# BOROUGH OF PALISADES PARK
# BERGEN COUNTY, NEW JERSEY

## FINANCIAL STATEMENTS
## WITH SUPPLEMENTARY INFORMATION

## FOR THE YEAR ENDED DECEMBER 31, 2025

BOROUGH OF PALISADES PARK
BERGEN COUNTY, NEW JERSEY

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BERGEN COUNTY, NEW JERSEY

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# INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Borough Council
Borough of Palisades Park, New Jersey

**Report on the Audit of the Regulatory Financial Statements**

**Opinions on Regulatory Basis Financial Statements**

We have audited the accompanying comparative balance sheets – regulatory basis of various funds of the Borough of Palisades Park, in the County of Bergen, State of New Jersey (the "Borough"), as of December 31, 2025 and 2024, and the related comparative statements of operations and changes in fund balance – regulatory basis for the years then ended, and the related statements of revenues and expenditures – regulatory basis and comparative statement of general fixed assets group of accounts – regulatory basis for the years ended December 31, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

**Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the comparative financial position – regulatory basis, of each fund and account group of the Borough as of December 31, 2025 and 2024, and each fund's respective operations and changes in financial position and fund balance – regulatory basis for the years then ended, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

**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 and Unmodified Opinions" section of our audit report, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of each fund of the Borough as of December 31, 2025 and 2024, or the changes in financial position for the years then ended.

**Basis for Opinions**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division. Our responsibilities under those standards and requirements are further described in the "Auditors' Responsibility for the Audit of the Financial Statements" section of our report. We are required to be independent of the Borough of Palisades Park, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide our adverse and unmodified audit opinions.

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

As described in Note 1, the financial statements are prepared and presented by the Borough on the basis of the financial accounting and reporting principles and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP), to meet the requirements of the State of New Jersey for municipal government entities.

The effect on financial statements of the variances between the regulatory accounting practices and GAAP, 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 - regulatory basis (the "financial statements") in accordance with the financial reporting provisions of the Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough'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 not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

**Report on Supplementary Information Required by the Division in Accordance with the Regulatory Basis of Accounting**

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The supplementary schedules and the audit comments and recommendations listed in the table of contents are presented for the purpose of additional analysis as required by the Division and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subject 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 information is fairly stated in all material respects in relation to the financial statements as a whole on the basis of accounting described in Note 1.

**Report on Supplementary Information as Required by the Uniform Guidance and NJ OMB Circular 15-08**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance);* and NJ OMB Circular 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid,* and related notes to the schedules of federal awards and state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal awards, state financial assistance, and related notes are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards, state financial assistance, and related notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Required Supplementary Information**

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. A management discussion and analysis is not required by the financial accounting and reporting principles and practices prescribed by the Division, to supplement the financial statements and therefore it has not been presented by management. Our opinion on the basic financial statements is not affected by this missing information.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2026 on our consideration of the Borough's internal control over financial reporting and 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

Paul Garbarini

Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534

Garbarini & Co.

Garbarini & Registered Municipal Accountants

June 29, 2026
River Edge, New Jersey

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**

**A**

| ASSETS | Reference | At December 31, 2025 | At December 31, 2024 |
|---|---|---|---|
| Current Fund: | | | |
| Cash and Cash Equivalents | A-4 | $ 8,570,025.81 | $ 8,633,174.35 |
| Petty Cash | A-5 | - | - |
| Change Fund | A-6 | 200.00 | 250.00 |
| | | 8,570,225.81 | 8,633,424.35 |
| Due from State of NJ- Senior and Veterans Deductions | A-7 | 58,001.58 | 58,024.18 |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | A-8 | 537,903.76 | 888,018.49 |
| Property Acquired for Taxes - Assessed Valuation | A-10 | 275,000.00 | 275,000.00 |
| Revenue Accounts Receivable | A-11 | 121,442.14 | 204,578.12 |
| Interfund Receivable | A-12 | 1,522.60 | 7,618.77 |
| | A | 935,868.50 | 1,375,215.38 |
| Total Current Fund | | 9,564,095.89 | 10,066,663.91 |
| Deferred Charges: | | | |
| Over-Expenditure of Appropriations | A-13 | 988,708.45 | 14,393.52 |
| Expenditure Without Appropriations | A-13 | 23,728.24 | - |
| | | 1,012,436.69 | 14,393.52 |
| Federal and State Grants Fund: | | | |
| Federal and State Grants Receivable | A-27 | 531.37 | 531.37 |
| Amount Due from Current Fund | A-26 | 505,300.42 | 457,225.92 |
| Deferred Charges- Over-expenditure | A-28 | 10,719.70 | |
| Total Federal and State Grant Fund | | 516,551.49 | 457,757.29 |
| **TOTAL ASSETS** | | $ 11,093,084.07 | $ 10,538,814.72 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**

**A**

| **LIABILITIES, RESERVES AND FUND BALANCE:** | Reference | At December 31, 2025 | 2024 |
|---|---|---|---|
| Current Fund: | | | |
| Appropriation Reserves | A-3, A-16 | $ 1,548,700.49 | $ 1,815,035.92 |
| Interfunds Payable | A-12 | 922,882.29 | 719,903.86 |
| Reserve for Encumbrances | A-19 | 934,102.56 | 384,345.78 |
| Tax Overpayments | A-15 | 8,466.22 | 7,429.29 |
| Prepaid Taxes | A-16 | 799,451.64 | 764,396.77 |
| County Taxes Payable | A-17 | 27,419.45 | 40,593.06 |
| School Taxes Payable | A-18 | 249,893.60 | |
| Due to Fort Lee | A-20 | 20,776.00 | 20,776.00 |
| Due to Library | A-21 | 104,535.76 | - |
| Accounts Payable | A-22 | 66,137.48 | 63,854.48 |
| Due to Korean Host | A-4 | 337.06 | |
| Reserve for: | | | |
| Tax Sale Premiums | A-23 | 83,800.00 | 83,800.00 |
| Maintenance of Public Library | A-24 | 61,517.12 | 63,226.45 |
| Miscellaneous Reserves | A-25 | 761,409.57 | 343,655.00 |
| | | 5,589,429.24 | 4,307,016.61 |
| Reserve for Receivables | A | 935,868.50 | 1,375,215.38 |
| Fund Balance | A-1 | 4,051,234.84 | 4,398,825.44 |
| | | 4,987,103.34 | 5,774,040.82 |
| Total Liabilities, Reserves and Fund Balance - Current Fund | | 10,576,532.58 | 10,081,057.43 |
| Federal and State Grant Fund: | | | |
| Unappropriated Reserves | A-29 | 183,096.68 | 153,771.28 |
| Appropriation Reserves | A-28 | 333,454.81 | 303,265.01 |
| Encumbrance Payable | A-28 | - | 721.00 |
| Total Federal and State Grant Fund | | 516,551.49 | 457,757.29 |
| **TOTAL LIABILITIES, RESERVES AND FUND BALANCE** | | $ 11,093,084.07 | $ 10,538,814.72 |

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGE IN FUND BALANCE - REGULATORY BASIS**

**A-1**

| | Reference | For the Years Ended December 31, 2025 | 2024 |
|---|---|---|---|
| **REVENUE AND OTHER INCOME REALIZED** | | | |
| Fund Balance Utilized | A-2 | $ 3,361,044.00 | $ 3,163,000.00 |
| Miscellaneous Revenue Anticipated | A-2 | 3,951,680.21 | 4,562,224.25 |
| Receipts from Current Taxes | A-2 | 59,665,955.50 | 56,211,919.97 |
| Receipts from Delinquent Taxes | A-2 | 878,932.63 | 721,637.76 |
| Non-Budget Revenues | A-2 | 524,759.43 | 242,066.10 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriations | A-3 | 1,302.60 | 3,161.31 |
| Animal License Excess | A-12 | 1,335.00 | 2,160.10 |
| Canceled Assessment Trust Payable | A-12 | 203.88 | |
| Canceled County Taxes | A-17 | 0.50 | |
| Prior Year Interfunds Returned | | 6,096.17 | |
| Unexpended Balance of Appropriation Reserves | A-14 | 885,258.16 | 1,460,929.43 |
| Total Income | | 69,276,568.08 | 66,367,098.92 |
| Budgetary and Emergency Appropriations: | | | |
| Appropriations Within "CAPS" | | | |
| Salaries and Wages | A-3 | 9,476,372.00 | 9,465,030.00 |
| Other Expenses | A-3 | 9,207,384.58 | 8,643,002.00 |
| Deferred Charges and Statutory Expenditures | A-3 | 3,164,620.52 | 3,127,133.42 |
| Appropriations Excluded from "CAPS" | | | |
| Salaries and Wages | A-3 | 50,000.00 | 50,000.00 |
| Other Expenses | A-3 | 5,191,629.92 | 4,736,379.01 |
| Capital Improvements | A-3 | 200,000.00 | 200,000.00 |
| Debt Service | A-3 | 1,525,629.00 | 1,441,629.00 |
| Deferred Charges and Statutory Expenditures | A-3 | - | 50,000.00 |
| Judgements | A-3 | 523,000.00 | 240,000.00 |
| Prior Year Senior Citizens Deductions Disallowed | A-7 | 1,250.00 | 500.00 |
| Interfund Advanced | | | 856.03 |
| Prior Year Tax Appeals | A-15 | 5,207.50 | 31,468.44 |
| Expenditures Without Approp/Unallocated | A-1 | 46,725.64 | |
| Over-Expenditures | A-12 | 1,012,436.69 | 14,393.52 |
| Budget Refund Posting Variance | A-4 | | 119.27 |
| County Taxes | A-17 | 9,619,305.04 | 9,070,121.30 |
| County Added/Omitted Taxes | A-17 | 458,622.48 | 448,455.83 |
| Local District School Tax | A-18 | 26,793,368.00 | 26,112,571.50 |
| Total Expenditures | | 67,275,551.37 | 63,631,659.32 |
| Excess in Operations | | 2,001,016.71 | 2,735,439.60 |
| Adjustments to income before fund balance- expenditures which are by statute deferred charges to budget of succeeding year | | 1,012,436.69 | 14,393.52 |
| Fund Balance, Beginning of Year | A | 4,398,825.44 | 4,811,992.32 |
| | | 7,412,278.84 | 7,561,825.44 |
| Decreased by: | | | |
| Utilized as Anticipated Revenue | A-2 | 3,361,044.00 | 3,163,000.00 |
| Fund Balance, End of Year | A | $ 4,051,234.84 | $ 4,398,825.44 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

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**STATEMENT OF REVENUES - REGULATORY BASIS**

**A-2**

| | Reference | Anticipated Budget | Realized | Excess or (Deficit) |
|---|---|---|---|---|
| Surplus Anticipated | A-1 | $ 3,361,044.00 | $ 3,361,044.00 | $ - |
| Miscellaneous Revenues: | | | | |
| LOCAL REVENUES | | | | |
| Licenses | | | | |
| Alcoholic Beverages | | 70,000.00 | 73,388.00 | 3,388.00 |
| Other | | 100.00 | 100.00 | - |
| Fees and Permits | | 320,000.00 | 324,600.46 | 4,600.46 |
| Fines and Costs: | | | | |
| Municipal Court | | 550,000.00 | 745,205.51 | 195,205.51 |
| Interest and Costs on Taxes | | 130,000.00 | 148,890.76 | 18,890.76 |
| Parking Meters | | 390,000.00 | 366,340.66 | (23,659.34) |
| Interest on Investments and Deposits | | 70,000.00 | 75,950.68 | 5,950.68 |
| Recreation Fees | | 20,000.00 | 20,100.00 | 100.00 |
| Parking Meters- Offset with Appropriations | | 50,000.00 | 50,000.00 | - |
| Local Housing Inspections | | 13,000.00 | 763.00 | (12,237.00) |
| Sewer Connection Fees | | 35,000.00 | 67,000.00 | 32,000.00 |
| General Capital Fund Balance | | - | | - |
| Reserve for Payment of Bonds | | 46,900.47 | 46,900.47 | - |
| Residential Parking Permit Program | | 120,000.00 | 126,820.00 | 6,820.00 |
| | | | | - |
| | Below | 1,815,000.47 | 2,046,059.54 | 231,059.07 |
| STATE AID WITHOUT OFFSETTING APPROPRIATIONS | | | | |
| Energy Receipts Taxes | | 960,306.00 | 960,306.39 | 0.39 |
| Reserve for Municipal Relief | | | | - |
| Total State Aid Without Offsetting Appropriations | Below | 960,306.00 | 960,306.39 | 0.39 |
| DEDICATED UNIFORM CONSTRUCTION CODE FEES | | | | |
| OFFSET WITH APPROPRIATIONS | | | | |
| Uniform Construction Code Fees | Below | 550,000.00 | 791,543.00 | 241,543.00 |
| SPECIAL ITEMS OF REVENUE OFFSET WITH APPROPRIATIONS | | | | |
| Body Armor Replacement Fund | | 3,050.63 | 3,050.63 | - |
| Alcohol Education & Rehabilitation | | 4,780.77 | 4,780.77 | - |
| Clean Communities | | 38,140.32 | 38,140.32 | - |
| Opioid Settlement | | 19,318.14 | 19,318.14 | - |
| Impaired Driving Grant | | 14,000.00 | 14,000.00 | - |
| Recycling Tonnage Grant | | 27,695.42 | 27,695.42 | - |
| Covid ARP- Firefighters Program Grant | | 30,666.00 | 30,666.00 | - |
| Pedestrian Multi Officer Decoy Program | | 1,120.00 | 1,120.00 | - |
| Storm Water Grant | | 15,000.00 | 15,000.00 | - |
| | A-15 | 153,771.28 | 153,771.28 | - |
| Total Miscellaneous Revenues | A-1, Below | 3,479,077.75 | 3,951,680.21 | 472,602.46 |
| Receipts From Delinquent Taxes | A-1, 8,9 | 880,000.00 | 878,932.63 | (1,067.37) |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**STATEMENT OF REVENUES - REGULATORY BASIS**

**A-2**

| | Reference | Anticipated Budget | Realized | Excess or (Deficit) |
|---|---|---|---|---|
| Amt. to be Raised by Taxes for Support of Municipal Budget | | | | |
| Local Tax for Municipal Purposes Including | | | | |
| Reserve for Uncollected Taxes and Minimum Tax | A-8, Below | $ 22,818,514.27 | $ 23,572,403.98 | $ 753,889.71 |
| BUDGET TOTALS | | | | |
| NON BUDGET REVENUES | Below | - | 524,759.43 | 524,759.43 |
| TOTAL GENERAL REVENUES | A-3 | $ 30,538,636.02 | $ 31,764,060.82 | $ 1,750,184.23 |

ANALYSIS OF REALIZED REVENUE
(Before Federal and State Grants)

| | Reference | Amount |
|---|---|---|
| Cash Receipts | A-4 | $ 3,693,066.32 |
| Grant Fund Realized | A-12 | 153,771.28 |
| Interest on Investments | A-12 | 7,942.14 |
| Due from Capital | A-12 | 46,900.47 |
| | Above | $ 3,901,680.21 |
| Allocation of Current Tax Collections: | | |
| Current Tax Revenue | A-1 | $ 59,665,955.50 |
| Less: Allocated to School and County Taxes | A-8 | (37,293,551.52) |
| Add: Appropriation for Uncollected Taxes | A-3 | 1,200,000.00 |
| Amount for Support of Municipal Budget Appropriations | Above | $ 23,572,403.98 |

ANALYSIS OF NON-BUDGET REVENUE

| | Reference | Amount |
|---|---|---|
| Miscellaneous | | $ 30,468.17 |
| Verizon Cable Franchise Fee | | 46,143.15 |
| Vision Cable Franchise Fee | | 40,577.30 |
| Polling Place | | 360.00 |
| DMV | | 100.00 |
| Seepage Pits | | 5,500.00 |
| Sale of Police Cars | | 96,474.55 |
| BCUA | | 24,894.33 |
| South Bergen JIF | | 8,080.79 |
| Seniors and Veterans Adm Fee | | 360.45 |
| LEA Rebate | | 39,658.66 |
| Bid Fees | | 900.00 |
| Cost of Sale | | 1,006.21 |
| Reimbursement - US Treasury for 2018 Social Security Overpayment | | 230,235.82 |
| | A-1, 4 | $ 524,759.43 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**STATEMENT OF EXPENDITURES - REGULATORY BASIS**

