-	-
Other Expenses	2,257.58	2,257.58	259.79	1,997.79	-
Grant Coordinator					
Other Expenses	5,440.00	5,440.00	1,440.00	4,000.00	-
UNIFORM CONSTRUCTION CODE					
Construction Official					
Salaries & Wages	3,734.52	3,734.52	3,734.00	0.52	-
Other Expenses	398.76	398.76	87.98	310.78	-
UNCLASSIFIED					
Maintenance Agreements - Contractual	65,815.46	65,815.46	11,954.04	53,861.42	-
UTILITY EXPENSES AND BULK PURCHASES					
Electric	9.66	9.66	(12,397.34)	12,407.00	-
Street Lighting	18.35	18.35	(17,190.88)	17,209.23	-
Telephone	6,959.19	6,959.19	213.81	6,745.38	-
Gas	6,913.65	6,913.65	6,913.65	-	-
Fuel	28,515.89	28,515.89	5,228.11	23,287.78	-
Cable	883.89	883.89		883.89	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES					
Statutory Expenditures					
Contributions to:					
Social Security System (O.A.S.I.)	5,475.08	5,475.08	5,475.00	0.08	-
Defined Contribution Retirement Program	145.20	145.20		145.20	-
OPERATIONS EXCLUDED FROM "CAPS"					
Fire Prevention Inspections					
Salaries & Wages	3,544.85	3,544.85		3,544.85	-
Other Expenses	4,927.28	4,927.28	502.63	4,424.65	-
	$ 792,785.09	792,785.09	350,023.58	442,761.51	-

See Accompanying Auditor's Report

CURRENT FUND
SCHEDULE OF LOCAL DISTRICT SCHOOL TAX

Balance December 31, 2024		
School Tax Payable	$ -	
School Tax Deferred	-	
		$ -
Increased by:		
Levy - School Year July 1, 2025 to June 30, 2026		15,888,114.00
		15,888,114.00
Decreased by:		
Payments		15,888,114.00
Balance December 31, 2025		
School Tax Payable	-	
School Tax Deferred	-	
		-
Current Year Liability for Local School District School Tax:		
Tax Paid		15,888,114.00
Tax Payable Ending		-
		15,888,114.00
Less: Tax Payable Beginning		-
Amount charged to Current Year Operations		$ 15,888,114.00

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

Purpose	Balance Dec. 31, 2024	Transferred From 2025 Revenues	Received	Cancelled	Balance Dec. 31, 2025
FEDERAL GRANTS:					
Bulletproof Vest Partnership	$ 2,634.68				2,634.68
Bulletproof Vests 2021	80.00				80.00
American Rescue Plan Firefighters Grant	26,000.00		26,000.00		-
NJ DCA - American Rescue Plan Firefighters Grant	49,026.00		49,000.00		26.00
Total Federal	77,740.68	-	75,000.00	-	2,740.68
STATE GRANTS:					
Municipal Alliance on Alcoholism and Drug Abuse - 2023	(496.61)				(496.61)
Municipal Alliance on Alcoholism and Drug Abuse - 2025	-	4,503.00	4,503.39		(0.39)
NJUCG Green Communities	6,000.00		3,000.00		3,000.00
Clean Communities Program - 2025	-	56,274.78	56,274.78		-
Drive Sober or Get Pulled Over - Holiday	840.00				840.00
Drive Sober Get Pulled Over - 2022	1,380.00				1,380.00
Drive Sober or Get Pulled Over-Year End Holiday 2025	-	2,800.00	2,800.00		-
Drive Sober or Get Pulled Over-Labor Day	1,050.00				1,050.00
Drive Sober or Get Pulled Over - Labor Day 2025	-	4,200.00	3,850.00		350.00
NJ Transportation Trust Fund Authority Act - Sheridan Project	31,465.80				31,465.80
N.J. Transportation Trust Fund Authority- 44th Street & Cove	17,480.94				17,480.94
N.J. Transportation Trust Fund Authority- 44th Street	325,000.00				325,000.00
NJ DOT - Municipal Aid 2024 Harbor Beach Blvd	-	269,995.00	202,496.25		67,498.75
Safe & Secure Communities Grant	9,670.67				9,670.67
Sustainable Jersey Grant	2,500.00				2,500.00
Automated License Plate Leader Initiative	31,842.00		31,842.00		-
NJTSA Grant - CARES	-	2,100.00	2,100.00		-
Cops in Shops 2025	-	2,880.00	2,880.00		-
U Drive U Text U Pay	-	3,500.00	3,500.00		-
Click it or Ticket	-	2,800.00	2,450.00		350.00
Emergency Management - EMAA Grant	-	10,000.00	10,000.00		-
Recycling Tonnage Grant	-	15,304.23	15,304.23		-
Total State	426,732.80	374,357.01	341,000.65	-	460,089.16
OTHER GRANTS:					
County of Atlantic - Brigantine Blvd	96,749.74				96,749.74
Summer Shore Pedestrian Awareness	350.00				350.00
Local Recreational Improvement Grant	63,000.00		63,000.00		-
Local Recreational Improvement Grant	64,000.00		64,000.00		-
Atlantic County Area Agency on Aging	8,302.55		8,302.55		0.00
Atlantic County Area Agency on Aging	1,708.00		1,708.00		-
Atlantic County Area Agency on Aging	1,007.25		1,007.25		-
Atlantic County Area Agency on Aging	-	62,247.60	46,600.60		15,647.00
Total Other	235,117.54	62,247.60	184,618.40	-	112,746.74
	$ 739,591.02	436,604.61	600,619.05	-	575,576.58