**A-3**

| | Reference | 2025 APPROPRIATIONS Budget | Modified Budget | EXPENDED Paid or Charged | Reserved | Lapsed | Over-expenditure |
|---|---|---|---|---|---|---|---|
| OPERATIONS - WITHIN "CAPS" | | | | | | | |
| GENERAL GOVERNMENT FUNCTIONS: | | | | | | | |
| General Administration | | | | | | | |
| Salaries and Wages | | $ 800,000.00 | $ 637,000.00 | $ 634,333.06 | $ 2,666.94 | $ - | $ - |
| Other Expenses | | | | | | | |
| Printing and Supplies | | 18,000.00 | 18,000.00 | 15,510.54 | 2,489.46 | | |
| Miscellaneous Expenses | | 145,000.00 | 300,000.00 | 303,165.05 | 0.00 | | 3,165.05 |
| Web-Site Maintenance | | 20,000.00 | 8,000.00 | 3,800.00 | 4,200.00 | | |
| Financial Administration | | | | | | | |
| Salaries and Wages | | 240,000.00 | 240,000.00 | 237,491.38 | 2,508.62 | | |
| Other Expenses | | 90,000.00 | 65,000.00 | 55,360.00 | 9,640.00 | | |
| Collection of Taxes | | | | | | | |
| Salaries and Wages | | 290,000.00 | 310,000.00 | 303,317.83 | 6,682.17 | | |
| Other Expenses | | 30,000.00 | 37,000.00 | 35,372.24 | 1,627.76 | | |
| Assessment of Taxes | | | | | | | |
| Salaries and Wages | | 36,000.00 | 36,000.00 | 35,404.74 | 595.26 | | |
| Other Expenses | | 35,000.00 | 110,000.00 | 107,873.50 | 2,126.50 | | |
| Legal Tax Appeals | | 25,000.00 | 60,000.00 | 50,112.20 | 9,887.80 | | |
| Legal Services and Costs: | | | | | | | |
| Other Expenses | | 450,000.00 | 929,800.00 | 1,179,169.95 | - | | 249,369.95 |
| Engineering Services and Costs | | | | | | | |
| Other Expenses | | 60,000.00 | 43,336.85 | 43,336.85 | - | | |
| LAND USE ADMINISTRATION: | | | | | | | |
| Municipal Land Use Law (NJSA 40A:55D-1) | | | | | | | |
| Planning Board | | | | | | | |
| Salaries and Wages | | 7,200.00 | 7,700.00 | 7,582.58 | 117.42 | | |
| Other Expenses | | 4,000.00 | 8,500.00 | 8,217.04 | 282.96 | | |
| Zoning Board Adjustment | | | | | | | |
| Salaries and Wages | | 12,000.00 | 12,000.00 | 10,404.10 | 1,595.90 | | |
| Other Expenses | | 3,000.00 | 12,000.00 | 20,109.33 | - | | 8,109.33 |
| Housing Inspector | | | | | | | |
| Salaries and Wages | | 25,000.00 | 25,000.00 | 23,497.27 | 1,502.73 | | |
| Rent Leveling Board | | | | | | | |
| Salaries and Wages | | 5,000.00 | 5,000.00 | 4,678.48 | 321.52 | | |
| Other Expenses (Included Senior Housing Resident) | | 1,000.00 | 17,000.00 | 10,552.96 | 6,447.04 | | |
| Municipal Court | | | | | | | |
| Salaries and Wages | | 226,600.00 | 226,600.00 | 224,888.98 | 1,711.02 | | |
| Other Expenses | | 60,000.00 | 60,000.00 | 40,361.17 | 19,638.83 | | |
| Public Defender | | | | | | | |
| Salaries and Wages | | 5,000.00 | 5,000.00 | 4,441.64 | 558.36 | | |

(Continued Next Page)

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**STATEMENT OF EXPENDITURES - REGULATORY BASIS**

**A-3**

| | Reference | 2025 APPROPRIATIONS Budget | Modified Budget | EXPENDED Paid or Charged | Reserved | Lapsed | Over-Expenditure |
|---|---|---|---|---|---|---|---|
| OPERATIONS WITHIN "CAPS" (cont'd) | | | | | | | |
| PUBLIC SAFETY FUNCTIONS: | | | | | | | |
| Police | | | | | | | |
| Salaries and Wages-Regular & Dispatchers | | $ 4,900,000.00 | $ 5,115,000.00 | $ 5,093,801.31 | $ 21,198.69 | $ - | $ - |
| Salaries and Wages- Specials Officers | | 170,000.00 | 170,000.00 | 230,576.62 | - | | 60,576.62 |
| Salaries and Wages - Crossing Guards | | 205,000.00 | 205,000.00 | 240,835.00 | - | | 35,835.00 |
| Salaries and Wages - Secretaries | | 90,000.00 | 90,000.00 | 84,567.54 | 5,432.46 | | |
| Clothing Allowance | | 25,000.00 | - | - | - | | |
| Miscellaneous Other Expenses (Incl. Purchase of Vehicles) | | 275,000.00 | 260,000.00 | 229,429.22 | 30,570.78 | | |
| Police Cars-Outside Charges | | 34,000.00 | 34,000.00 | 34,000.00 | - | | |
| Communications: | | | | | | | |
| Other Expenses | | 12,000.00 | - | - | - | | |
| Emergency Management Services | | | | | | | |
| Other Expenses | | 25,000.00 | 13,000.00 | 7,720.00 | 5,280.00 | | |
| Traffic Division | | | | | | | |
| Salaries and Wages | | 260,000.00 | 10,000.00 | 71.00 | 9,929.00 | | |
| Qualified Purchasing Agent | | | | | | | |
| Salaries and Wages | | 39,330.00 | 39,330.00 | 39,069.86 | 260.14 | | |
| Fire: | | | | | | | |
| Salaries and Wages | | 95,000.00 | 10,000.00 | 8,700.00 | 1,300.00 | | |
| Salaries and Wages- Stipends | | 195,000.00 | 217,000.00 | 216,570.00 | 430.00 | | |
| Other Expenses | | | | | | | |
| Clothing Allowance | | 50,000.00 | 50,000.00 | 5,200.00 | 44,800.00 | | |
| Miscellaneous Other Expenses | | 155,000.00 | 128,740.67 | 128,740.67 | - | | |
| Uniform Fire Safety Act c.383, PL 1938) | | | | | | | |
| Fire- Salaries and Wages | | 258,750.00 | 271,750.00 | 271,412.16 | 337.84 | | |
| Other Expenses | | 25,000.00 | 25,000.00 | 23,345.22 | 1,654.78 | | |
| Public Works Function | | | | | | | |
| Road Repair and Maintenance | | | | | | | |
| Salaries and Wages | | 930,000.00 | 860,000.00 | 824,606.78 | 35,393.22 | | |
| Salaries and Wages - Overtime | | 35,000.00 | 35,000.00 | 33,076.45 | 1,923.55 | | |
| Other Expenses | | 185,000.00 | 150,650.00 | 145,017.27 | 5,632.73 | | |
| Sanitation | | | | | | | |
| Garbage and Trash Removal: | | | | | | | |
| Trash Removal- Contractual | | 1,960,000.00 | 1,960,000.00 | 2,337,619.43 | - | | 377,619.43 |
| Sanitary Landfill | | 30,000.00 | - | - | - | | |
| Windsor Road Garbage Removal | | 20,000.00 | 20,000.00 | 20,000.00 | - | | |
| Park Development West | | 10,000.00 | 16,000.00 | 15,154.68 | 845.32 | | |
| Recycling | | | | | | | |
| Salaries and Wages | | 15,000.00 | 15,000.00 | 8,461.64 | 6,538.36 | | |
| Other Expenses | | 5,000.00 | 5,000.00 | - | 5,000.00 | | |
| Public Buildings and Grounds | | | | | | | |
| Other Expenses | | 170,000.00 | 120,000.00 | 96,016.81 | 23,983.19 | | |
| Snow Removal- Other Expenses | | 20,000.00 | 20,000.00 | 15,036.19 | 4,963.81 | | |
| Sewer System | | | | | | | |
| Sewer Repairs & Rehabilitation (Inc. Repairs & Maint) | | 25,000.00 | 65,000.00 | 62,336.84 | 2,663.16 | | |

(Continued Next Page)

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**STATEMENT OF EXPENDITURES - REGULATORY BASIS**

**A-3**

| | | 2025 APPROPRIATIONS | | EXPENDED | | | |
|---|---|---|---|---|---|---|---|
| | Reference | Budget | Modified Budget | Paid or Charged | Reserved | Lapsed | Over-Expenditure |
| OPERATIONS WITHIN "CAPS" (Cont'd) | | | | | | | |
| HEALTH AND HUMAN SERVICES FUNCTIONS: | | | | | | | |
| Board of Health | | | | | | | |
| Salaries and Wages | | $ 138,800.00 | $ 138,800.00 | $ 138,764.91 | $ 35.09 | $ - | $ - |
| Other Expenses | | 12,000.00 | 77,000.00 | 76,348.70 | 651.30 | | |
| Environmental Commission | | | | | | | |
| Salaries and Wages | | 2,650.00 | 2,650.00 | - | 2,650.00 | | |
| Tree Removal | | 25,000.00 | 25,000.00 | 6,200.00 | 18,800.00 | | |
| Animal Welfare | | | | | | | |
| Other Expenses | | 35,000.00 | 35,000.00 | - | 35,000.00 | | |
| PARKS AND RECREATION FUNCTIONS: | | | | | | | |
| Recreation Commission | | | | | | | |
| Salaries and Wages | | 60,000.00 | 60,000.00 | 58,085.75 | 1,914.25 | | |
| Other Expenses | | 40,000.00 | 40,000.00 | 33,185.00 | 6,815.00 | | |
| Senior Citizens Committee | | | | | | | |
| Salaries and Wages | | 15,000.00 | 15,000.00 | 7,394.87 | 7,605.13 | | |
| Other Expenses | | 7,500.00 | 7,500.00 | 5,322.00 | 2,178.00 | | |
| Parks and Playgrounds | | | | | | | |
| Other Expenses | | 7,500.00 | - | 2,720.06 | - | | 2,720.06 |
| Summer Youth Program | | | | | | | |
| Other Expenses | | 32,000.00 | 32,000.00 | 28,957.04 | 3,042.96 | | |
| Town Historian | | | | | | | |
| Salaries and Wages | | 7,500.00 | 7,500.00 | 6,151.08 | 1,348.92 | | |
| OTHER UNCOMMON OPERATING FUNCTIONS: | | | | | | | |
| Replacement and Repairs all Departments: | | | | | | | |
| Other Expenses | | 1,000.00 | 1,000.00 | - | 1,000.00 | | |
| Police Administrative Hearings: | | | | | | | |
| Other Expenses | | 220,000.00 | 20,000.00 | - | 20,000.00 | | |
| Parking Lot Rental | | | | | | | |
| Other Expenses | | 50,000.00 | 50,000.00 | 49,172.24 | 827.76 | | |
| Grants Person: | | | | | | | |
| Other Expenses | | 39,600.00 | 59,400.00 | 58,950.00 | 450.00 | | |
| Anniversary or Holiday | | | | | | | |
| Other Expenses | | 50,000.00 | 55,000.00 | 55,372.77 | 0.00 | | 372.77 |
| INSURANCE: | | | | | | | |
| Other Insurance Premiums ?? S/B Actual | | 802,307.00 | 422,307.00 | 420,338.28 | 1,968.72 | | |
| Group Insurance Plan for Employees | | 2,690,881.00 | 2,631,295.68 | 2,631,295.68 | - | | |
| Workers Compensation | | 414,735.00 | 524,735.00 | 510,397.00 | 14,338.00 | | |

(Continued Next Page)

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**STATEMENT OF EXPENDITURES - REGULATORY BASIS**

**A-3**

| | | 2025 APPROPRIATIONS | | EXPENDED | | | |
|---|---|---|---|---|---|---|---|
| | Reference | Budget | Modified Budget | Paid or Charged | Reserved | Lapsed | Over-Expenditure |
| OPERATIONS WITHIN "CAPS" (Cont'd) | | | | | | | |
| UNIFORM CONSTRUCTION CODE - (NJAC 5:23-4.17): | | | | | | | |
| Construction Code Officials | | | | | | | |
| Salaries and Wages | | $ 136,620.00 | $ 146,620.00 | $ 141,821.21 | $ 4,798.79 | $ - | $ - |
| Building Inspector | | | | | | | |
| Salaries and Wages | | 111,780.00 | 276,780.00 | 251,345.18 | 25,434.82 | | |
| Other Expenses | | 34,000.00 | 56,000.00 | 54,522.45 | 1,477.55 | | |
| Plumbing Inspector | | | | | | | |
| Salaries and Wages | | 39,330.00 | 24,330.00 | 18,210.66 | 6,119.34 | | |
| Electrical Inspector | | | | | | | |
| Salaries and Wages | | 18,762.00 | 19,462.00 | 18,910.66 | 551.34 | | |
| Fire Sub-Code Officials | | | | | | | |
| Salaries and Wages | | 18,000.00 | 18,500.00 | 18,210.66 | 289.34 | | |
| Code Enforcement Officer | | | | | | | |
| Salaries and Wages | | 277,000.00 | - | - | - | | |
| Building Sub-Code Official | | | | | | | |
| Salaries and Wages (Included Insp. Of Building) | | 12,000.00 | 136,800.00 | 125,146.88 | 11,653.12 | | |
| Residential Permit Fees | | | | | | | |
| Salaries and Wages | | 60,000.00 | 62,000.00 | 56,771.76 | 5,228.24 | | |
| Zoning Official | | | | | | | |
| Salaries and Wages | | 2,800.00 | 3,550.00 | 2,763.79 | 786.21 | | |
| State Housing | | | | | | | |
| Salaries and Wages | | 22,000.00 | 22,000.00 | 21,383.79 | 616.21 | | |
| UTILITY EXPENSES AND BULK PURCHASES: | | | | | | | |
| Electricity | | 65,000.00 | 174,619.38 | 156,164.63 | 18,454.75 | | |
| Street Lighting | | 105,000.00 | 55,000.00 | 43,894.39 | 11,105.61 | | |
| Telephone and Telegraph | | 142,000.00 | 112,000.00 | 109,713.63 | 2,286.37 | | |
| Water | | 7,500.00 | 7,500.00 | 7,960.19 | - | | 460.19 |
| Natural Gas | | 12,000.00 | 12,000.00 | 9,055.44 | 2,944.56 | | |
| Fire Hydrants Service | | 130,000.00 | 130,000.00 | 120,336.04 | 9,663.96 | | |
| Diesel | | 9,000.00 | 29,000.00 | 27,005.23 | 1,994.77 | | |
| Gasoline | | 140,000.00 | 115,000.00 | 110,005.83 | 4,994.17 | | |
| Sanitary Landfill Dumping Fees | | | | | | | |
| Other Expenses | | | | | - | | |
| (B) Contingent | | | | | - | | - |
| **Total Operations Including Contingent within "CAPS"** | | 18,801,145.00 | 18,683,756.58 | 18,912,223.38 | 509,761.60 | - | 738,228.40 |
| Detail: | | | | | | | |
| Salaries and Wages | A-1 | 9,762,122.00 | 9,476,372.00 | 9,402,749.62 | 170,034.00 | | |
| Other Expenses | A-1 | 9,039,023.00 | 9,207,384.58 | 9,509,473.76 | 339,727.60 | - | |
| Expenditure without Appropriation | | | | | - | | |
| Expenditure Without Appropriation- Capital Fund | | 167,050.00 | 167,050.00 | 167,050.00 | - | | |
| Over-Expenditure Of Appropriations | | 14,393.52 | 14,393.52 | 14,393.52 | - | | |
| Contribution to: | | | | | | | |
| Social Security System (O.A.S.I.) | | 714,000.00 | 614,000.00 | 552,902.15 | 61,097.85 | | |
| Police and Fireman's Retirement System of N.J. | | 1,672,373.00 | 1,672,373.00 | 1,672,373.00 | - | | |
| Public Employees' Retirement Fund | | 656,804.00 | 656,804.00 | 656,804.00 | - | | |
| Unemployment Compensation | | 40,000.00 | 40,000.00 | - | 40,000.00 | | |
| | | 3,264,620.52 | 3,164,620.52 | 3,063,522.67 | 101,097.85 | - | - |
| **(H-1) TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"** | | 22,065,765.52 | 21,848,377.10 | 21,975,746.05 | 610,859.45 | - | 738,228.40 |