See Accompanying Auditor's Report

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2024 Appropriated	Balance December 31, 2024 Reserve for Encumbrances	2025 Appropriations	Disbursed	Encumbrances	Balance Dec. 31, 2025
FEDERAL GRANTS:						
Small Cities Grant	$ 145,128.05					145,128.05
Community Development Block Grant - Drainage 2005	9,237.88					9,237.88
Small Cities Community Development Block Grant	31,765.00					31,765.00
Bulletproof Vests 2023	1,306.03			1,306.03		(0.00)
Body Armor Replacement 2024	2,849.26				2,849.26	-
Bulletproof Vests 2024	601.71				601.71	-
American Rescue Plan Firefighter Grant	26.00					26.00
NJ DCA - American Rescue Plan Firefighters Grant	79,085.00					79,085.00
Total Federal	269,998.93	-	-	1,306.03	3,450.97	265,241.93
STATE GRANTS:						
Clean Communities Program - 2023	94.32			94.32		(0.00)
Clean Communities Program - 2024	10,386.41			10,386.41		0.00
Clean Communities Program - 2025	-		56,274.78	13,758.37		42,516.41
NJDEP - NJUCF Green Communities	2,930.02					2,930.02
Drunk Driving Enforcement Program	-	2,635.01		2,635.01		-
Drunk Driving Enforcement Program	1,213.88	1,404.62		2,618.50		-
Alcohol Education and Rehabilitation Grant - 2006	478.88			350.00		128.88
Alcohol Education and Rehabilitation Grant - 2008	289.33					289.33
Alcohol Education and Rehabilitation Grant - 2009	246.09					246.09
Alcohol Education and Rehabilitation Grant - 2010	232.05					232.05
Alcohol Education and Rehabilitation Grant - 2011	703.82					703.82
Alcohol Education and Rehabilitation Grant - 2012	269.67					269.67
Alcohol Education and Rehabilitation Grant - 2013	809.45					809.45
Municipal Alliance on Alcoholism and Drug Abuse 2022-2023	3,377.54					3,377.54
Municipal Alliance on Alcoholism and Drug Abuse 2023-2024	3,377.54			629.24		2,748.30
Municipal Alliance on Alcoholism and Drug Abuse 2024-2025	5,000.00			5,000.00		-
Municipal Alliance on Alcoholism and Drug Abuse 2025-2026	-		9,503.00			9,503.00
Sustainable Jersey Small Grant - 2018	6.93					6.93
Sustainable Jersey Small Grant - 2021	5,000.00					5,000.00
Recycling Tonnage - 2022	10,254.15			6,138.78		4,115.37
Recycling Tonnage - 2023	17,559.78			2,789.25		14,770.53
Recycling Tonnage - 2024	15,386.06					15,386.06
Recycling Tonnage - 2025	-		15,304.23	8,197.53		7,106.70
Drive Sober Get Pulled Over - Holiday 2022	145.01					145.01
Drive Sober or Get Pulled Over - Labor Day 2025	-		4,200.00	3,640.00		560.00
Drive Sober or Get Pulled Over-Year End Holiday	2,800.00			2,520.00		280.00
Drive Sober Get Pulled Over - Holiday 2023	5,250.00			3,936.12		1,313.88
Drive Sober or Get Pulled Over-Year End Holiday	-		2,800.00			2,800.00
U Drive U Text U Pay 2023	350.00			350.00		-
U Drive U Text U Pay 2025	-		3,500.00	3,220.00		280.00
Safe and Secure - 2022-2023	10,800.00					10,800.00

See Accompanying Auditor's Report

Exhibit A - 12

CURRENT FUND
SCHEDULE OF APPROPRIATED RESERVES FOR FEDERAL AND STATE GRANTS

	Balance December 31, 2024					
	Appropriated	Reserve for Encumbrances	2025 Appropriations	Disbursed	Encumbrances	Balance Dec. 31, 2025
Safe and Secure - 2023-2024	16,200.00					16,200.00
Safe and Secure - 2024-2025	22,575.00					22,575.00
Emergency Management - EMAA Grant	10,000.00					10,000.00
Emergency Management - EMAA Grant 2025	-		10,000.00			10,000.00
Click it or Ticket 2025	-		2,800.00	2,800.00		-
Cops in Shops 2023	560.00					560.00
Cops in Shops 2025	-		2,880.00	2,640.00		240.00
Stormwater Assistance Grant	15,000.00					15,000.00
NJTSA Grant - CARES	-		2,100.00	560.00		1,540.00
NJ DOT - Municipal Aid 2024 Harbor Beach Blvd	-		269,995.00		269,995.00	-
NJ Transportation Trust Fund Authority Act - 44th Street & Cove	261,640.00					261,640.00
NJ Transportation Trust Fund Authority Act - 44th Street Recon.	55,545.66					55,545.66
NJ Transportation Trust Fund Authority Act - Sheridan Project	114,225.00			15,306.25	28,693.75	70,225.00
NJ Transportation Trust Fund Authority Act - Revere Blvd	17,302.52					17,302.52
Total State	610,009.11	4,039.63	379,357.01	87,569.78	298,688.75	607,147.22
OTHER GRANTS:						
County of Atlantic - Brigantine Blvd	329,547.07					329,547.07
Local Recreational Improvement Grant	64,000.00	63,000.00		688.10		126,311.90
Summer Shore Pedestrian Awareness	350.00					350.00
Atlantic County Office of Aging Nutritional	2,092.00					2,092.00
Atlantic County Area Agency on Aging	2,607.00					2,607.00
Atlantic County Area Agency on Aging	7,425.55			6,994.00		431.55
Atlantic County Area Agency on Aging	-		62,247.60	44,395.00		17,852.60
Total Other	406,021.62	63,000.00	62,247.60	52,077.10	-	479,192.12
	1,286,029.66	67,039.63	441,604.61	140,952.91	302,139.72	1,351,581.27