(Continued Next Page)

CURRENT FUND
DECEMBER 31, 2025

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

| | Reference | 2025 APPROPRIATIONS Budget | Modified Budget | EXPENDED Paid or Charged | Reserved | Lapsed | Over-expenditure |
|---|---|---|---|---|---|---|---|
| **(A) Operations - Excluded from "CAPS"** | | | | | | | |
| GENERAL GOVERNMENT | | | | | | | |
| Maintenance of Free Public Library (C. 82 & 541, PL 1985) | | $ 1,487,799.22 | $ 1,487,799.22 | $ 1,223,076.08 | $ 264,723.14 | $ - | $ - |
| Borough of Ridgefield- Sewer Rent | | 230,000.00 | 156,888.42 | 85,088.73 | 71,799.69 | - | |
| Borough of Fort Lee- Sewer Rent | | 17,500.00 | 17,500.00 | - | 17,500.00 | | |
| Bergen County Utilities Authority | | | | | | | |
| Service Charges- Contractual | | 2,775,474.00 | 2,775,474.00 | 2,291,563.48 | 483,910.52 | | |
| Approp. CAP Relief LFN #2023-04 | | | | | | | |
| Health Benefits | | 319,697.00 | 319,697.00 | 319,697.00 | - | | |
| Shared Services: | | | | | | | |
| Ridgefield Contractual Services | | | | | | | |
| Other Expenses | | 63,000.00 | 63,000.00 | 16,192.31 | 46,807.69 | | - |
| Palisades Park BOE | | | | | | | |
| School Security- Other Expenses | | 50,000.00 | 50,000.00 | - | 50,000.00 | | |
| Bergen County Utilities Authority | | | | | | | |
| 911 Dispatch -Other Expenses | | 160,000.00 | 167,500.00 | 164,400.00 | 3,100.00 | | |
| Appropriations offset by Revenues: | | | | | | | |
| Parking Meter Fees | | | | | | | |
| Salaries and Wages | | 50,000.00 | 50,000.00 | 50,000.00 | - | | |
| | | 5,153,470.22 | 5,087,858.64 | 4,150,017.60 | 937,841.04 | - | - |
| PUBLIC AND PRIVATE REVENUES OFF-SET BY REVENUES | | | | | | | |
| Body Armor Replacement Fund | | 3,050.63 | 3,050.63 | 3,050.63 | - | | |
| Alcohol Education & Rehabilitation | | 4,780.77 | 4,780.77 | 4,780.77 | - | | |
| Clean Communities | | 38,140.32 | 38,140.32 | 38,140.32 | - | | |
| Distracted Driving Grant | | | | | - | | |
| Impaired Driving Grant | | 14,000.00 | 14,000.00 | 14,000.00 | - | | |
| Recycling Tonnage Grant | | 27,695.42 | 27,695.42 | 27,695.42 | - | | |
| Opioid Settlement | | 19,318.14 | 19,318.14 | 19,318.14 | - | | |
| Covid ARP-Firefighters Program Grant | | 30,666.00 | 30,666.00 | 30,666.00 | - | | |
| Pedestrian Multi-officer Decoy Program | | 1,120.00 | 1,120.00 | 1,120.00 | - | | |
| Stormwater Grant | | 15,000.00 | 15,000.00 | 15,000.00 | - | | |
| | | 153,771.28 | 153,771.28 | 153,771.28 | - | | - |
| **Total Operations - Excluded from "CAPS"** | | 5,307,241.50 | 5,241,629.92 | 4,303,788.88 | 937,841.04 | - | - |
| Detail: | | | | | | | |
| Salaries and Wages | A-1 | 50,000.00 | 50,000.00 | 50,000.00 | - | | |
| Other Expenses | A-1 | 5,257,241.50 | 5,191,629.92 | 4,253,788.88 | 937,841.04 | | |

(Continued Next Page)

BOROUGH OF PALISADES PARK
CURRENT FUND
DECEMBER 31, 2025

STATEMENT OF EXPENDITURES - REGULATORY BASIS

A-3

| | Reference | 2025 APPROPRIATIONS Budget | Modified Budget | EXPENDED Paid or Charged | Reserved | Lapsed | Over-Expenditure |
|---|---|---|---|---|---|---|---|
| OPERATIONS EXCLUDED FROM "CAPS" (Cont'd) | | | | | | | |
| **(C) Capital Improvement Fund - Excluded from "CAPS"** | | | | | | | |
| Capital Improvement Fund | | $ 200,000.00 | $ 200,000.00 | $ 200,000.00 | $ - | $ - | $ - |
| | A-1 | 200,000.00 | 200,000.00 | 200,000.00 | - | - | - |
| **(D) Municipal Debt Service** | | | | | | | |
| Payment of Bond Principal | | 855,000.00 | 855,000.00 | 855,000.00 | - | | |
| Payment of Bond Anticipation Notes and Capital Notes | | 231,629.00 | 231,629.00 | 231,629.00 | - | | |
| Interest on Bonds | | 142,000.00 | 142,000.00 | 141,175.00 | - | 825.00 | |
| Interest on Notes | | 297,000.00 | 297,000.00 | 296,522.40 | - | 477.60 | |
| | A-1 | 1,525,629.00 | 1,525,629.00 | 1,524,326.40 | - | 1,302.60 | - |
| **(E) Deferred Charges - Municipal - Excluded from "CAPS"** | | | | | | | |
| Special Emergency Authorization - 5 years | | | | | | | |
| | | - | - | - | - | - | - |
| **(F) Judgements (N.J.S.A. 40A:40-45.3cc)** | | 240,000.00 | 523,000.00 | 773,480.05 | - | | 250,480.05 |
| **(H-2) TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES - EXCLUDED FROM "CAPS"** | | 7,272,870.50 | 7,490,258.92 | 6,801,595.33 | 937,841.04 | 1,302.60 | |
| **(L) Subtotal General Appropriations** | | 29,338,636.02 | 29,338,636.02 | 28,777,341.38 | 1,548,700.49 | 1,302.60 | 738,228.40 |
| **(M) Reserve for Uncollected Taxes** | A-2 | 1,200,000.00 | 1,200,000.00 | 1,200,000.00 | - | - | |
| **TOTAL GENERAL APPROPRIATIONS** | | $ 30,538,636.02 | $ 30,538,636.02 | $ 29,977,341.38 | $ 1,548,700.49 | $ 1,302.60 | $ 988,708.45 |
| | Reference | A-2 | A-2 | Below | A | A-1 | Below |

| | | |
|---|---|---|
| Adopted Budget | | $ 30,538,636.02 |
| Chapter 159's | | - |
| | | $ 30,538,636.02 |

| | Reference | |
|---|---|---|
| Cash Disbursements | A-4 | 27,908,686.36 |
| Cash Receipts | A-4 | (682,291.34) |
| Encumbrances Payable | A-19 | 934,102.56 |
| Due to Capital- Bond Ant. Note Paydown | A-12 | 231,629.00 |
| Due to Capital- Deferred Charges | A-12 | 167,050.00 |
| Deferred Charges- Expend. Without Approp. | A-13 | |
| Deferred Charges- Over-Expenditure of Approp. | A-13 | 14,393.52 |
| Non-cash Expenditure - Federal and State Grant Fund | A-12 | 153,771.28 |
| Non-cash Expenditure - Reserve for Uncollected Taxes | A-2 | 1,200,000.00 |
| Parking Meters- Realize revenues | A-2 | 50,000.00 |
| | Above | $ 29,977,341.38 |

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**

**B**

| | Reference | At December 31, 2025 | At December 31, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| Animal Control Fund: | | | |
| Cash and Cash Equivalents | B-2 | $ 3,702.05 | $ 4,500.64 |
| Due from Board of Health | B-4 | 460.75 | 265.75 |
| Due from State of New Jersey | B-6 | | |
| | | 4,162.80 | 4,766.39 |
| Assessment Trust Fund: | | | |
| Due from Current Fund | B-8 | - | 203.88 |
| Other Trust Fund: | | | |
| Cash and Cash Equivalents | B-2 | 4,886,811.64 | 4,557,821.99 |
| Interfund Receivable | B-7 | 1,282.80 | 1,282.80 |
| | | 4,888,094.44 | 4,559,104.79 |
| Law Enforcement Trust Fund: | | | |
| Cash | B-2 | 903.21 | 870.91 |
| Library Trust Fund: | | | |
| Cash | B-2 | 51,438.62 | 62,958.09 |
| **TOTAL ASSETS** | | $ 4,944,599.07 | $ 4,627,904.06 |
| **LIABILITIES AND RESERVES** | | | |
| Animal Control Fund: | | | |
| Due to Current Fund | B-5 | $ 1,522.60 | $ 2,393.19 |
| Due to State of New Jersey | B-6 | 150.60 | - |
| Reserve for Animal License Expenditures | B-3 | 2,489.60 | 2,373.20 |
| | | 4,162.80 | 4,766.39 |
| Assessment Trust Fund: | | | |
| Fund Balance | B-1 | - | 203.88 |
| Other Trust Fund: | | | |
| Due to Current Fund | B-7 | | 5,225.58 |
| Intrafund- Affordable Housing Rental Income | B-7 | 1,082.80 | 1,082.80 |
| Reserve for Other Trust Deposits | B-9 | 4,887,011.64 | 4,552,796.41 |
| | | 4,888,094.44 | 4,559,104.79 |
| Law Enforcement Trust Fund: | | | |
| Reserve for Law Enforcement expenditures | B-10 | 903.21 | 870.91 |
| Library Trust Fund: | | | |
| Reserve for Library expenditures | B-11 | 37,633.62 | 49,653.09 |
| Reserve for Donations- Restricted | B-12 | 13,805.00 | 13,305.00 |
| | | 51,438.62 | 62,958.09 |
| **TOTAL LIABILITIES AND RESERVES** | | $ 4,944,599.07 | $ 4,627,904.06 |

**BOROUGH OF PALISADES PARK**
**TRUST FUND**
**DECEMBER 31, 2025 AND 2024**

**COMPARATIVE STATEMENT OF CHANGES IN FUND BALANCE- REGULATORY BASIS**
**ASSESSMENT TRUST FUND**

**B-1**

| | Reference | At December 31, 2025 | | At December 31, 2024 | |
|---|---|---|---|---|---|
| Balance- January 1, | B | $ | 203.88 | $ | 203.88 |
| Decreased by: | | | | | |
| Canceled to Current Fund Balance | A-1,B-8 | | 203.88 | | |
| Balance- January 1, | B | $ | - | $ | 203.88 |

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

## COMPARATIVE BALANCE SHEETS - REGULATORY BASIS

**C**

| | Reference | At December 31, 2025 | 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash | C-2,3 | $ 1,173,930.44 | $ 1,411,033.09 |
| Deferred Charges to Future Taxation: | | | |
| Funded | C-4 | 4,620,000.00 | 5,475,000.00 |
| Unfunded | C-5 | 18,391,126.43 | 16,126,830.43 |
| Expenditure without Appropriation/Overexpenditure | | | 167,050.00 |
| Due from Current Fund | C-13 | 417,381.87 | 262,274.06 |
| Grants Receivable | C-7 | 711,560.12 | 661,783.00 |
| **TOTAL ASSETS** | | $ 25,313,998.86 | $ 24,103,970.58 |
| **LIABILITIES, RESERVE AND FUND BALANCE** | | | |
| General Serial Bonds | C-14 | $ 4,620,000.00 | $ 5,475,000.00 |
| Bond Anticipation Notes | C-15 | 7,966,812.00 | 7,398,441.00 |
| Improvement Authorizations: | | | |
| Funded | C-9 | 608,269.07 | 524,992.61 |
| Unfunded | C-9 | 10,241,391.90 | 8,495,516.97 |
| Encumbrance Payable | C-8 | 396,123.13 | 882,582.08 |
| Reserve for Payment of Bonds | C-10 | - | 46,900.47 |
| Reserve for Grants Receivable | C-11 | 658,470.00 | 600,335.00 |
| Unappropriated State Grant | | | |
| Capital Improvement Fund | C-12 | 552,240.00 | 482,815.00 |
| Fund Balance | C-1 | 270,692.76 | 197,387.45 |
| **TOTAL LIABILITIES, RESERVE AND FUND BALANCE** | | $ 25,313,998.86 | $ 24,103,970.58 |

There were bonds and notes authorized but not issued on December 31, 2025 and 2024 in the amount of $10,424,314.43 and $8,813,389.43 respectively. (Exhibit C-16).

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## STATEMENT OF FUND BALANCE - REGULATORY BASIS

**C-1**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | C | $ 197,387.45 |
| Increased by: | | |
| BAN Premium | C-2 | 73,305.31 |
| | | 270,692.76 |
| Decreased by: | | |
| Anticipated Current Fund Budget | C-2 | |
| Balance December 31, 2025 | C | $ 270,692.76 |

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND
DECEMBER 31, 2025 AND 2024

**COMPARATIVE BALANCE SHEETS - REGULATORY BASIS**

**D**

| | Reference | At December 31, 2025 | 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| Operating Fund: | | | |
| Cash and Cash Equivalents | D-4 | $ 391,334.23 | $ 449,923.68 |
| | | 391,334.23 | 449,923.68 |
| Due from Swim Pool Capital Fund | D-6 | | |
| Deferred Charges: | | | |
| Special Emergency | D-9 | 46,000.00 | 92,000.00 |
| Over-expenditure of Appropriation | D-9 | - | 2,659.28 |
| | | 46,000.00 | 94,659.28 |
| Total Operating Fund | | 437,334.23 | 544,582.96 |
| Capital Fund: | | | |
| Cash and Cash Equivalents | D-4, 5 | 271,866.60 | 349,424.09 |
| Due from Swimming Pool Operating Fund | D-6 | 29,140.53 | 69,406.15 |
| Due from Bergen County Open Space | D-12 | 146,800.00 | 146,800.00 |
| Fixed Capital | D-13 | 3,318,996.85 | 3,318,996.85 |
| Fixed Capital Authorized and Uncompleted | D-14 | 1,184,000.00 | 1,184,000.00 |
| Total Capital Fund | | 4,950,803.98 | 5,068,627.09 |
| **TOTAL ASSETS** | | $ 5,388,138.21 | $ 5,613,210.05 |
| **LIABILITIES, RESERVES AND FUND BALANCE:** | | | |
| Operating Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | D-3, 10 | $ 142,888.99 | $ 92,390.48 |
| Encumbrance Payable | D-11 | 1,314.72 | 19,561.67 |
| Accounts Payable | D-10 | 287.49 | 287.49 |
| Accrued Interest on bonds | D-7 | 22,925.75 | 19,033.44 |
| Due to Swim Pool Capital Fund | D-6 | 29,140.53 | 69,406.15 |
| | | 196,557.48 | 200,679.23 |
| Fund Balance | D-1 | 240,776.75 | 343,903.73 |
| Total Operating Fund | | 437,334.23 | 544,582.96 |
| Capital Fund: | | | |
| Liabilities: | | | |
| Capital Improvement Fund | D-15 | 1,700.00 | 1,700.00 |
| Bond Anticipation Notes Payable | D-23 | 665,060.00 | 594,795.00 |
| Improvement Authorizations: | | | |
| Funded | D-22 | - | 50,747.68 |
| Unfunded | D-22 | 732,284.42 | 992,997.35 |
| Encumbrance Payable | D-22 | 93,637.50 | - |
| Reserve for Amortization | D-19 | 3,254,386.00 | 3,224,651.00 |
| Reserve for Deferred Amortization | D-18 | 36,000.00 | 36,000.00 |
| Reserve for Grants Receivable | D-16 | 146,800.00 | 146,800.00 |
| Fund Balance | D-20 | 20,936.06 | 20,936.06 |
| | | 4,950,803.98 | 5,068,627.09 |
| Total Capital Fund | | 4,950,803.98 | 5,068,627.09 |
| **TOTAL LIABILITIES, RESERVES AND FUND BALANCE** | | $ 5,388,138.21 | $ 5,613,210.05 |

Bonds and notes authorized but not issued at December 31, 2025 and 2024
were $547,551 and $647,551 (Exhibit D-21).