See Accompanying Auditor's Report

Exhibit A - 13

CURRENT FUND
SCHEDULE OF FEDERAL AND STATE GRANTS - UNAPPROPRIATED RESERVES

Purpose	Balance Dec. 31, 2024	Transferred To 2025 Appropropriations	Received	Balance Dec. 31, 2025
FEDERAL GRANTS:				
None	$ -			-
Total Federal	-	-	-	-
STATE GRANTS:				
Body Armor	2,739.58			2,739.58
TAP-0638 #1	1,515.45			1,515.45
Total State	4,255.03	-	-	4,255.03
	$ 4,255.03	-	-	4,255.03

See Accompanying Auditor's Report

TRUST FUND
SCHEDULE OF ANIMAL CONTROL CASH - TREASURER

Balance December 31, 2024		$ 2,099.60
Increased By Receipts:		
Dog Licenses Fees	$ 618.60	
State License Fees	95.40	
		714.00
		2,813.60
Decreased By Disbursements:		
Registration Fees Due to State of New Jersey	95.40	
Due to Current Fund - Statutory Excess	1,065.80	
		1,161.20
Balance December 31, 2025		$ 1,652.40

TRUST FUND
SCHEDULE OF OTHER TRUST CASH - TREASURER

Balance December 31, 2024			$	6,788,454.92
Increased By Receipts:				
Reserve for Police Special Detail Escrow	$	77,827.50		
Reserve for Special Law Enforcement		2,038.50		
Reserve for POAA		712.00		
Reserve for Engineering Escrow		108,514.65		
Reserve for Lifeguard Pension		121,455.42		
Reserve for Recreation		343,106.88		
Reserve for Recreation-Benches/Bike Racks		13,100.00		
Reserve for Recreation Farmers/Green Team		34,906.92		
Reserve for Garden Club		3,575.00		
Reserve for COAH		746,748.53		
Reserve for Accumulated Absences		125,000.00		
Reserve for Municipal Alliance Donations		1,840.00		
Reserve for Veteran's Banner Program		4,650.00		
Reserve for Storm Expenses		61,536.71		
Reserve for Fire Prevention		1,573.00		
Reserve for Tax Title Lien Premiums		350,195.88		
Reserve for Tax Title Lien Redemptions		222,478.01		
				2,219,259.00
				9,007,713.92
Decreased By Disbursements:				
Reserve for Special Law Enforcement		7,365.18		
Reserve for Police Special Detail Escrow		69,582.50		
Reserve for Engineering Escrow		76,133.71		
Reserve for Lifeguard Pension		92,032.98		
Reserve for Recreation		290,169.38		
Reserve for Recreation-Benches/Bike Racks		20,352.42		
Reserve for Recreation Farmers/Green Team		39,986.24		
Reserve for Garden Club		3,208.68		
Reserve for COAH		28,608.98		
Reserve for Accumulated Absences		263,613.62		
Reserve for Municipal Alliance Donations		3,549.52		
Reserve for Veteran's Banner Program		2,300.00		
Reserve for Storm Expenses		14,396.81		
Reserve for Tax Title Lien Premiums		218,046.36		
Reserve for Tax Title Lien Redemptions		163,687.96		
				1,293,034.34
Balance December 31, 2025			$	7,714,679.58

TRUST FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL EXPENDITURES

Balance December 31, 2024			$	1,020.80
Increased By:				
Dog Licenses Fees Collected	$	618.60		
				618.60
				1,639.40
Decreased By Disbursements:				
Statutory Excess due to Current Fund		653.40		
				653.40
Balance December 31, 2025			$	986.00

License Fees Collected	Year		
	2023	$	475.60
	2024		510.40
		$	986.00

Exhibit B-4

TRUST - OTHER FUND
STATEMENT OF DUE TO CURRENT FUND

Balance December 31, 2024	$	1,078.80
Increased By:		
Statutory Excess Due to Current Fund		653.40
		1,732.20
Decreased By:		
Statutory Excess Due to Current Fund		1,065.80
Balance December 31, 2025	$	666.40

Exhibit B-5

TRUST - OTHER FUND
STATEMENT OF DUE (TO)FROM STATE OF NEW JERSEY

Balance December 31, 2024	$	-
Increased by:		
Paid to State of New Jersey		95.40
		95.40
Decreased by:		
Licenses Issued in 2025		95.40
		95.40
Balance December 31, 2025	$	-

Exhibit C - 2

GENERAL CAPITAL FUND
SCHEDULE OF CASH - TREASURER

Balance December 31, 2024		$	15,022,570.36
Increased by:			
Capital Improvement Fund	860,000.00		
General Serial Bond Issued	11,000,000.00		
Reserve for Debt Service	3,984.14		
Due to Current Fund	152,439.65		
Grant Receivable	110,463.95		
Reimbursements	8,057.08		
			12,134,944.82
			27,157,515.18
Decreased by:			
Improvement Authorizations	9,896,743.66		
Accounts Payable	34.13		
Due to Water Sewer Capital Fund	311,725.11		
			10,208,502.90
Balance December 31, 2025		$	16,949,012.28

GENERAL CAPITAL FUND
ANALYSIS OF CASH

		Balance Dec. 31, 2024	Receipts: Miscellaneous	Receipts: Debt Issued	Disbursements: Improvement Authorizations	Disbursements: Miscellaneous	Transfers: From	Transfers: To	Balance Dec. 31, 2025
Fund Balance		$ 178,407.00							178,407.00
Capital Improvement Fund		5,364.00	860,000.00				865,044.00		320.00
Due to Current Fund		(144,601.47)	152,439.65				306,134.00		(298,295.82)
Due to Water Sewer Capital Fund		311,725.11				311,725.11			-
Accounts Payable		65,292.06				34.13			65,257.93
Grant Receivable - FEMA House Raising 2017		(4,726,072.88)	110,463.95						(4,615,608.93)
Reserve for Debt Service		220,839.24	3,984.14						224,823.38
Reserve for Future Capital Project		264,555.00							264,555.00
Reserve for Encumbrances		8,585,192.27					8,684,710.43	7,843,257.29	7,743,739.13
Improvement Authorizations									
19-12	Beach Replenishment	544,795.15	8,057.08		20,523.61		27,480.06	21,063.86	525,912.42
10-13	Various Improvements	8,400.61			8,400.61				0.00
13-14	Various Improvements	900.00			116,556.91			138,659.67	23,002.76
15-17	Various Improvements	64,854.52			122,170.00		125,000.00	236,952.65	54,637.17
07-18	Beachfill Renourishment Project	9,703.48			13,157.10			15,837.71	12,384.09
24-18	Residential Structural Elevation Project	334,707.99						10,730.00	345,437.99
26-18; 19-22	Streetscape Projects - Phase II & III	310,292.37			34,322.00		26,555.59	26,555.59	275,970.37
12-19	Various Improvements	632,585.50			476,889.65		410,800.93	863,536.52	608,431.44
21-19	FEMA House Raising	5,222,838.67			480.00			249,910.00	5,472,268.67
19-21; 18-23	School Improvements	1,716,919.55			529,808.15			44,150.00	1,231,261.40
7-22	Reconstruction of Public Works Building	-			209,751.52			209,751.52	-
17-22	Purchase of Fire Ladder Truck	465.95					3,863.08	3,863.08	465.95
20-22	North End Beach Replenishment	983,000.00							983,000.00
6-23	Beach Replenishment	343,450.00							343,450.00
16-23	Various Improvements	3,269,006.21		4,000,000.00	3,112,779.97		2,890,043.65	3,036,055.98	4,302,238.57
12-24	Various Improvements	(3,180,049.97)		7,000,000.00	5,236,266.04		2,095,852.96	4,133,777.85	621,608.88
22-25	Various Improvements	-			15,638.10		2,263,661.02	865,044.00	(1,414,255.12)
		$ 15,022,570.36	1,134,944.82	11,000,000.00	9,896,743.66	311,759.24	17,699,145.72	17,699,145.72	16,949,012.28

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

Balance December 31, 2024		$	5,364.00
Increased by:			
Current Fund Budget Appropriations	860,000.00		
			860,000.00
			865,364.00
Decreased by:			
Improvement Authorizations Funded	865,044.00		
			865,044.00
Balance December 31, 2025		$	320.00

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

Balance December 31, 2024		$	34,715,540.56
Increased by:			
General Serial Bond Issued	10,500,000.00		
			10,500,000.00
			45,215,540.56
Decreased by:			
Serial Bonds Paid	3,225,000.00		
School Type I Bonds	870,000.00		
Green Trust Loans Paid	35,676.60		
			4,130,676.60
Balance December 31, 2025		$	41,084,863.96

Exhibit C - 6

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

								Analysis of Balance		
Ord #	Improvement Description		Balance Dec. 31, 2024	2025 Authorizations	Debt Issued	Raised in 2025 Budget	Balance Dec. 31, 2025	Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
19-21; 18-23	School Improvements	$	244,150.00			44,150.00	200,000.00			200,000.00
16-23	Various Improvements		4,864,124.00		4,000,000.00	154,124.00	710,000.00			710,000.00
12-24	Various Improvements		16,357,860.00		7,000,000.00	107,860.00	9,250,000.00			9,250,000.00
22-25	Various Improvements		-	16,435,831.00			16,435,831.00		1,414,255.12	15,021,575.88
		$	21,466,134.00	16,435,831.00	11,000,000.00	306,134.00	26,595,831.00	-	1,414,255.12	25,181,575.88

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord #		Ord. Date	Amount	Balance December 31, 2024 Funded	Balance December 31, 2024 Unfunded	Authorizations Other Funding	Authorizations Deferred Charges to Future Taxation	Paid or Charged	Balance December 31, 2025 Funded	Balance December 31, 2025 Unfunded
19-12	Beach Replenishment	06/20/2012	1,000,000	$ 544,795.15				18,882.73	525,912.42	
10-13	Various Improvements	09/18/2013	4,000,000	8,400.61				8,400.61	-	
13-14	Various Improvements	9/3/2014	6,200,000	900.00				(22,102.76)	23,002.76	
15-17	Various Improvements	4/19/2017	5,343,000	64,854.52				10,217.35	54,637.17	
07-18	Beachfill Renourishment Project	5/2/2018	250,000	9,703.48				(2,680.61)	12,384.09	
24-18	Residential Structural Elevation Project	10/3/2018	942,455	334,707.99				(10,730.00)	345,437.99	
26-18; 19-22	Streetscape Projects - Phase II & III	12/5/2018	2,928,410	310,292.37				34,322.00	275,970.37	
12-19	Various Improvements	8/7/2019	7,955,000	632,585.50				24,154.06	608,431.44	
21-19	FEMA House Raising	12/4/2019	8,699,045	5,222,838.67				(249,430.00)	5,472,268.67	
19-21; 18-23	School Improvements	12/15/2021	7,264,150	1,716,919.55	244,150.00			529,808.15	1,231,261.40	200,000.00
7-22	Reconstruction of Public Works Building	4/20/2022	2,500,000	-				-	-	
17-22	Purchase of Fire Ladder Truck	11/2/2022	1,700,000	465.95				-	465.95	
20-22	North End Beach Replenishment	12/21/2022	983,000	983,000.00					983,000.00	
6-23	Beach Replenishment	5/3/2023	2,000,000	343,450.00					343,450.00	
16-23	Various Improvements	11/1/2023	12,495,920	3,269,006.21	4,864,124.00			3,120,891.64	4,302,238.57	710,000.00
12-24	Various Improvements	8/7/2024	17,218,800	-	13,177,810.03			3,306,201.15	621,608.88	9,250,000.00
22-25	Various Improvements	8/20/2025	17,300,875	-	-	865,044.00	16,435,831.00	2,279,299.12	-	15,021,575.88
				$ 13,441,920.00	18,286,084.03	865,044.00	16,435,831.00	9,047,233.44	14,800,069.71	25,181,575.88