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

**COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE IN OPERATING FUND BALANCE - REGULATORY BASIS**

**D-1**

| | Reference | For the Years Ended December 31, 2025 | 2024 |
|---|---|---|---|
| **REVENUE AND OTHER INCOME REALIZED** | | | |
| Surplus Anticipated | D-2 | $ 198,394.28 | $ 216,735.00 |
| Membership Fees | D-2, 4 | 389,685.76 | 428,154.09 |
| Interest on Investments | D-2 | 23,930.60 | 26,261.74 |
| Other Credits to Income: | | | |
| Other Adjustments | D-4 | | |
| Unexpended Balance of Appropriations | D-3 | 1,788.80 | |
| Unexpended Balance of Appropriation Reserves | D-10 | 107,862.14 | 120,526.93 |
| Total Income | | 721,661.58 | 791,677.76 |
| **EXPENDITURES** | | | |
| Budget Appropriations | | | |
| Operating | D-3 | 520,000.00 | 520,000.00 |
| Capital | D-3 | - | - |
| Debt Service | D-3 | 57,735.00 | 59,735.00 |
| Deferred Charges | D-3 | 48,659.28 | 46,000.00 |
| Membership Refunds | D-4 | | |
| Total Expenditures | D-3 | 626,394.28 | 625,735.00 |
| Excess in Operations | | 95,267.30 | 165,942.76 |
| Adjustment to Income before Fund Balance: | | | |
| Expenditures Included Above Which are by Statute | | | |
| Deferred Charged to Budget of Succeeding Year | D-9 | | |
| Statutory Excess to Fund Balance | | 95,267.30 | 165,942.76 |
| Fund Balance, Beginning of Year | D | 343,903.73 | 394,695.97 |
| | | 439,171.03 | 560,638.73 |
| Less: Fund Balance Utilized | D-2 | 198,394.28 | 216,735.00 |
| Fund Balance, End of Year | D | $ 240,776.75 | $ 343,903.73 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## STATEMENT OF REVENUES - REGULATORY BASIS

**D-2**

| | Reference | Budget | Realized | Excess or (Deficit) |
|---|---|---|---|---|
| Surplus Anticipated | D-1 | $ 198,394.28 | $ 198,394.28 | $ - |
| Membership Fees | D-1,4 | 428,000.00 | 389,685.76 | (38,314.24) |
| Interest on Investments | D-1,4 | | 23,930.60 | 23,930.60 |
| | D-3 | $ 626,394.28 | $ 612,010.64 | $ (14,383.64) |
| | | | Below | |

| | Reference | Realized |
|---|---|---|
| Cash Receipts | D-4 | $ 404,114.15 |
| Cash Receipts- Swim Capital Interest | D-4 | 9,502.21 |
| Surplus Anticipated | D-1 | 198,394.28 |
| | Above | $ 612,010.64 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## STATEMENT OF EXPENDITURES - REGULATORY BASIS

**D-3**

| | Ref. | Budget | Modified Budget | Paid or Charged | Appropriations Lapsed | Over-Expenditures | Appropriation Reserve |
|---|---|---|---|---|---|---|---|
| Operating: | | | | | | | |
| Salaries and Wages | D-1 | $ 320,000.00 | $ 320,000.00 | $ 226,587.09 | $ - | $ - | $ 93,412.91 |
| Other Expenses | D-1 | 200,000.00 | 200,000.00 | 150,523.92 | | | 49,476.08 |
| Debt Service: | | | | | - | | - |
| Payment on Bond Anticipation Notes | | 29,735.00 | 29,735.00 | 29,735.00 | | | |
| Interest on Notes | | 28,000.00 | 28,000.00 | 26,211.20 | 1,788.80 | | - |
| Deferred Charges: | | | | | | | |
| Special Emergency Authorization | | 46,000.00 | 46,000.00 | 46,000.00 | - | | - |
| Over-expenditure of Appropriations | | 2,659.28 | 2,659.28 | 2,659.28 | - | | - |
| | | $ 626,394.28 | $ 626,394.28 | $ 481,716.49 | $ 1,788.80 | $ - | $ 142,888.99 |
| | Ref. | D-2 | D-1, Below | Below | D-1 | | D |

| | Ref. | |
|---|---|---|
| Cash Disbursements | D-4 | $ 398,615.18 |
| Reimbursements | D-4 | (500.00) |
| Accrued Interest on BANS | D-7 | 3,892.31 |
| Budget Appropriation Payment on BAN | D-19,23 | 29,735.00 |
| Deferred Charges | D-9 | 48,659.28 |
| Encumbrance Payable | D-11 | 1,314.72 |
| | Above | $ 481,716.49 |

-

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
PAYROLL ACCOUNT
DECEMBER 31, 2025 AND 2024

**COMPARATIVE BALANCE SHEET-REGULATORY BASIS**

**E**

| | At December 31, 2025 | At December 31, 2024 |
|---|---|---|
| **ASSETS** | | |
| Cash | $ 20,069.36 | $ 31,371.94 |
| **TOTAL ASSETS** | $ 20,069.36 | $ 31,371.94 |
| **LIABILITIES AND RESERVES** | | |
| Reserve for Net Payroll | 14,099.05 | 23,917.61 |
| Payroll Deductions and Withholdings Payable | $ 5,970.31 | $ 7,454.33 |
| **TOTAL LIABILITIES AND RESERVES** | $ 20,069.36 | $ 31,371.94 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
GENERAL FIXED ASSETS ACCOUNTS GROUP
DECEMBER 31, 2025 AND 2024

**COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS GROUP OF ACCOUNTS - REGULATORY BASIS**

**F**

| | | At December 31, 2025 | 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| Land | | $ 18,695,725 | $ 18,218,324 |
| Buildings and Improvements | | 6,774,900 | 6,774,900 |
| Land Stonybrook Swim Pool | | | |
| Buildings and Improvements- Stonybrook | | | |
| Machinery and Equipment | * | 9,402,541 | 12,640,801 |
| **TOTAL ASSETS** | | $ 34,873,166 | $ 37,634,025 |
| **LIABILITIES AND RESERVES** | | | |
| Investment in General Fixed Assets | | $ 34,873,166 | $ 37,634,025 |
| **TOTAL LIABILITIES AND RESERVES** | | $ 34,873,166 | $ 37,634,025 |

See independent auditor's report and notes to the financial statements.

## 1. Summary of Significant Accounting Policies

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

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

A. Reporting Entity

The Borough operates under an elected Mayor/Council form of government. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

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

However, the municipalities in the State of New Jersey do not issue financial statements in accordance with GAAP, and thus, do not comply with all of the GASB pronouncements. The financial statements contained herein include only those boards, bodies, officers, or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the Volunteer Fire Department, First Aid Organization or Public Library which are considered component units under GAAP. Complete financial statements of the above components can be obtained by contacting the Treasurer of the respective entity.

B. Fund Accounting

Fund accounting is designed to demonstrate legal compliance and to aid financial administration by segregating transactions related to certain Borough functions or activities. An account group, on the other hand, is designed to provide accountability for certain assets and liabilities that are not recorded in those Funds. The Borough has the following funds and account group:

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

Trust Fund – receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created. The Division regulates the accounting for these funds.

Assessment Trust Fund- This fund is used to account for the collection of special assessments for improvements.

Other Trust Fund- This fund is established to account for the assets and resources which are also held by the Borough as a trustee or agent for individuals, private organizations, other governments and or other funds

**1. Summary of Significant Accounting Policies (Continued)**

B. Fund Accounting (Continued)

Animal Trust Fund- This fund is used to account for fees collected from Animal licenses and expenditures which are regulated by NJS 4:19-15.11.

Law Enforcement Trust Fund- This fund is used to account for receipt and disbursement of funds related to the U.S. Equitable Forfeiture Sharing Program.

Library Trust Fund- This fund is used to account for receipt and donations collected and used to offset miscellaneous expenses and book purchases made by the Library.

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

Payroll Account- This fund is to account for the receipt and disbursement of net payroll and all payroll deductions and withholdings.

Swimming Pool Utility Fund – operations and acquisition of these capital facilities and municipally-owned swim pool utility.

General Fixed Assets Account Group – used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or insurable cost if the actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the accounting principles and practices prescribed by the Division in accordance with the regulatory basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

All governmental funds, proprietary funds and expendable trust funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

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

Property Tax Revenues – Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County and School purposes. The bills are mailed annually in June for that calendar year’s levy. Taxes are payable in four quarterly installments on February 1, May 1, August 1, and November 1. The amounts of the first and second installments are determined as one quarter of the total tax levied against the property for the preceding year. The installment due the third and fourth quarters is determined by taking the current year levy less the amount previously charged for the first and second installments, with the remainder being divided equally. If unpaid on these dates, the amount due becomes delinquent and subject to interest at 8% per annum, or 18% on any delinquency amount in excess of $1,500. The school levy is turned over to the Board of Education as expenditures are incurred, and the balance, if any, must be transferred as of June 30, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the

**1. Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

County by the Borough. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing the property on a tax sale. Annual in rem tax foreclosure proceedings are instituted to enforce the tax collection or acquisition of title to the property by the Borough. In accordance with the accounting principles prescribed by the State of New Jersey, current and delinquent taxes are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible. GAAP requires property tax revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Miscellaneous Revenues - Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the statement of financial position of the Borough's Current Fund and Swimming Pool Utility Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual.

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

Budgets and Budgetary Accounting - An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures for the Current Fund and Swimming Pool Utility Fund.

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

Trust Funds
General Capital Fund

The governing body shall introduce and approve the annual budget no later than February 10, of the fiscal year. The budget shall be adopted not later than March 20, and prior to adoption must be certified by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The director of the Division of Local Government Services, with the approval of the Local Finance Board, may extend the introduction and approval and adoption dates of the municipal budget. The budget is prepared by fund, function, activity and line item (salary or other expenses) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line-item level for all operating budgets adopted. Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. During the last two months of the fiscal year, the governing body may, by a 2/3 vote, amend the budget through line-item transfers. Management has no authority to amend the budget without the approval of the Governing Body. Expenditures may not legally exceed budgeted appropriations at the line-item level. During 2025, the Mayor and Council approved several budget transfers.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with an encumbrance accounting system. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements. Unexpended or uncommitted appropriations at December 31 are reported as expenditures through the establishment of appropriation reserves, unless canceled by the governing body. Except for unmatured interest on general long-term debt which should be recognized when due, GAAP requires expenditures, if measurable, to be recognized in the accounting period in which the fund liability is incurred.

**1. Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

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

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

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

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

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

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

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

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

General Fixed Assets – **N.J.A.C. 5:30-5.6 accounting for governmental fixed assets** continues the requirement that all local units shall have and maintain a fixed assets accounting and reporting system that differs in certain respects from GAAP. The fixed assets accounting and reporting system shall establish and maintain a physical inventory of fixed assets of non-expendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular 87, Cost Principals for State, Local and Indian Governments and shall place a value on all fixed assets whether constructed or acquired through purchase, grant, or gift. Fixed assets acquired after December 31, 1985 shall be valued on the basis of actual cost; prior to that time, they may be valued at cost or estimated historical cost. The fixed assets accounting and reporting system shall also have a subsidiary ledger, consisting of detailed property records for controlling additions, retirements and transfers of fixed assets and such ledger shall be maintained and reconciled periodically and at the end of every fiscal year with the general ledger control accounts for fixed assets. The system shall also provide property management standards for fixed assets that ensures that property records are maintained accurately, to reflect a description and source of the property, its ownership, the acquisition cost and date, the percentage of Federal participation in the acquisition, and the location, use and condition of the property. Property management standards for fixed assets shall also ensure that periodic physical inventories are taken and reconciled with property records, that a control system is provided with adequate safeguards against loss, damage, or theft of property and that property is adequately maintained to keep the property in good condition. A Statement of General Fixed Assets shall be in every annual audit report.

**1. Summary of Significant Accounting Policies (Continued)**

C. Measurement Focus and Basis of Accounting (Continued)

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

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

D. Measurement Focus and Basic Financial Statements

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

**2. Cash and Cash Equivalents**

**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 Borough's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A: 5-15.1(a) that are treated as cash equivalents. As of December 31, 2025, $0 of the Borough's bank balance of $15,795,296.76 was exposed to custodial credit risk. As of December 31, 2024, $0 of the Borough's bank balance of $18,799,165.60 was exposed to custodial credit risk.

**3. Investments**

**Interest Rate Risk.** The Borough 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 Borough places no limit on the amount the Borough may invest in any one issuer.

As of December 31, 2025, and 2024, the Borough did not have any investments.

**4. Property Taxes Receivable, Tax Title Liens**

In accordance with the accounting principles prescribed by the State of New Jersey, taxes receivable and tax title liens are realized as revenue when collected. Since delinquent taxes and liens are fully reserved, no provision has been made to estimate that portion of the taxes receivable and tax title liens that are uncollectible.

For the years ended December 31, 2025 and 2024, property taxes receivable were $7,966,812 and $7,398,441 respectively.

**5. Municipal Debt**

Short Term Debt as of December 31, 2025 consisted of the following**:**

On December 31, 2025 and 236, respectively. The following activity related to bond anticipation notes occurred during the calendar year ended December 31, 2025.

Short-term debt as of December 31, 2025 consisted of the following:

| Notes Payable: | Balance 12/31/24 | Additions | Reductions | Balance 12/31/25 |
|---|---|---|---|---|
| General Capital | $ 7,398,441 | $ 800,000 | $ 231,629 | $ 7,966,812 |
| Swim Pool Capital | 594,795 | 100,000 | 29,735 | 665,060 |
| | $ 7,993,236 | $ 900,000 | $ 261,364 | $ 8,631,872 |

Long-term debt:

| | Balance Dec.31, 2024 | Additions | Reductions | Balance Dec.31, 2025 | Due in One Year |
|---|---|---|---|---|---|
| General Improvement Bonds | $ 5,475,000.00 | $ - | $ 855,000.00 | $ 4,620,000.00 | $ 855,000.00 |
| Swim Pool Utility Bonds | - | - | | - | |
| Compensated Absences | 1,427,183.51 | | | 1,427,183.51 | |
| | $ 6,902,183.51 | $ - | $ 855,000.00 | $ 6,047,183.51 | $ 855,000.00 |

The General Improvement Bond principal are recorded in the general capital fund and debt service is appropriated in the current operating budget of the Borough. The Swim Pool Utility bond principal is recorded in its capital fund and debt service is appropriated in its swim pool utility budget.

| General Improvement Serial Bonds | 2025 | 2024 |
|---|---|---|
| **$3,735,000** - 2011 General Improvement Bonds, payable in annual installments of , $315,000 in 2025, interest rate at 4%. | | $ 315,000.00 |
| **$8,125,000-** 2017 General Improvement Bonds, payable in annual installments of, $640,000 in 2026, $660,000 in 2027-2029, $665,000 in 2030, $670,000 in 2031, and $665,000 in 2032, variable interest from 2.25% to 3.00%. | 4,620,000.00 | 5,160,000.00 |
| Total | $ 4,620,000.00 | $ 5,475,000.00 |

**5. Municipal Debt (Continued):**

Summary of Municipal Debt At:

| | 12/31/2025 | 12/31/2024 | 12/31/2023 |
|---|---|---|---|
| Issued: | | | |
| General: | | | |
| Bonds and Notes | $ 12,586,812.00 | $ 12,873,441.00 | $ 11,043,470.00 |
| Swim Pool Utility | | | |
| Bonds and Notes | 665,060.00 | 594,795.00 | 624,530.00 |
| Debt Issued | 13,251,872.00 | 13,468,236.00 | 11,668,000.00 |
| Authorized but not Issued: | | | |
| General: | | | |
| Bonds and Notes | 10,424,314.43 | 8,813,389.43 | 10,474,445.00 |
| Swim Pool Utility | | | |
| Bonds and Notes | 547,551.00 | 647,551.00 | 647,551.00 |
| | 10,971,865.43 | 9,460,940.43 | 11,121,996.00 |
| Less Deductions | | | |
| Reserve for Payment Bonds/BANS | | (46,900.00) | (304,505.00) |
| Swim Pool Utility Debt | (1,212,611.00) | | |
| Net Debt | $ 23,011,126.43 | $ 22,882,276.43 | $ 22,485,491.00 |

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 0.518%.

| 2025 | Gross Debt | Deductions | Net Debt |
|---|---|---|---|
| School Debt | $ - | $ - | $ - |
| General Debt | 23,011,126.43 | | 23,011,126.43 |
| Swim Pool Utility Debt | 1,212,611.00 | 1,212,611.00 | - |
| | $ 24,223,737.43 | $ 1,212,611.00 | $ 23,011,126.43 |

Net Debt of $ 23,011,126.43 divided by of Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of $4,445,089,949= .518%.