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Outstanding December 31, 2025 Date	Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
General Bonds of 2015	12/1/2015	6,850,000				$ 800,000.00		800,000.00	-
General Bonds of 2017	10/15/2017	6,450,000	10/15/2026	580,000.00	2.000%	3,460,000.00		540,000.00	2,920,000.00
			10/15/2027	620,000.00	2.125%				
			10/15/2028	670,000.00	2.250%				
			10/15/2029	640,000.00	2.375%				
			10/15/2030	410,000.00	3.000%				
General Bonds of 2019	9/18/2019	13,000,000	10/1/2026	1,105,000.00	4.000%	8,010,000.00		1,045,000.00	6,965,000.00
			10/1/2027	1,105,000.00	4.000%				
			10/1/2028	1,100,000.00	4.000%				
			10/1/2029	1,160,000.00	4.000%				
			10/1/2030	1,160,000.00	3.000%				
			10/1/2031	1,335,000.00	3.000%				
General Bonds of 2024	9/24/2024	15,290,000	9/15/2026	990,000.00	4.000%	15,290,000.00		840,000.00	14,450,000.00
			9/15/2027	1,070,000.00	4.000%				
			9/15/2028	1,150,000.00	4.000%				
			9/15/2029	1,225,000.00	4.000%				
			9/15/2030	1,300,000.00	4.000%				
			9/15/2031	1,375,000.00	4.000%				
			9/15/2032	1,375,000.00	4.000%				
			9/15/2033	1,375,000.00	4.000%				
			9/15/2034	1,455,000.00	4.000%				
			9/15/2035	1,455,000.00	4.000%				
			9/15/2036	1,680,000.00	2.000%				
General Bonds of 2025	10/15/2025	11,000,000	10/15/2026	575,000.00	4.000%	-	10,500,000.00		10,500,000.00
			10/15/2027	675,000.00	4.000%				
			10/15/2028	735,000.00	4.000%				
			10/15/2029	785,000.00	4.000%				
			10/15/2030	840,000.00	4.000%				
			10/15/2031	890,000.00	4.000%				
			10/15/2032	950,000.00	4.000%				
			10/15/2033	950,000.00	4.000%				
			10/15/2034	950,000.00	4.000%				
			10/15/2035	1,000,000.00	4.000%				
			10/15/2036	1,000,000.00	4.000%				
			10/15/2037	1,150,000.00	2.500%				
						$ 27,560,000.00	10,500,000.00	3,225,000.00	34,835,000.00

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
STATEMENT OF TYPE I SCHOOL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Maturities of Bonds Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
General Bonds of 2024	9/24/2024	7,065,000	9/15/2026	$ 895,000.00	3.000%	$ 7,065,000.00		870,000.00	6,195,000.00
			9/15/2027	925,000.00	3.000%				
			9/15/2028	955,000.00	3.000%				
			9/15/2029	1,050,000.00	4.000%				
			9/15/2030	1,160,000.00	4.000%				
			9/15/2031	1,210,000.00	4.000%				
						$ 7,065,000.00	-	870,000.00	6,195,000.00

See Accompanying Auditor's Report

GENERAL CAPITAL FUND
SCHEDULE OF GREEN TRUST LOAN PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Maturities of Bonds Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
Municipal Boat Ramp	2007	600,000	2026	$ 36,393.70	2.000%	$ 90,540.56		35,676.60	54,863.96
			2027	18,470.26					
						$ 90,540.56	-	35,676.60	54,863.96

See Accompanying Auditor's Report

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

Ordinance Number	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Debt Issued	Budget Appropriation	Balance Dec. 31, 2025
19-21; 18-23	School Improvements	$ 244,150.00			44,150.00	200,000.00
16-23	Various Improvements	4,864,124.00		4,000,000.00	154,124.00	710,000.00
12-24	Various Improvements	16,357,860.00		7,000,000.00	107,860.00	9,250,000.00
22-25	Various Improvements	-	16,435,831.00			16,435,831.00
		$ 21,466,134.00	16,435,831.00	11,000,000.00	306,134.00	26,595,831.00

See Accompanying Auditor's Report

Exhibit D - 5

WATER AND SEWER UTILITY FUND
SCHEDULE OF CASH - TREASURER

		Operating Fund		Capital Fund	
Balance December 31, 2024	$		4,930,873.16		15,059,840.41
Increased by Receipts:					
Water and Sewer Rent Collected		5,252,347.44			
Prepaid Water and Sewer		1,675,620.99			
Serial Bonds Issued				1,900,000.00	
Due from General Capital				311,725.11	
Due from W/S Capital		452,194.15			
Due to W/S Operating				384,071.07	
Miscellaneous Revenue		224,464.12			
			7,604,626.70		2,595,796.18
			12,535,499.86		17,655,636.59
Decreased by Disbursements:					
Current Appropriations		7,738,546.24			7,738,546.24
Appropriation Reserves		229,413.07			
Overpayment Refunds		1,442.00			
Due to Current Fund		32,022.64			
Due to W/S Operating				452,194.15	
Improvement Authorizations				7,264,982.44	
			8,001,423.95		7,717,176.59
Balance December 31, 2025	$		4,534,075.91		9,938,460.00