**5. Municipal Debt (Continued):**

| 2024 | Gross Debt | Deductions | Net Debt |
|---|---|---|---|
| School Debt | $ - | $ - | $ - |
| General Debt | 21,686,830.43 | 46,900.00 | 21,639,930.43 |
| Swim Pool Utility Debt | 1,242,346.00 | 1,242,346.00 | - |
| | $ 22,929,176.43 | $ 1,289,246.00 | $ 21,639,930.43 |

Net Debt of $ 21,639,930.43 divided by of Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended of $4,462,559,334= .514%.

| Calculation of "Self-Liquidating Purpose", Swim Pool Utility | | |
|---|---|---|
| Cash Receipts from Fees, Rents or Other Charges including Surplus Anticipated | | $ 721,661.58 |
| Deductions: | | |
| Operating and Maintenance Cost | $ 568,659.28 | |
| Debt Service | 57,735.00 | |
| | | 626,394.28 |
| Excess in Revenue | | $ 95,267.30 |
| Total Debt Service | | 1,212,611.00 |
| Deficit is Smaller of Deficit or Debt Service | | - |
| Gross Swim Pool Debt | | |
| Deficit Capitalized @ 5% | | - |
| Amount allowed as a deduction | | 1,212,611.00 |

| Borrowing Power Under N. J.S.A. 40A:2- As Amended | 2025 | 2024 |
|---|---|---|
| 3 1/2% of Equalized Valuation Basis (Municipal) | $ 155,578,148.22 | $ 147,315,186.98 |
| Net Debt | 23,011,126.43 | 21,639,930.43 |
| Remaining Borrowing Power | $ 132,567,021.79 | $ 125,675,256.55 |

Overlapping Debt

| | |
|---|---|
| County of Bergen (1) – Borough's share (1.78%) | $31,499,183 |
| Bergen County Utilities Authority(2)- ( Borough's share 2.41%) | $4,173,132 |
| Total Overlapping Debt | $35,672,315 |

(1) The County of Bergen has $1,770,600,392 in gross long-term and temporary debt. The Borough's net share is obtained by dividing the Borough's equalized valuation $4,682,873,304 by the County's equalized valuation $263,228,963,188.

(2) Overlapping debt was computed based upon usage billing @ 12/31/2024. Total 2024 BCUA debt equals $173,158,986 @ 2.41%

See independent auditor's report.

**6. Deferred Charges to be Raised in Succeeding Budgets**

Certain expenditures are to be deferred to budgets of succeeding years. Existing deferred charges are reflected in the statement of financial position of the various funds. The Current Fund has Over-expenditure of Appropriations in the amount of $988,708.45 and Appropriation Reserves of $23,728.24. The Grant Fund has Over-expenditures of $ 10,719.70. Swim Pool Utility Fund has Special Emergency- COVID Related Loss of $46,000, all which will be raised in the 2026 budget.

**7. Local District School, Regional High School and County Taxes**

The Borough collects school and county taxes and is responsible for the full amount of the levy. County taxes have been raised on the calendar year. Local School taxes were deferred in the amount of $13,607,812 for 2025 and $13,185,556 for 2024.

**8. Property Tax Calendar**

The Borough of Palisades Park property taxes are due on the first of February, May, August, and November. The levy is determined upon certification of tax rate by the county. Liens are sold at a tax sale in the subsequent year. The tax sale for 2024 taxes was scheduled to be held on December 12, 2025, but it was not necessarily due to all 2024 delinquencies being collected prior to the sale.

**9. Property Acquired by Tax Title Lien Liquidation**

There were properties acquired by liquidation with total assessed valuations of $275,000.

**10. Taxes Collected in Advance**

Taxes collected in advance and the amounts set forth as cash liabilities in the financial statements as follows:

| | Balance Dec. 31, 2025 | Balance Dec. 31, 2024 |
|---|---|---|
| Prepaid Taxes | $ 799,451.64 | $ 764,396.77 |

## 11. Pension Plans

*Description of Plans*

Substantially all of the Borough's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Police and Firemen's Retirement System (PFRS) or the Public Employees' Retirement System (PERS). Those systems are sponsored and administered by the State of New Jersey and are considered cost sharing multiple-employer plans. According to the State of New Jersey Administrative Code, all obligations of the systems will be assumed by the State of New Jersey should the systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for PERS and PFRS. This report may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625 or can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

*Summary of Significant Accounting Policies -PERS and PFRS*

GASB 68, *Accounting and Financial Reporting for Pensions*, is effective beginning with the year ending June 30, 2015. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria.

Amendments to and further clarification of GASB 68, include GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date,* GASB 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 67 and 68.,* and GASB 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans.*

New Jersey municipalities and counties do not follow GAAP and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30-6.1(c)(2) requires municipalities and counties to disclose GASB 68 information in the Notes to the Financial Statements. Therefore, the following information with regards to GASB 68 is for disclosure purposes only.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB 68 reports were not available for June 30, 2025 as of the date of our audit.

*Public Employees' Retirement System (PERS)*

The Public Employees' Retirement System (PERS) 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 Public Employees' Retirement System 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.

**11. Pension Plans (Continued)**

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

At June 30, 2024, the Borough has disclosed a liability of $6,398,438 for its proportionate share of the net pension liability for reporting purposes only. The net pension liability was measured as of June 30, 2024, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2024. At June 30, 2024, the Borough's proportion was 0.0470887308%.

A special funding situation exists for Local employers of the PFRS, in which the State of New Jersey is required to pay additional costs incurred by Local employers under Chapter 366, P.L. 2001, and Chapter 133, P.L. 2001. Since the local participating employers do not contribute under this legislation, there is no pension liability, deferred inflows or outflows to report. The amount of the Borough's proportionate share of collective net pension expense and related revenue at June 30, 2024 $20,629.

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

For the year ended December 31, 2025, the Borough recognized pension expense of $656,804 as measured on June 30, 2024. At June 30, 2024, the Borough had deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | June 30, 2024 | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflow of Resources |
| Difference between expected and actual experience | $ 128,173 | $ 17,034 |
| Changes of assumptions | 7,949 | 72,800 |
| Net difference between projected and actual earnings on pension plan investments | | 296,678 |
| Changes in proportion and differences between Borough and proportionate share of contributions | 154,650 | 122,107 |
| Borough contributions subsequent to the measurement date | | |
| Total | $ 290,772 | $ 508,619 |

**11. Pension Plans (Continued)**

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

| | Year Ended June 30: | |
|---|---|---|
| 2025 | $ | (271,662) |
| 2026 | | 210,204 |
| 2027 | | (120,935) |
| 2028 | | (69,815) |
| 2029 | | 1,817 |
| Total | $ | (250,391) |

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

| | 6/30/2024 |
|---|---|
| Collective deferred outflows of resources | $ 1,079,580,780 |
| Collective deferred inflows of resources | 1,611,322,898 |
| Collective net pension liability (Non-State-Local Group) | 13,702,423,985 |
| Borough's portion of net pension liability | 6,398,438 |
| Borough's proportion % | 0.0470887308% |

*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. The actuarial valuation used the following actuarial assumptions:

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

*Long-Term Expected Rate of Return* - In accordance with State statute, the long-term expected rate of return on plan investments (7.00 % at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing 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:

**11. Pension Plans (Continued)**

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 Allocations | Long-Term Expected Real Rate of Return |
|---|---|---|
| US Equity | 28.00% | 8.63% |
| Non-US Developed Market Equity | 12.75% | 8.85% |
| International Small Cap Equity | 1.25% | 8.85% |
| Emerging Market Equity | 5.50% | 10.66% |
| Private Equity | 13.00% | 12.40% |
| Real Assets | 3.00% | 8.20% |
| Real Estate | 8.00% | 10.95% |
| 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% |
| US Treasuries | 4.00% | 3.57% |
| Risk Mitigation Strategies | 3.00% | 7.10% |

*Public Employees' Retirement System (PERS)*

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

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate*. The following presents the Borough's proportionate share of the net pension liability measured as of June 30, 2024 and 2023, calculated using the discount rate of 7.00%, as well as what the Borough'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%) | Discount June 30, 2024 Rate (7.00%) | 1% Increase (8.00%) |
|---|---|---|---|
| Borough's proportionate share of the net pension liability | $ 8,501,331 | $ 6,398,438 | $ 4,608,360 |

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.state.nj.us/treasury/pensions/financial-reports.shtml.

**11. Pension Plans (Continued)**

*Public Employees' Retirement System (PERS) (Continued)*

PERS Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under disability provisions of PERS. Service retirement benefits of 1/55th of the final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of the final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

*Police and Firemen's Retirement System (PFRS)*

The Police and Firemen's Retirement System was established in July 1944 under the provisions of N.J.S.A. 43:16A to provide retirement, death and disability benefits to its members. Membership is mandatory for all full-time county and municipal police and firemen, and state firemen or officer employees with police powers appointed after June 30, 1944.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement as well as death and disability benefits. All benefits vest after ten years of service, except disability benefits which vest after four years of service.

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

At June 30, 2024, the Borough has disclosed a liability of $12,081,270 for its proportionate share of the net pension liability for reporting purposes only. The net pension liability was measured as of June 30, 2024, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The Borough's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PFRS during the years ended June 30, 2024. At June 30, 2024, the Borough's proportion was .11699175%.

A special funding situation exists for Local employers of the PFRS, in which the State of New Jersey is required to pay additional costs incurred by Local employers under Chapter8, 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. Since the local participating employers do not contribute under this legislation, there is no pension liability, deferred inflows or outflows to report. The amount of the State's proportionate share of collective net pension liability & expense attributable to Palisades Park at June 30, 2024 of $2,381,796 and $274,006.

**11. <u>Pension Plans (Continued)</u>**

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

For the year ended December 31, 2025, the Borough recognized pension expense of $1,672,373. At December 31, 2025 as measured on June 30, 2024, the Borough had deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

| | June 30, 2024 | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflow of Resources |
| Difference between expected and actual experience | $ 761,111 | $ 413,595 |
| Changes of assumptions | 19,098 | 354,807 |
| Net difference projected and actual earnings on pension plan investments | | 94,558 |
| Changes in proportion and differences between Borough's and proportionate share of contributions | 1,437,948 | 1,156,292 |
| Borough contributions subsequent to the measurement date | | |
| Total | $ 2,218,157 | $ 2,019,252 |

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

| | Year Ended June 30: |
|---|---|
| 2025 | $ (585,189) |
| 2026 | 674,275 |
| 2027 | (169,235) |
| 2028 | (78,588) |
| 2029 | 69,913 |
| Thereafter | 6,073 |
| Total | $ (82,751) |

*Changes in Proportion*

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

| | 6/30/2024 |
|---|---|
| Collective deferred outflows of resources | 1,350,388,724 |
| Collective deferred inflows of resources | 1,421,121,200 |
| Collective net pension liability (Non-State-Local Group) | 12,362,466,447 |
| Borough's portion of net pension liability | 12,081,270 |
| Borough's proportion % | 0.11699% |

**11. <u>Pension Plans (Continued)</u>**

*Police and Firemen's Retirement System (PFRS)(Continued)*

*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. The actuarial valuation used the following actuarial assumptions:

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

Employer mortality rates were based on the Pub-2010 Safety Employee amount- weighted 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 retirement rates were 144% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2010 Safety Disabled Retiree 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.

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

| Asset Class | Target Allocations | 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 Bonds | 7.00% | 4.10% |
| U.S. Corporate Bonds | 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% |

**11. <u>Pension Plans (Continued)</u>**

*Police and Firemen's Retirement System (PFRS)(Continued)*

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

*Sensitivity of the Borough's proportionate share of the net pension liability to changes in the discount rate.* The following presents the Borough's proportionate share of the net pension liability measured as of June 30, 2024, calculated using the discount rate of 7.00% , as well as what the Borough'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 June 30, 2024 Rate (7.00%) | 1% Increase (8.00) |
|---|---|---|---|
| Borough's proportionate share of the net pension liability | $ 17,260,051 | $ 12,081,270 | $ 7,767,318 |

*Pension plan fiduciary net position.* Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.state.nj.us/treasury/pensions/financial-reports.shtml.

**11. Pension Plans (Continued)**

*PFRS Vesting and Benefit Provisions* - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:16A. All benefits vest after ten years of service, except for disability benefits that vest after 4 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 2% of the final compensation for each year of creditable service, as defined, up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tier 1 and tier 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

*Funding Policy- PERS and PFRS*

The contribution policy is set by the laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employees. Plan member and employer contributions may be amended by the State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS and 8.5% for PFRS of the employees' annual compensation, as defined. Under the provisions of Chapter 78, P.L. 2012, PERS employee pension contribution rates increased from 5.5% to 6.5% of salary, effective October 1, 2012. An additional increase to be phased in over the next 7 years will bring the total pension contribution rate to 7.5% of salary. PFRS employee pension contribution rates increased from 8.5% to 10% of salary, effective October 1, 2012. Employers are required to contribute at an actuarially determined rate in PERS and PFRS. The Borough's contributions to PERS and PFRS were as follows:

| Year Ended December 31, | PERS Amount | PFRS Amount |
|---|---|---|
| 2025 | $ 656,804.00 | $ 1,672,373.00 |
| 2024 | 630,531.97 | 1,661,249.00 |
| 2023 | 584,653.00 | 1,339,636.00 |
| 2022 | 541,604.00 | 1,323,894.00 |

**12. Defined Contribution Retirement Program**

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and was expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The program provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pensions and Benefits by Prudential Financial.

Under DCRP, the value of the pension is based on the amount of the contributions made by the employees and employer and through investment earnings. The employee, through options provided under the plan, directs investment of contributions. The employee contribution to DCRP is 5.5% of the defined salary and the employer contributes 3%. The employer also makes contributions for eligible members' life insurance and disability coverage under DCRP. The Borough's contributions to DCRP for 2025 was not provided.

## 13. Deferred Compensation Plan

The Borough maintains a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457.

Any employee of the Borough is eligible to participate in the Plan. Participation in the Plan is entirely voluntary on the part of each employee. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. The Borough does not and is not required to make contributions to the Plan.

The deferred compensation plan is administered by unrelated financial institutions. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts are held in trust for the exclusive benefit of participants and their beneficiaries and is not a part of the financial statements of the Borough.

## 14. Post-Employment Benefits

**Plan Description**. The Borough contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In July, 2009, the Borough authorized participation in the SHBP's post-retirement benefit program through resolution number 09103. Any PBA employee who retires after twenty-five (25) years or more of service within the Borough shall be entitled to be continued in the above health insurance coverage on a family-plan basis, with the cost thereof to be paid by the Borough. This does not include dental benefits. The health insurance coverage ends when the retiree reaches the age of 65.

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at www.state.nj.us/treasury/pensions.

**Funding Policy**. Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis.

The Borough contributions to SHBP for the year ended December 31, 2025 was $984,356.20, which equaled the required contributions. The approximate participants eligible for December 31, 2025 was not provided but there were approximately 45 retired participants eligible at December 31, 2024.