See Accompanying Auditor's Report

WATER AND SEWER UTILITY CAPITAL FUND
ANALYSIS OF CASH

		Balance	Receipts		Disbursements		Transfers		Balance
		Dec. 31, 2024	Miscellaneous	Debt Issued	Improvement Authorizations	Miscellaneous	From	To	Dec. 31, 2025
New Jersey EIT Receivables		$ (24,227.00)							(24,227.00)
Encumbrances Payable		6,806,511.35					6,806,511.35	9,029,802.79	9,029,802.79
Reserve for American Recovery Plan		383.00							383.00
Reserve for Payment of Bonds		21,725.11							21,725.11
Due from General Capital Fund		(311,725.11)	311,725.11						-
Due from W/S Operating		452,194.15	384,071.07			452,194.15			384,071.07
Fund Balance		146.96							146.96
Improvement Authorizations:									
13-14	Various Improvements	791,405.47			655,569.28		2,138,050.79	2,698,620.07	696,405.47
13-19	Various Improvements	2,324,415.47			1,732,264.45		140,654.87	99,416.85	550,913.00
16-21	Water Tower Improvements	71,322.01			1,253,270.48		1,515,736.92	2,757,571.95	59,886.56
11-22	Water Tower Improvements	50,827.00			251,365.70		709,886.28	961,251.98	50,827.00
15-23	Various Improvements	4,876,862.00		1,900,000.00	193,767.76		2,554,322.74	289,650.50	4,318,422.00
11-24	Various Improvements	-			1,460,659.04		1,946,151.19		(3,406,810.23)
21-25	Various Improvements	-			1,718,085.73		25,000.00		(1,743,085.73)
		$ 15,059,840.41	695,796.18	1,900,000.00	7,264,982.44	452,194.15	15,836,314.14	15,836,314.14	9,938,460.00

See Accompanying Auditor's Report

Exhibit D - 8

WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Balance December 31, 2024		$	94,633.65
Increased by Receipts:			
Billings of User Charges	7,843,934.56		
Overpayments Created	40,584.00		
			7,884,518.56
			7,979,152.21
Decreased by Disbursements:			
Collections	6,111,143.00		
Prepaid Rents Applied	1,724,663.84		
Overpayments Applied	41,833.92		
Transfer to Lien	783.02		
			7,878,423.78
Balance December 31, 2025		$	100,728.43

Exhibit D - 9

WATER AND SEWER UTILITY OPERATING FUND
SCHEDULE OF UTILITY LIENS

Balance December 31, 2024		$	-
Increased by Receipts:			
Transfer from Sewer Accounts Receivable	783.02		
Interest and Costs	42.72		
			825.74
			825.74
Decreased by Disbursements:			
None	-		
			-
Balance December 31, 2025		$	825.74

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

	Balance Dec. 31, 2024	Balance After Transfers	Paid or Charges	Balance Lapsed	Over-Expended
Operating:					
Salaries and Wages	$ 15,391.34	15,391.34	3,724.00	11,667.34	-
Other Expenses	629,824.27	629,824.27	299,013.07	330,811.20	-
Deferred Charges and Statutory Expenditures:					
Social Security System (O.A.S.I.)	1,777.39	1,777.39		1,777.39	-
	$ 646,993.00	646,993.00	302,737.07	344,255.93	-
Appropriation Reserves	313,402.42				
Encumbrances	333,590.58				
	646,993.00				

See Accompanying Auditor's Report

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

Balance December 31, 2024		$	136,932.81
Increased by:			
Budget Appropriations	137,781.48		
			137,781.48
			274,714.29
Decreased By:			
Payments of Debt Service Interest	136,932.81		
			136,932.81
Balance December 31, 2025		$	137,781.48

Analysis of Accrued Interest December 31, 2025

	Principal Outstanding December 31, 2025	Interest Rate	From	To	Days	Amount
$	1,430,000.00	Var.	10/15/2025	12/31/2025	77	7,684.90
	3,635,000.00	Var.	10/1/2025	12/31/2025	91	31,575.00
	91,000.00	Var.	8/1/2025	12/31/2025	152	1,516.67
	428,000.00	Var.	8/1/2025	12/31/2025	152	8,310.42
	255,000.00	Var.	8/1/2025	12/31/2025	152	4,354.16
	4,445,000.00	Var.	10/15/2025	12/31/2025	77	20,604.17
	6,340,000.00	Var.	10/15/2025	12/31/2025	77	49,750.00
	1,810,000.00	Var.	10/15/2025	12/31/2025	77	13,986.16
	18,434,000.00					137,781.48

Exhibit D - 12

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

				Balance December 31, 2024		Authorizations			Balance December 31, 2025	
Ord #	Improvement Description	Ord. Date	Amount	Funded	Unfunded	Other Funding	Deferred Charges to Future Taxation	Paid or Charged	Funded	Unfunded
13-14	Various Improvements	9/3/2014	5,830,000.00	$ 791,405.47				95,000.00	696,405.47	
13-19	Various Improvements	8/7/2019	6,170,000.00	2,324,415.47				1,773,502.47	550,913.00	
16-21	Water Tower Improvements	8/4/2021	6,350,000.00	71,322.01				11,435.45	59,886.56	
11-22	Improvements to Remote Water Meters and Related Improvements	8/17/2022	1,825,000.00	50,827.00				-	50,827.00	
15-23	Various Improvements	11/1/2023	7,112,000.00	4,876,862.00	1,937,000.00			2,458,440.00	2,418,422.00	1,937,000.00
11-24	Various Improvements	8/7/2024	8,960,000.00		8,960,000.00			3,406,810.23		5,553,189.77
21-25	Various Improvements	8/20/2025	10,125,000.00				10,125,000.00	1,743,085.73		8,381,914.27
				$ 8,114,831.95	10,897,000.00	-	10,125,000.00	9,488,273.88	3,776,454.03	15,872,104.04