**14. Post-Employment Benefits (Continued)**

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

**Basis of Accounting:** The financial statements of the health benefits program are prepared on the accrual basis of accounting. Employer contributions are recognized when payable in accordance with terms of the health benefit program.

**Significant Legislation:** P.L. 2011, C.78, effective October 2011, set new employee contribution requirements towards the cost of employer-provided health 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 have been phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary. For those employed on or after June 28, 2011 the 4-year phase in does not apply, and contributions based on the full percentage rate of contribution are required.

The State of New Jersey sponsors and administers the following post-retirement health benefit program covering substantially all eligible local government employees from local participating employers.

**State Health Benefit Program Fund- Local Government Retired (the Plan) (including Prescription Drug Program Fund) -** N.J.S.A. 43 :3c-24 established a separate trust fund for certain non-State participating employers to provide funding for State Health Benefit Program coverage to its eligible retirees. Under the provisions of Chapter 330, P.L. 1997, the State of New Jersey provides partially funded benefits to local police officers and firefighters who retire with 25 years of service (or on disability) from an employer who does not provide coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program by paying the cost of the insurance for themselves and their covered dependents. For additional information about the Plan, please refer to the State Division of Pensions and Benefits (Pension Division's) Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions.

The Plan provides medical and prescription drug to retirees and their covered dependents of the employers.
Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Pension Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: I) retired on a disability pension; or 2) retires 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) retires 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 negotiation agreement.

**14. <u>Post-Employment Benefits (Continued)</u>**

In accordance with Chapter 330, P.L. I 997, which is codified in N.J.S.A. 52: 14-17.32i, the State provides medical and prescription drug 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 Pension Division in order for their employees to quality 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 post-retirement 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 coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be assessed via the New Jersey, Division of Pensions and Benefits website at www.state.nj. us/treasury/pensions.

**Measurement Focus and Basis of Accounting**

The financial statements of the OPEB plan are prepared in accordance with GAAP as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB). The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Pension Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value.

**Funded Status and Funding Progress**

As of June 30, 2024, the most recent measurement date available, the State had $17,905,445,505 unfunded actuarial liability for other postemployment benefits (OPEB) which is made up of $4,876,644,957 for state non-employer active and retired members, $13,028,800,548 for local participating employer active and retired members.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

**14. <u>Post-Employment Benefits (Continued)</u>**

### Actuarial Methods and Assumptions

In the June 30, 2024 OPEB actuarial valuations, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Plan Membership and Contributing Employers**

At June 30, 2024, the OPEB plan membership and contributing employers consisted of the following:

| Local Government Retired | June 30, 2024 |
|---|---|
| Active Plan Members | 60,691 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 28,899 |
| Total Plan Members | 89,590 |
| | |
| Contributing Employers | 555 |

**Post-Retirement Medical Benefits Contribution**

The funding policy for the OPEB plan is pay-as-you-go; therefore, there is no prefunding of the liability. However, due to premium rates being set prior to each calendar year, there is a minimal amount of net position available to cover benefits in future years. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are collected from the State of New Jersey, participating local employers, and retired members. The State of New Jersey makes contributions to cover those employees eligible under Chapter 330, P.L. 1967, as disclosed previously. Local employers remit employer contributions on a monthly basis. Retired member contributions are generally received on a monthly basis.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan-using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The Borough's contributions to the State Health Benefits Program Fund Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2025, $984,356, which equaled the required contributions for each year. Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Borough on a monthly basis. Funds for retiree health premiums are raised each year in the municipality via property taxes.

**14. Post-Employment Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund –Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer toward the actuarially determined contribution amount to total contributions to the plan during the fiscal years ended June 30, 2024. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2024, the Borough reported a liability of $25,249,543 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2024. The Borough's proportionate share of the net OPEB liability was based on the ratio of the Borough's proportionate share of the OPEB liability attributable to the Borough at December 31, 2024 to the total OPEB liability for the State Health Benefit Program Fund- Local Government Retired Plan at June 30, 2024. As of the measurement date of June 30, 2024 the Borough's proportionate share was .141016 percent.

For the year ended December 31, 2023 the Plan has determined the Borough's OPEB expense/(benefit) to be ($83,683) based on the actuarial valuations. Borough's financial statements of December 31, 2024, measured at June 30, 2024, the Borough's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Borough's financial statements are from the following resources:

| | June 30, 2024 | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflow of Resources |
| Difference between expected and actual experience | $ 1,278,711 | $ 4,278,141 |
| Changes of assumptions | 4,221,246 | 4,191,265 |
| Net difference projected and actual earnings on OPEB plan investments | | 11,430 |
| Changes in proportion and differences between Borough's and proportionate share of contributions | 4,647,826 | 2,644,520 |
| Borough contributions subsequent to the measurement date | | |
| Total | $ 10,147,783 | $ 11,125,356 |

**14. Post-Employment Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2024, the amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense as follows:

| | Year Ended June 30: | |
|---|---|---|
| 2025 | $ | (1,584,986) |
| 2026 | | (682,381) |
| 2027 | | (117,264) |
| 2028 | | (625,173) |
| 2029 | | (398,297) |
| Thereafter | | 427,222 |
| Total | $ | (2,980,879) |

***Changes in Proportion***

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

***Actuarial Assumptions***

The Borough's total OPEB liability reported for the year ended January 31, 2024 was based on the June 30, 2024 measurement date as determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30,2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

| | |
|---|---|
| Salary Increases*: | |
| PERS- Rate for all future years | 2.75-6.55% Based on years of service |
| PFRS- Rate for all future years | 3.25-16.25% Based on years of service |
| 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 central year using Scale MP-2021. |

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

Actuarial assumptions used in the July 1, 2022 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

**14. Post-Employment Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

***Health Care Trend Assumptions***

For pre-Medicare medical benefits, the trend is initially 7.50% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 22.62% in fiscal year 2026 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 4.5% long-term trend rate after nine years. For the Medicare Part B reimbursement, the trend is 5.00%.

***Discount rate***

The discount rate used to measure the total pension liability was 3.93% and 3.65% as of June 30, 2024 and 2023, respectively. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

***Sensitivity of Net OPEB Liability to Changes in the Discounts Rate***

The following presents the Authority's proportionate share of the OPEB net liability as of January 31, 2024 and 2023 calculated using the discount rate of 3.93% and 3.65%, respectively, as well as what the Authority's proportionate share of the net OPEB 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:

| | June 30, 2024 | | |
|---|---|---|---|
| | 1% Decrease | Rate | 1% Increase |
| | 2.93% | 3.93% | 4.93% |
| Borough's proportionate share of the net OPEB liability | $ 29,412,996 | $ 25,249,543 | $ 21,914,987 |

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

The following presents the Borough's proportionate share of the OPEB net liability as of June 30, 2023 calculated using the healthcare trend rates as disclosed above as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | Discount | | |
|---|---|---|---|
| | Health Cost Trend Rates-June 30, 2024 | | |
| | 1% Decrease | Rate | 1% Increase |
| Bourough's proportionate share of the net OPEB liability | $ 21,355,960 | $ 25,249,543 | $ 30,255,597 |

**14. <u>Post-Employment Benefits (Continued)</u>**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

***Special Funding Situation***

Under N.J.S.A. 43:3C-24 the Borough is responsible for their own OPEB contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State to make contributions if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 330, P.L. 1997 and Chapter 271, P.L., 1989. Under Chapter 330, P.L. 1997, the State pays the premiums or periodic charges for the qualified local police and firefighter retirees and dependents equal to 80 percent of the premium of 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. The amounts contributed on behalf of the Borough by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. Accordingly, the Borough's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 75 is zero percent and the State's proportionate share is 100% of OPEB under this legislation.

At December 31, 2024 (measured at June 30, 2024), the State's proportionate share of the net OPEB liability attributable to the Borough for the OPEB special funding situation is $0. For the year ended June 30, 2024 the plan has determined the State's proportionate share of the OPEB expense attributable to the Borough for the OPEB special funding situation is $0.  The State's proportionate share attributable to the Borough was developed based on eligible plan members subject to the special funding situation. This data takes into account active members from both participating and non-participating employer locations and retired members currently receiving OPEB benefits.

***OPEB Plan Fiduciary Net Position***

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**14. Post-Employment Benefits (Continued)**

**Health Insurance Waiver:** The Borough offers health insurance waivers in an amount of the lesser of $5,000 or the actual net insurance cost to employees that can show that coverage is provided by a spouse or other means. In 2025 the Borough did not pay any waivers.

**Investment Valuation:** Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value.

**15. Compensated Absences**

Under the existing policies and labor agreements of the Borough, certain employees are allowed to accumulate (with restrictions) unused vacation and sick pay beyond the current year. The estimated cost of any unpaid employee compensation benefits as of December 31, 2024 was $1,427,183.51. The estimated cost of any unpaid employee compensation as of December 31, 2025 was not provided. This amount is not reported either as an expenditure or liability.

**16. Contingencies**

***Litigation***

The Borough is a party defendant in some lawsuits, none of a kind unusual for a municipality of its size and scope of operation. In the opinion of the Borough's Attorney, the potential claims against the Borough not covered by insurance policies would not materially affect the financial condition of the Borough.

***Pending Tax Appeals***

Various tax appeal cases were pending in the tax court at December 31, 2025 and 2024. The amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division, the Borough does not recognize a liability, if any, until cases have been adjudicated. The Borough expects such amounts, if any, to be material.

***Federal and State Awards***

The Borough participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Borough may be required to reimburse the grantor government. As of December 31, 2025 and 2024, significant amounts of grant expenditure have not been audited by the various grantor agencies but the Borough believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Borough.

## 17. Risk Management

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

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

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

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

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

In 2021, the MEL agreed to advance the Borough's share of $245,000 with respect to settlements reached in various litigation proceedings. A repayment agreement and promissory note was executed on January 28, 2021 for repayment of this advance in $35,000 installments in 2021 through 2026.

## 18. Interfund Receivables and Payables

Interfund receivables and payables at December 31, 2025 were as follows:

| Fund Type | Receivables | Payables |
|---|---|---|
| Current Fund | $ 1,522.60 | $ 922,882.29 |
| Grant Fund | 505,300.42 | |
| Trust Fund | 1,282.80 | 2,605.40 |
| Capital Fund | 417,381.87 | |
| Swim Pool Utility/ Capital Fund | 29,140.53 | 29,140.53 |
| Total Interfund Receivables/Payables | $ 954,628.22 | $ 954,628.22 |

**19. Federal Arbitrage Regulations**

Municipalities are subject to Section 148 of the IRC as it pertains to the “arbitrage rebate” on all tax-exempt obligations. Under 1986 TRA, the IRS required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for the purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. Excess earnings may be required to be rebated to the IRS. The Bond Counsel should be engaged to calculate the estimated arbitrage earnings due to the IRS, if any.

**20. Liquidity, Management Plans and Intentions**

Borough prepared and balanced the 2025 budget. Management believes that the fund balance available as of December 31, 2025, and the anticipated revenues from taxes, grants, and other revenues will be sufficient to meet the Borough’s financial needs for one year from the date of issuance of this report.

**21. Subsequent Events**

The Borough has evaluated subsequent events through June 29, 2026, which is the date the financial statements were available to be issued. There were no subsequent events that required financial statement adjustment. The 2026 Municipal Budget was not adopted as of the date of the release of the audit.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF CASH - TREASURER**

**A-4**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | | $ 8,633,174.35 |
| Increased by Cash Receipts: | | | |
| Miscellaneous Revenue Anticipated | A-2 | $ 3,693,066.32 | |
| Miscellaneous Revenue Not Anticipated | A-2 | 524,759.43 | |
| Budget Refunds | A-3 | 682,291.34 | |
| Petty Cash Returned | A-5 | 1,825.00 | |
| Change Fund Returned | A-6 | 50.00 | |
| Due from State of New Jersey for Senior Citizens' and Veterans' Deductions | A-7 | 17,772.60 | |
| Taxes Receivable | A-8 | 59,761,491.36 | |
| Interfunds | A-12 | 520,026.21 | |
| Tax Overpayments | A-15 | 28,165.13 | |
| Prepaid Taxes | A-16 | 799,451.64 | |
| Due to Korean Host | A | 337.06 | |
| Outside Tax Title Liens | Contra | | |
| Tax Sale Premiums | A-23 | - | |
| Reserve for Maintenance of Library | A-24 | 10,988.00 | |
| Special reserves | A-25 | 894,415.00 | |
| Contra Miscellaneous | Contra | 1,285,691.20 | |
| | | | 68,220,330.29 |
| | | | 76,853,504.64 |
| Decreased by Cash Disbursements | | | |
| 2025 Budget Appropriations | A-3 | 27,908,686.36 | |
| Petty Cash | A-5 | 1,825.00 | |
| Budget Refund Posting Variance | A-1 | | |
| Interfunds | A-12 | 653,249.12 | |
| 2024 Appropriation Reserves | A-14 | 1,231,033.02 | |
| Tax Overpayment Refunds | A-15 | 32,335.70 | |
| Local County Taxes | A-17 | 10,091,100.63 | |
| Local School Taxes | A-18 | 26,543,474.40 | |
| Accounts Payable | A-22 | - | |
| Unallocated Budget Expenditures | A-1 | 46,725.64 | |
| Reserve for Maintenance of Library | A-24 | 12,697.33 | |
| Outside Tax Title Liens | Contra | | |
| Special reserves | A-25 | 476,660.43 | |
| Contra Miscellaneous | Contra | 1,285,691.20 | |
| | | | 68,283,478.83 |
| Balance, December 31, 2025 | A | | $ 8,570,025.81 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF PETTY CASH

| | Reference | | **A-5** |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | - |
| Increased by: | | | |
| Released to Custodians | A-4 | | 1,825.00 |
| | | | 1,825.00 |
| Decreased by: | | | |
| Returned | A-4 | | 1,825.00 |
| Balance, December 31, 2025 | A | $ | - |

## SCHEDULE OF CHANGE FUNDS

| | Reference | | **A-6** |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | 250.00 |
| Decreased by: | | | |
| Reduction in change fund | A-4 | | 50.00 |
| Balance, December 31, 2025 | A, Below | $ | 200.00 |
| ANALYSIS OF BALANCE | | | |
| Tax Dept. | | $ | 100.00 |
| Municipal Court | | | 100.00 |
| | Above | $ | 200.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF DUE FROM STATE OF NEW JERSEY FOR SENIOR CITIZENS AND VETERANS DEDUCTIONS (CHAPTER. 20, P.L. 1971)**

**A-7**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | | $ 58,024.18 |
| Increased by: | | | |
| Tax Billings: | | | |
| Senior Citizen's Deductions | Below | $ 4,250.00 | |
| Veteran's Deductions | Below | 15,500.00 | |
| Allowed by Tax Collector: | | | |
| 2025 Senior &Veterans' Deductions | Below | | |
| | | | 19,750.00 |
| | | | 77,774.18 |
| Decreased by: | | | |
| Disallowed by Tax Collector: | | | |
| 2025 Senior Citizen's & Veteran Deductions | Below | 750.00 | |
| 2024 Senior Citizen's Deductions | A-1 | 1,250.00 | |
| Cash Receipts | A-4 | 17,772.60 | |
| | | | 19,772.60 |
| Balance, December 31, 2025 | A | | $ 58,001.58 |

Analysis of State's Share of Senior Citizen's and Veteran's Deductions

| | Reference | |
|---|---|---|
| Senior Citizen's & Veteran's Deductions (Net): | | |
| Tax Billings: | | |
| Senior Citizen's Deductions | Above | $ 4,250.00 |
| Veteran's Deductions | Above | 15,500.00 |
| Allowed by Tax Collector: | | |
| 2025 Senior Citizen & Veterans' Deductions | Above | - |
| Disallowed by Tax Collector: | | |
| 2025 Senior Citizen & Veterans' Deductions | Above | (750.00) |
| | A-8 | $ 19,000.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