See Accompanying Auditor's Report

Exhibit D - 13

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
General Obligation Bonds of 2017	10/15/2017	3,000,000	10/15/2026	250,000.00	2.000%	$ 1,670,000.00		240,000.00	1,430,000.00
			10/15/2027	260,000.00	2.125%				
			10/15/2028	300,000.00	2.250%				
			10/15/2029	300,000.00	2.375%				
			10/15/2030	320,000.00	3.000%				
General Obligation Bonds of 2019	9/18/2019	7,000,000	10/1/2026	575,000.00	4.000%	4,175,000.00		540,000.00	3,635,000.00
			10/1/2027	575,000.00	4.000%				
			10/1/2028	575,000.00	4.000%				
			10/1/2029	605,000.00	4.000%				
			10/1/2030	605,000.00	3.000%				
			10/1/2031	700,000.00	3.000%				
General Obligation Bonds of 2021	10/19/2021	6,065,000	10/15/2026	485,000.00	3.000%	4,895,000.00		450,000.00	4,445,000.00
			10/15/2027	515,000.00	3.000%				
			10/15/2028	545,000.00	3.000%				
			10/15/2029	550,000.00	2.000%				
			10/15/2030	550,000.00	2.000%				
			10/15/2031	570,000.00	2.000%				
			10/15/2032	580,000.00	2.000%				
			10/15/2033	650,000.00	2.000%				
General Obligation Bonds of 2024	9/24/2024	6,710,000	9/15/2026	440,000.00	4.000%	6,710,000.00		370,000.00	6,340,000.00
			9/15/2027	470,000.00	4.000%				
			9/15/2028	500,000.00	4.000%				
			9/15/2029	535,000.00	4.000%				
			9/15/2030	570,000.00	4.000%				
			9/15/2031	605,000.00	4.000%				
			9/15/2032	605,000.00	4.000%				
			9/15/2033	605,000.00	4.000%				
			9/15/2034	635,000.00	4.000%				
			9/15/2035	635,000.00	4.000%				
			9/15/2036	740,000.00	2.000%				
General Obligation Bonds of 2025	10/15/2025	1,900,000	10/15/2026	110,000.00	4.000%	-	1,810,000.00		1,810,000.00
			10/15/2027	125,000.00	4.000%				
			10/15/2028	135,000.00	4.000%				
			10/15/2029	145,000.00	4.000%				
			10/15/2030	155,000.00	4.000%				
			10/15/2031	160,000.00	4.000%				
			10/15/2032	160,000.00	4.000%				
			10/15/2033	160,000.00	4.000%				
			10/15/2034	160,000.00	4.000%				
			10/15/2035	160,000.00	4.000%				
			10/15/2036	170,000.00	4.000%				
			10/15/2037	170,000.00	2.500%				
						$ 17,450,000.00	1,810,000.00	1,600,000.00	17,660,000.00

See Accompanying Auditor's Report

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER AND SEWER LOANS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Maturities of Bonds Outstanding December 31, 2025 Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
State of New Jersey									
EIT Bonds	3/10/2010	$ 325,000	08/01/26	19,000.00	Various	$ 110,000.00		19,000.00	91,000.00
			08/01/27	24,000.00					
			08/01/28	24,000.00					
			08/01/29	24,000.00					
State of New Jersey									
EIT Loans	3/10/2010	931,500	08/01/26	51,750.00	0.000%	236,369.00		51,750.00	184,619.00
			08/01/27	51,750.00					
			08/01/28	51,750.00					
			08/01/29	29,369.00					
State of New Jersey									
EIT Bonds	2/2/2010	2,335,000	2/1/2026	137,000.00	Various	560,000.00		132,000.00	428,000.00
			2/1/2027	146,000.00					
			2/1/2028	145,000.00					
State of New Jersey									
EIT Loans	2/2/2010	2,512,650	2/1/2026	127,761.85	0.000%	333,671.38		127,761.85	205,909.53
			2/1/2027	78,147.68					

See Accompanying Auditor's Report

WATER AND SEWER UTILITY CAPITAL FUND
SCHEDULE OF WATER AND SEWER LOANS

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Amount	Interest Rate	Balance Dec. 31, 2024	Increased	Decreased	Balance Dec. 31, 2025
State of New Jersey									
EIT Bonds	5/28/2015	435,000	08/01/26	25,000.00	Various	275,000.00		20,000.00	255,000.00
			08/01/27	25,000.00					
			08/01/28	25,000.00					
			08/01/29	25,000.00					
			08/01/30	30,000.00					
			08/01/31	30,000.00					
			08/01/32	30,000.00					
			08/01/33	30,000.00					
			08/01/34	35,000.00					
State of New Jersey									
EIT Loans	5/28/2015	1,049,067	08/01/26	53,342.38	0.000%	519,855.99		53,342.38	466,513.61
			08/01/27	53,342.38					
			08/01/28	53,342.38					
			08/01/29	53,342.38					
			08/01/30	53,342.38					
			08/01/31	53,342.38					
			08/01/32	53,342.38					
			08/01/33	53,342.38					
			08/01/34	39,774.57					
						$ 2,034,896.37	-	403,854.23	1,631,042.14