**A-8**

| | Balance Dec. 31, 2024 | 2025 Levy | Collections 2024 | Collections 2025 | Transfer to Lien | Added Canceled/ Judgments | Balance Dec. 31, 2025 |
|---|---|---|---|---|---|---|---|
| 2024 Taxes | $ 888,018.49 | $ - | $ - | $ 878,932.63 | $ - | $ (9,085.86) | $ (0.00) |
| 2025 Taxes | | 60,232,394.88 | 764,396.77 | 58,901,558.73 | | (28,535.62) | 537,903.76 |
| | $ 888,018.49 | $ 60,232,394.88 | $ 764,396.77 | $ 59,780,491.36 | $ - | $ (37,621.48) | $ 537,903.76 |
| Reference | A | Below | A-16 | Below | A-9 | | A |

| | Reference | |
|---|---|---|
| Cash Receipts | A-4 | $ 59,761,491.36 |
| Seniors and Veterans Deductions | A-7 | 19,000.00 |
| | Above | $ 59,780,491.36 |

Analysis of 2025 Property Tax Levy

| | | |
|---|---|---|
| Tax Yield: | | |
| General Property Tax | $ 60,069,327.30 | |
| Added Tax (R.S. 54:4-63.1 et seq.) | 163,067.58 | |
| Added Penalty & Billing Adjustment | - | |
| | $ 60,232,394.88 | Above |
| Tax Levy: | | |
| Local District School Tax | $ 27,215,624.00 | A-18 |
| County Tax including Open Space Tax | 10,050,508.07 | A-17 |
| Added County Taxes | 27,419.45 | A-17 |
| | 37,293,551.52 | A-2 |
| Local Tax for Municipal Purposes | 22,818,514.27 | A-2 |
| Additional Taxes | 120,329.09 | |
| | $ 60,232,394.88 | Above |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF TAX TITLE LIENS

**A-9**

| | Reference | | | |
|---|---|---|---|---|
| Balance, December 31, 2024 | A | | $ | - |
| Increased by: | | | | |
| Int /Cost Adj | | | | |
| Transfer from Taxes | A-8 | $ - | | |
| | | | | - |
| | | | | 0.00 |
| Decreased by: | | | | |
| Int /Cost Adj | | | | |
| Redeemed | A-4 | | | |
| | | | | - |
| Balance, December 31, 2025 | A | | $ | - |

## SCHEDULE OF FORECLOSED PROPERTY AT ASSESSED VALUATIONS

**A-10**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | 275,000.00 |
| Balance, December 31, 2025 | A | $ | 275,000.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE**

**A-11**

| | Balance December 31, 2024 | Accrued in 2025 | Received in 2025 | Balance December 31, 2025 |
|---|---|---|---|---|
| Fees and Permits | $ 3,275.00 | $ - | $ 3,275.00 | $ - |
| Construction Code Official - Fees | 137,566.60 | 62,968.69 | 137,566.60 | 62,968.69 |
| Municipal Court Fines and Costs | 63,736.52 | 58,473.45 | 63,736.52 | 58,473.45 |
| | | | | - |
| | | | | - |
| **TOTALS** | $ 204,578.12 | $ 121,442.14 | $ 204,578.12 | $121,442.14 |
| Reference | A | | | A |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF INTERFUNDS RECEIVABLE/ (PAYABLE)**

**A-12**

| | Reference | Total | Federal and State Grant Fund | Animal Control Trust Fund | Escrow Trust Fund | UFC Trust Fund | Public Defender | General Capital Fund | Assessment Trust Fund | Swim Pool Utility Operating Fund |
|---|---|---|---|---|---|---|---|---|---|---|
| Balance, December 31, 2024 | | | | | | | | | | |
| Receivable | A | $ 7,618.77 | $ - | $ 2,393.19 | $ 2,979.08 | $ 2,246.50 | $ - | $ - | $ - | $ - |
| Payable | A | (719,903.86) | (457,225.92) | | | - | (200.00) | (262,274.06) | (203.88) | - |
| | | (712,285.09) | (457,225.92) | 2,393.19 | 2,979.08 | 2,246.50 | (200.00) | (262,274.06) | (203.88) | - |
| Increased by: | | | | | | | | | | |
| 2025 Budget Revenues | A-2 | 200,671.75 | 153,771.28 | | | | | 46,900.47 | | |
| Interest Income Due to Current | A-2 | 7,942.14 | | 187.60 | | | | 7,754.54 | | |
| Excess Fine Over Expend- MRNA | A-2 | - | | | | | | | | |
| Excess- Animal License Fund | A-1 | 1,335.00 | | 1,335.00 | | | | | | |
| Cancel to Fund Balance | A-1 | | | | | | | | 203.88 | |
| Cash Disbursements | A-4 | 653,249.12 | 135,022.18 | | | | | 518,226.94 | | |
| | | 863,198.01 | 288,793.46 | 1,522.60 | - | - | - | 572,881.95 | 203.88 | - |
| Decreased by: | | | | | | | | | | |
| Federal and State Grants | A-3 | 153,771.28 | 153,771.28 | | | | | | | |
| Due to Capital- Bond Ant. Note Paydown | A-3 | 231,629.00 | | | | | | 231,629.00 | | |
| Due to Capital- Deferred Charges | A-3 | 167,050.00 | | | | | | 167,050.00 | | |
| Cash Receipts | A-4,29 | 520,026.21 | 183,096.68 | 2,393.19 | 2,979.08 | 2,246.50 | | 329,310.76 | | |
| | | 1,072,476.49 | 336,867.96 | 2,393.19 | 2,979.08 | 2,246.50 | - | 727,989.76 | - | - |
| Balance, December 31, 2025 | | | | | | | | | | |
| Receivable | A | $ 1,522.60 | $ - | $ 1,522.60 | $ - | $ - | $ - | | | $ - |
| Payable | A | (922,882.29) | (505,300.42) | | | - | (200.00) | (417,381.87) | - | - |

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF DEFERRED CHARGES &**
**N.J.S.A. 40A:4-55 - SPECIAL EMERGENCY**

**A-13**

| Purpose | Amount Authorized | 1/5 of Net Amount Authorized | Balance December 31, 2024 | Expended/ Authorized | Budget Appropriation | Balance December 31, 2025 |
|---|---|---|---|---|---|---|
| Over-Expenditure of Appropriation | $ - | $ - | $ 14,393.52 | $ 988,708.45 | $ 14,393.52 | $ 988,708.45 |
| Over-Expenditure of App. Reserves | - | - | | 23,728.24 | | 23,728.24 |
| | $ - | $ - | $ 14,393.52 | $ 1,012,436.69 | $ 14,393.52 | $ 1,012,436.69 |
| | | | A | A-3 | A-3 | A |

See independent auditor's report and the notes to the financial statements.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**SCHEDULE OF 2024 APPROPRIATION RESERVES**

**A-14**

| | Balance Dec. 31, 2024 | 2024 Encumbrances | Modified Budget | Paid or Charged | Balance Lapsed | Over-Expenditure |
|---|---|---|---|---|---|---|
| GENERAL GOVERNMENT FUNCTIONS: | | | | | | |
| General Administration | | | | | | |
| Salaries and Wages | $ 10,672.91 | $ - | $ 10,672.91 | $ 3,150.00 | $ 7,522.91 | $ - |
| Other Expenses | | | | | | |
| Printing and Supplies | 6,800.94 | 4,095.50 | 10,896.44 | 1,264.56 | 9,631.88 | |
| Miscellaneous Expenses | 5,152.02 | 33,137.05 | 38,289.07 | 36,550.73 | 1,738.34 | |
| Web-Site Maintenance | 135.00 | 12,915.00 | 19,050.00 | 17,255.00 | 1,795.00 | |
| Financial Administration | | | - | | - | |
| Salaries and Wages | 5,821.47 | | 5,821.47 | - | 5,821.47 | |
| Other Expenses | 41,497.25 | 750.00 | 42,247.25 | 40,750.00 | 1,497.25 | |
| Collection of Taxes | | | - | | - | |
| Salaries and Wages | 468.81 | | 468.81 | - | 468.81 | |
| Other Expenses | 6,252.27 | 2,282.27 | 8,534.54 | 13,348.76 | - | 4,814.22 |
| Assessment of Taxes | | | | | - | |
| Salaries and Wages | 626.49 | | 626.49 | - | 626.49 | |
| Other Expenses | 61,126.25 | | 61,126.25 | 1,250.00 | 59,876.25 | |
| Legal Tax Appeals | | | 30,000.00 | 25,787.00 | 4,213.00 | |
| Legal Services and Costs: | | | - | | - | |
| Other Expenses | 26,821.13 | | 66,821.13 | 66,721.42 | 99.71 | |
| Engineering Services and Costs | | | | | | |
| Other Expenses | 45.25 | 6,512.50 | 6,557.75 | 6,557.75 | - | |
| Municipal Land Use Law (NJSA 40A:55D-1) | | | | | - | |
| Planning Board | | | | | | |
| Salaries and Wages | 1,109.31 | | 1,109.31 | - | 1,109.31 | |
| Other Expenses | 1,020.43 | 1,425.49 | 2,445.92 | 1,409.57 | 1,036.35 | |
| Zoning Board Adjustment | | | - | | - | |
| Salaries and Wages | 3,656.01 | | 3,656.01 | - | 3,656.01 | |
| Other Expenses | 2,272.56 | 285.04 | 2,557.60 | 241.44 | 2,316.16 | |
| Housing Inspector | | | - | | - | |
| Salaries and Wages | 2,187.13 | | 2,187.13 | - | 2,187.13 | |
| Rent Leveling Board | | | - | | - | |
| Salaries and Wages | 5,100.00 | | 5,100.00 | - | 5,100.00 | |
| Other Expenses | 200.00 | | 200.00 | - | 200.00 | |
| Municipal Court | | | | | | |
| Salaries and Wages | 5,890.95 | | 5,890.95 | - | 5,890.95 | |
| Other Expenses | 16,368.50 | 2,364.47 | 50,732.97 | 48,504.66 | 2,228.31 | |
| Public Defender | | | | | | |
| Salaries and Wages | 4,480.00 | | 4,480.00 | - | 4,480.00 | |
| Police | | | | | | |
| Salaries and Wages-Regular & Dispatchers | | | - | | - | |
| Salaries and Wages- Specials Officers | | | - | | - | |
| Salaries and Wages - Crossing Guards | | | - | | - | |
| Salaries and Wages - Secretaries | | | - | | - | |
| | | | - | | - | |
| Clothing Allowance | | | - | | - | |
| Miscellaneous Other Expenses | 18,319.82 | 42,089.42 | 60,409.24 | 39,793.17 | 20,616.07 | |
| Police Cars | | | - | | - | |
| Communications: | | | - | | - | |
| Other Expenses | 11,922.01 | | 11,922.01 | - | 11,922.01 | |
| Emergency Management Services | | | | | | |
| Other Expenses | | 5,883.68 | 5,883.68 | 5,883.68 | - | |
| Traffic Division | | | - | | - | |
| Salaries and Wages | 20,013.52 | | 20,013.52 | | 20,013.52 | |
| Qualified Purchasing Agent | | | | | | |
| Salaries and Wages | 97.99 | | 97.99 | - | 97.99 | |

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**SCHEDULE OF 2024 APPROPRIATION RESERVES**

**A-14**

| | Balance Dec. 31, 2024 | 2024 Encumbrances | Modified Budget | Paid or Charged | Balance Lapsed | Over-Expenditure |
|---|---|---|---|---|---|---|
| Fire: | | | | | | |
| Salaries and Wages | $ 86,348.31 | $ - | $ 86,348.31 | $ 32,170.00 | $ 54,178.31 | $ - |
| Salaries and Wages- Stipends | 13.31 | | 13.31 | - | 13.31 | |
| Other Expenses | | | - | | - | |
| Clothing Allowance | 33,350.00 | | 33,350.00 | 3,000.00 | 30,350.00 | |
| Miscellaneous Other Expenses | 133.17 | 59,341.64 | 60,474.81 | 60,343.29 | 131.52 | |
| Uniform Fire Safety Act c.383, PL 1938) | | | - | | - | |
| Fire- Salaries and Wages | 68.52 | | 68.52 | - | 68.52 | |
| Other Expenses | 351.29 | 5,116.41 | 5,467.70 | 3,758.86 | 1,708.84 | |
| Public Works Function | | | - | | - | |
| Road Repair and Maintenance | | | | | | |
| Salaries and Wages | 44,951.80 | | 951.80 | - | 951.80 | |
| Salaries and Wages - Overtime | | | - | | - | |
| Other Expenses | 44,163.60 | 20,649.45 | 64,813.05 | 13,955.54 | 50,857.51 | |
| Sanitation | | | - | | - | |
| Garbage and Trash Removal: | | | | | | |
| Trash Removal- Contractual | 91,130.60 | 3,125.20 | 394,255.80 | 383,599.37 | 10,656.43 | |
| Sanitary Landfill | 30,000.00 | | 30,000.00 | - | 30,000.00 | |
| Windsor Road Garbage Removal | | | - | | - | |
| Park Development West | 10,000.00 | | 10,000.00 | - | 10,000.00 | |
| Recycling | | | - | | - | |
| Salaries and Wages | 5,350.20 | | 5,350.20 | - | 5,350.20 | |
| Other Expenses | 5,000.00 | | 5,000.00 | - | 5,000.00 | |
| Public Buildings and Grounds | | | | | | |
| Other Expenses | 824.13 | 12,914.01 | 23,738.14 | 20,567.03 | 3,171.11 | |
| Snow Removal- Other Expenses | 6,856.51 | 2,546.61 | 9,403.12 | 2,546.61 | 6,856.51 | |
| Sewer System | | | | | | |
| Sewer Repairs & Rehabilitation | 7,760.00 | | 7,760.00 | - | 7,760.00 | |
| Board of Health | | | | | | |
| Salaries and Wages | 3,773.63 | | 3,773.63 | - | 3,773.63 | |
| Other Expenses | 72.41 | 1,023.56 | 2,595.97 | 18,211.13 | - | 15,615.16 |
| Environmental Commission | | | | | | |
| Salaries and Wages | 2,245.32 | | 2,245.32 | - | 2,245.32 | |
| Tree Removal | 3,535.00 | 1,500.00 | 5,035.00 | 1,500.00 | 3,535.00 | |
| Animal Welfare | | | - | | - | |
| Other Expenses | 2,938.64 | | 2,938.64 | - | 2,938.64 | |
| Recreation Commission | | | - | | - | |
| Salaries and Wages | 4,849.55 | | 4,849.55 | 3,000.00 | 1,849.55 | |
| Other Expenses | 11,231.28 | 2,477.76 | 13,709.04 | 5,133.36 | 8,575.68 | |
| Senior Citizens Committee | | | | | | |
| Salaries and Wages | 9,922.88 | | 9,922.88 | - | 9,922.88 | |
| Other Expenses | | | - | | - | |
| Parks and Playgrounds | | | | | | |
| Other Expenses | 3,644.39 | 1,675.00 | 5,319.39 | 1,450.00 | 3,869.39 | |
| Summer Youth Program | | | - | | - | |
| Other Expenses | 1,443.48 | 3,600.00 | 5,043.48 | 4,143.03 | 900.45 | |
| Town Historian | | | - | | - | |
| Salaries and Wages | 4,317.27 | | 4,317.27 | - | 4,317.27 | |
| Replacement and Repairs all Departments: | | | | | | |
| Other Expenses | 1,000.00 | | 1,000.00 | - | 1,000.00 | |
| Police Administrative Hearings: | | | | | | |
| Other Expenses | | | - | | - | |
| Parking Lot Rental | | | - | | - | |
| Other Expenses | 850.57 | | 850.57 | 4,149.43 | - | 3,298.86 |
| Grants Person: | | | | | | |
| Other Expenses | | 3,300.00 | 3,300.00 | 3,300.00 | - | |
| Anniversary or Holiday | | | | | | |
| Other Expenses | 2,477.02 | 26,221.85 | 28,698.87 | 21,737.72 | 6,961.15 | |
| INSURANCE | | | | | | |
| Other Insurance Premiums | 2,823.10 | | 2,823.10 | - | 2,823.10 | |
| Group Insurance Plan for Employees | 189,144.24 | | 44.24 | - | 44.24 | |
| | | | - | | - | |

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**SCHEDULE OF 2024 APPROPRIATION RESERVES**