See Accompanying Auditor's Report

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

Ordinance Number			Balance Dec. 31, 2024	2025 Authorizations	Debt Issued	Balance Dec. 31, 2025
15-23	Various Improvements	$	1,937,000.00		1,900,000.00	37,000.00
11-24	Various Improvements		8,960,000.00			8,960,000.00
21-25	Various Improvements		-	10,125,000.00		10,125,000.00
		$	10,897,000.00	10,125,000.00	1,900,000.00	19,122,000.00

See Accompanying Auditor's Report

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CITY OF BRIGANTINE

PART II

GENERAL COMMENTS AND FINDINGS AND RESPONSES

FOR THE YEAR ENDED

DECEMBER 31, 2025

GENERAL COMMENTS

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

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." Effective July 1, 2020, the bid threshold was $44,000. However, effective July 1, 2025, pursuant to subsection b. of section 9 of P.L. 1971, c. 198 (C.40A:11-9), the governing body can establish the bid threshold at $53,000 with the appointment of a qualified purchasing agent. The City adopted the bid threshold of $53,000.

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

Our examination of expenditures did not reveal any payments in excess of the bid threshold for the provision or performance of any goods or services, other than those where bids had been previously sought by public advertisement, awarded under state or county cooperative purchasing agreements, or awarded in compliance with other provisions of the "Local Public Contracts Law," N.J.S.A. 40A:11.

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

Sanitary Sewer Replacement Phase I
Concrete Replacement and Drainage Improvements at Various Locations
Well House Entry and Site Elements Rehabilitation
Reconstruction of the 45th Street Cove
City Hall Complex HVAC System
Sodium Hypochlorite Solution
Lead Line Replacement Program Phase 9 & 10
Irrigation at the Brigantine Golf Links for Holes 10 through 18
Reconstruction of a Portion of Harbor Beach Boulevard

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" as required by N.J.S. 40A:11-5.

Collection of Interest on Delinquent Taxes and Assessments

The statutes provide 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 adopted the following resolution authorizing interest to be charged on delinquent taxes:

BE IT RESOLVED by the City Council of the City of Brigantine, in accordance with Chapter 75, New Jersey Laws of 1991, and N.J.S.A. 54:4-67, 54:5-32, 54:5-34 and 54:5-35, which authorizes the Governing Body inter alia to fix the rate of interest to be charged, in the City of Brigantine, for the nonpayment of taxes, assessments and municipal charges, said rate of interest shall be and is hereby fixed at 8 per cent per annum on the first $1,500 of delinquency and 18 per cent per annum on any amount in excess of $1,500 to be calculated from the date when the taxes, assessments and charges become delinquent.

BE IT FURTHER RESOLVED by the City Council of the City of Brigantine, in accordance with N.J.S.A. 54:4-67, Chapter 75, New Jersey Laws of 1991, and Chapter 32, New Jersey Laws of 1994, which permits a 6 per cent penalty on taxes and municipal charges greater than $10,000 as of the close of the fiscal year, that said end-of-year penalty shall be fixed for the year.

It appears from an examination of the Collector's records that interest was charged in accordance with the foregoing resolution.

Delinquent Taxes and Tax Title Liens

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

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

Year	Number
2025	8
2024	9
2023	10

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

Verification of Delinquent Taxes and Other Charges

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

Type	Number Mailed
Payments of 2025 and 2026 Taxes	25
Delinquent Taxes	10
Payment of Water and Sewer Rents	25
Delinquent Water and Sewer Rents	10
Total	70

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

Comparison of Tax Levies and Collections Currently

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

		Currently	
Year	Tax Levy	Cash Collections	Percentage of Collections
2025	$ 69,737,930.14	69,366,233.49	99.47%
2024	66,191,329.49	65,857,226.40	99.50%
2023	64,258,354.52	63,880,559.06	99.41%
2022	59,389,292.40	59,016,428.32	99.37%
2021	57,534,075.44	57,161,349.99	99.35%

Comparative Schedule of Tax Rate Information

	2025	2024	2023	2022	2021
Tax Rate	$ 1.953	1.880	1.848	1.737	1.706
Apportionment of Tax Rate:					
Municipal	0.722	0.694	0.683	0.646	0.646
County	0.754	0.703	0.673	0.597	0.562
Local School	0.477	0.483	0.492	0.494	0.498
Assessed Valuation	3,541,710,600	3,495,385,600	3,434,155,000	3,404,663,000	3,356,576,700

Delinquent Taxes and Tax Title Liens

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage Of Tax Levy
2025	$ 24,045.41	352,122.35	376,167.76	0.54%
2024	22,051.41	300,628.03	322,679.44	0.49%
2023	19,892.82	328,524.11	348,416.93	0.54%
2022	17,879.40	315,149.70	333,029.10	0.56%
2021	28,640.29	350,970.80	379,611.09	0.66%

Uniform Construction Code

The City of Brigantine's construction code official is in compliance with uniform construction code rules NJAC 5:23.17(b) 2 and NJAC 5:23.4.17(b) 3.

Deposit of Municipal Funds

N.J.S.A. 40A:5-15 states:

> "All moneys, including moneys collected by taxation, received from any source by or on behalf of any local unit or any board or department thereof shall, within 48 hours after the receipt thereof, either:
>
> a. be paid to the officer charged with the custody of the general funds of the local unit, who shall deposit all such funds within 48 hours after the receipt thereof to the credit of the local unit in its designated legal depository, or
> b. be deposited to the credit of the local unit in its designated legal depository."

Our examination revealed that municipal funds were deposited within the mandated time.

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RECOMMENDATIONS

None

In accordance with the Division of Local Government Services Regulations, a corrective action plan must be prepared and filed by the City Council in response to comments, if any.

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

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

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Registered Municipal Accountant
No. 393

June 19, 2026

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