**A-14**

| | Balance Dec. 31, 2024 | 2024 Encumbrances | Modified Budget | Paid or Charged | Balance Lapsed | Over-Expenditure |
|---|---|---|---|---|---|---|
| Construction Code Officials | | | | | | |
| Salaries and Wages | $ 620.75 | $ - | $ 620.75 | $ - | $ 620.75 | $ - |
| Building Inspector | | | | | | |
| Salaries and Wages | 3,838.05 | | 3,838.05 | - | 3,838.05 | |
| Other Expenses | 516.78 | 4,617.02 | 6,633.80 | 3,312.92 | 3,320.88 | |
| Plumbing Inspector | | | | | | |
| Salaries and Wages | 17,079.79 | | 17,079.79 | - | 17,079.79 | |
| Electrical Inspector | | | - | | - | |
| Salaries and Wages | 2,364.79 | | 2,364.79 | - | 2,364.79 | |
| Fire Sub-Code Officials | | | - | | - | |
| Salaries and Wages | 319.79 | | 319.79 | - | 319.79 | |
| Code Enforcement Officer | | | - | | - | |
| Salaries and Wages | 32,357.72 | | 32,357.72 | - | 32,357.72 | |
| Building Sub-Code Official | | | - | | - | |
| Salaries and Wages | 922.71 | | 922.71 | - | 922.71 | |
| Residential Permit Fees | | | - | | - | |
| Salaries and Wages | 31,843.05 | 14,117.59 | 45,960.64 | 12,735.73 | 33,224.91 | |
| Zoning Official | | | | | | |
| Salaries and Wages | 30.71 | | 30.71 | - | 30.71 | |
| COAH Enforcement | | | | | | |
| Salaries and Wages | | | - | | - | |
| State Housing | | | | | | |
| Salaries and Wages | 408.59 | | 408.59 | - | 408.59 | |
| UTILITY EXPENSES AND BULK PURCHASES: | | | - | | - | |
| Electricity | 17,419.67 | | 17,419.67 | 12,061.83 | 5,357.84 | |
| Street Lighting | 20,852.22 | | 22,852.22 | 22,661.80 | 190.42 | |
| Telephone and Telegraph | 3,420.66 | 2,883.36 | 10,304.02 | 9,820.71 | 483.31 | |
| Water | 1,554.15 | | 1,554.15 | 136.28 | 1,417.87 | |
| Natural Gas | 2,321.06 | | 2,321.06 | 1,268.42 | 1,052.64 | |
| Fire Hydrants Service | 1,122.41 | | 1,122.41 | - | 1,122.41 | |
| Diesel | 3,340.00 | 2,044.65 | 5,384.65 | 2,060.66 | 3,323.99 | |
| Gasoline | 24,906.06 | 1,388.93 | 26,294.99 | 1,388.93 | 24,906.06 | |
| Sanitary Landfill Dumping Fees | | | - | | - | |
| Other Expenses | | | - | | - | |
| Contingent | | | - | | - | |
| Deferred Charges | | | | | | |
| Social Security System (O.A.S.I.) | 203,280.29 | | 8,380.29 | - | 8,380.29 | |
| Public Employees' Retirement Fund | 71.03 | | 71.03 | | 71.03 | |
| Unemployment Compensation | | | - | | - | |
| OPERATIONS EXCLUDED FROM CAPS | | | - | | - | |
| Maintenance of Free Public Library (C. 82 & 541, PL 1985) | 124,979.05 | 104,062.32 | 229,041.37 | 229,041.37 | - | |
| Borough of Ridgefield- Sewer Rent | 169,797.85 | | 169,797.85 | 152,330.02 | 17,467.83 | |
| Borough of Fort Lee- Sewer Rent | 17,500.00 | | 17,500.00 | - | 17,500.00 | |
| Bergen County Utilities Authority | | | - | | - | |
| Service Charges- Contractual | 265,423.26 | | 265,423.26 | - | 265,423.26 | |
| Ridgefield Contractual Services | | | - | | - | |
| Other Expenses | 117.24 | | 117.24 | - | 117.24 | |
| | | | - | | - | |
| | | | - | | - | - |
| **TOTAL GENERAL APPROPRIATIONS** | $ 1,815,035.92 | $ 384,345.78 | $ 2,199,381.70 | $ 1,337,851.78 | $ 885,258.16 | $ 23,728.24 |
| Reference | A | A-19 | | Below | A-1 | A |

| | | |
|---|---|---|
| Cash Disbursements | A-4 | 1,231,033.02 |
| Due to Library | A-21 | 104,535.76 |
| Accounts Payable | A-22 | 2,283.00 |
| | Above | $ 1,233,316.02 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF TAX OVERPAYMENTS

**A-15**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | | $ 7,429.29 |
| Increased by: | | | |
| Overpayments Received | A-4 | $ 28,165.13 | |
| Prior Year Judgments | A-1 | 5,207.50 | 33,372.63 |
| | | | 40,801.92 |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | 32,335.70 |
| Balance, December 31, 2025 | A | | $ 8,466.22 |

## SCHEDULE OF PREPAID TAXES

**A-16**

| | Reference | |
|---|---|---|
| Balance, December 31, 2024 | A | $ 764,396.77 |
| Increased by: | | |
| Cash Receipts | A-4 | 799,451.64 |
| | | 1,563,848.41 |
| Decreased by: | | |
| Realized as 2025 revenue | A-8 | 764,396.77 |
| Balance, December 31, 2025 | A | $ 799,451.64 |

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

## SCHEDULE OF COUNTY TAXES PAYABLE

**A-17**

| | Reference | | | |
|---|---|---|---|---|
| Balance, December 31, 2024 | A | | | $ 40,593.06 |
| Increased by: | | | | |
| County Tax Levy | A-1, A-8 | $ | 9,619,305.04 | |
| County Open Space Tax Levy | A-1, A-8 | | 431,203.03 | |
| Due to County for: Added/Omitted Taxes | A-1, A-8 | | 27,419.45 | |
| | | | | 10,077,927.52 |
| | | | | 10,118,520.58 |
| Decreased by: | | | | |
| Cancelled | A-1 | | 0.50 | |
| Cash Disbursements | A-4 | | 10,091,100.63 | |
| | | | | 10,091,101.13 |
| Balance, December 31, 2025 | A | | | $ 27,419.45 |

## SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE

**A-18**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | | |
| School Tax Deferred | | $ 13,185,556.00 |
| School tax Payable | | |
| Increased by: | | |
| Adjustment | A-1 | |
| Levy-School Year July 1, 2025 - June 30, 2026 | | 27,215,624.00 |
| | | 40,401,180.00 |
| Decreased by: | | |
| Adjustment | A-1 | |
| Payments | A-4 | 26,543,474.40 |
| Balance December 31, 2025 | | $ 13,857,705.60 |
| | | Below |
| Local School Tax Payable | A | $ 249,893.60 |
| Local School Tax Deferred | | 13,607,812.00 |
| | | $ 13,857,705.60 |
| 2025 Liability for Regional School Tax | | |
| Tax Paid | | $ 26,543,474.40 |
| Adjustment | | |
| Local School Tax Payable 12/31/24 | | |
| Local School Tax Payable 12/31/25 | A | 249,893.60 |
| Amount Charged to 2025 Operations | A-1 | $ 26,793,368.00 |

Note: School Tax is levied for a school fiscal year.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025**

**SCHEDULE OF ENCUMBRANCES**

**A-19**

| | Reference | |
|---|---|---|
| Balance, December 31, 2024 | A | $ 384,345.78 |
| Increased by: | | |
| Transfer from 2025 Budget | A-3 | 934,102.56 |
| | | 1,318,448.34 |
| Decreased by: | | |
| Transfer to Appropriation Reserves | A-14 | 384,345.78 |
| Balance, December 31, 2025 | A | $ 934,102.56 |

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**SCHEDULE OF AMOUNT DUE TO THE BOROUGH OF FORT LEE SEWER RENT PAYABLE**

**A-20**

| | Reference | |
|---|---|---|
| Balance, December 31, 2024 | A | $ 20,776.00 |
| Increased by: | | |
| Transfer from Appropriation Reserves | A-14 | |
| | | 20,776.00 |
| Decreased by: | | |
| Cash Disbursements | A-4 | |
| Balance, December 31, 2025 | A | $ 20,776.00 |

BOROUGH OF PALISADES PARK
CURRENT FUND
DECEMBER 31, 2025

## SCHEDULE OF DUE TO LIBRARY

**A-21**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | - |
| Increased by: | | | |
| From Appropriation Reserves | A-14 | | 104,535.76 |
| | | | 104,535.76 |
| Decreased by: | | | |
| | A-4 | | |
| Balance, December 31, 2025 | A | $ | 104,535.76 |

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## SCHEDULE OF ACCOUNTS PAYABLE

**A-22**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | 63,854.48 |
| Increased by: | | | |
| Transfer from Appropriation Reserves | A-14 | | 2,283.00 |
| | | | 66,137.48 |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | |
| Balance, December 31, 2025 | A | $ | 66,137.48 |

BOROUGH OF PALISADES PARK
CURRENT FUND
DECEMBER 31, 2025

## SCHEDULE OF RESERVE FOR TAX SALE PREMIUMS

**A-23**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | 83,800.00 |
| Increased by: | | | |
| Tax Sale Premiums Collected | A-4 | | |
| | | | 83,800.00 |
| Decreased by: | | | |
| Redemption Paid | A-4 | | |
| Balance, December 31, 2025 | A | $ | 83,800.00 |

## SCHEDULE OF RESERVE FOR MAINTENANCE OF FREE LIBRARY

**A-24**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | $ | 63,226.45 |
| Increased by: | | | |
| State Aid Received | A-4 | | 10,988.00 |
| | | | 74,214.45 |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | 12,697.33 |
| Balance, December 31, 2025 | A | $ | 61,517.12 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CURRENT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF MISCELLANEOUS RESERVES**

**A-25**

| | Reference | Balance December 31, 2024 | Increased | Decreased | Balance December 31, 2025 |
|---|---|---|---|---|---|
| Seized and Forfeiture Funds | | $ 1,750.00 | $ - | $ - | $ 1,750.00 |
| Preparation of Master Plan | | 274.50 | | | 274.50 |
| Preparation of Tax Map | | 300.00 | | 300.00 | - |
| Reserve for Purchase of Vehicles | | 339,950.50 | 417,095.00 | 281,729.04 | 475,316.46 |
| Reserve for Police Outside Services | | 1,380.00 | 477,320.00 | 194,631.39 | 284,068.61 |
| | | | | | - |
| | | | | | - |
| | | | | | - |
| | | $ 343,655.00 | $ 894,415.00 | $ 476,660.43 | $ 761,409.57 |
| | Reference | A | Below | Below | A |
| Anticipated Current Fund Revenue | A-2 | | $ - | | |
| Cash Receipts | A-4 | | 894,415.00 | | |
| Cash Disbursements | A-4 | | | 476,660.43 | |
| | Above | | $ 894,415.00 | $ 476,660.43 | |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**FEDERAL AND STATE GRANT FUND**
**DECEMBER 31, 2025**

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## SCHEDULE DUE FROM CURRENT FUND

**A-26**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | A | | $ 457,225.92 |
| Increased by: | | | |
| 2025 Budget Revenues | A-28 | $ 153,771.28 | |
| Grants Received in Current Fund: | | | |
| Grants Receivable | A-27 | - | |
| Unappropriated | A-29 | 183,096.68 | |
| | | | 336,867.96 |
| | | | 794,093.88 |
| Decreased by: | | | |
| 2025 Budget Appropriations: | | | |
| Unappropriated | A-29 | 153,771.28 | |
| Encumbrance Expended | A,A-4 | 721.00 | |
| Grant Expenditures Paid by Current Fund | A-28 | 134,301.18 | |
| | | | 288,793.46 |
| Balance, December 31, 2025 | A | | $ 505,300.42 |

**BOROUGH OF PALISADES PARK**
**FEDERAL AND STATE GRANT FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF FEDERAL AND STATE GRANTS RECEIVABLE

**A-27**

| | Balance December 31, 2024 | Realized As Revenues 2025 Budget | Cash Received In Current Fund/ Canceled | Balance December 31, 2025 |
|---|---|---|---|---|
| Edward Byrne Memorial Justice Grant- Bolstering | $ - | $ - | $ - | $ - |
| Youth Trust Program | 531.37 | | | 531.37 |
| | - | | | - |
| | $ 531.37 | $ - | $ - | $ 531.37 |
| Reference | A | | | A |

| | | |
|---|---|---|
| Cash Received in Current Fund | | $ - |
| Canceled to Fund Balance | | - |
| Canceled- Reversed | | - |
| | | $ - |

**BOROUGH OF PALISADES PARK**
**FEDERAL AND STATE GRANT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF FEDERAL AND STATE GRANTS APPROPRIATED**

**A-28**

| | Balance December 31, 2024 | Transfer From 2025 Budget | Expended Current Fund/ Expended | Over- Expenditures | Balance December 31, 2025 |
|---|---|---|---|---|---|
| Clean Communities | $ 21,760.10 | $ - | $ 21,760.10 | $ - | $ - |
| Clean Communities | | 38,140.32 | 38,140.32 | | - |
| Domestic Violence Training Grant 2009 | 1,224.00 | | | | 1,224.00 |
| DDEF | 671.93 | | | | 671.93 |
| DDEF | 1,978.99 | | | | 1,978.99 |
| BCUA | 4,976.00 | | 8,695.70 | 3,719.70 | - |
| Public Health Priority Funding 2009 | 4,638.91 | | | | 4,638.91 |
| NJ Forestry Grant | 2,257.20 | | | | 2,257.20 |
| Pandemic Flu 2009 | 17,222.00 | | | | 17,222.00 |
| Impaired Countermeasures | 1,258.00 | 14,000.00 | 14,000.00 | | 1,258.00 |
| Distracted Driver Grant | 5,250.00 | | 12,250.00 | 7,000.00 | - |
| Municipal Alliance | 4,507.18 | | | | 4,507.18 |
| Recycling Tonnage | 21,734.00 | | 21,734.00 | | - |
| Recycling Tonnage | 16,754.76 | | 8,275.57 | | 8,479.19 |
| Recycling Tonnage | 20,247.00 | | | | 20,247.00 |
| Recycling Tonnage | 42,895.66 | | | | 42,895.66 |
| Recycling Tonnage | 27,695.42 | | | | 27,695.42 |
| Recycling Tonnage | 33,750.00 | | | | 33,750.00 |
| Recycling Tonnage | | 27,695.42 | | | 27,695.42 |
| Bullet Proof Vest Partnership | 6,957.75 | | 1,105.99 | | 5,851.76 |
| Opioid Settlement | 1,454.24 | | 78.00 | | 1,376.24 |
| Opioid Settlement | 22,777.20 | | | | 22,777.20 |
| Opioid Settlement | | 19,318.14 | | | 19,318.14 |
| Alcohol Education Rehabilitation | 6,241.49 | | | | 6,241.49 |
| Alcohol Education Rehabilitation | 3,979.50 | | | | 3,979.50 |
| Alcohol Education Rehabilitation | 1,303.00 | | | | 1,303.00 |
| Alcohol Education Rehabilitation | 1,750.43 | | | | 1,750.43 |
| Alcohol Education Rehabilitation | 7,300.48 | | | | 7,300.48 |
| Alcohol Education Rehabilitation | 3,504.45 | | | | 3,504.45 |
| Alcohol Education Rehabilitation | | 4,780.77 | | | 4,780.77 |
| Body Armor | 1,200.04 | | 1,200.04 | | - |
| Body Armor-State | 1,205.83 | 3,050.63 | 4,256.46 | | - |
| Body Armor- Federal | 2,805.00 | | 2,805.00 | | - |
| Bolstering Police-Youth Trust Program | 10,664.37 | | | | 10,664.37 |
| COVID-ARP- Firefighters Program Grant | | 30,666.00 | | | 30,666.00 |
| Pedestrian Safety Police Grant | - | 1,120.00 | | | 1,120.00 |
| Storm Water Grant | - | 15,000.00 | | | 15,000.00 |
| | $ 303,265.01 | $ 153,771.28 | $ 134,301.18 | $ 10,719.70 | $ 333,454.81 |
| Reference | A | A-29 | Below | A | A |

| | | |
|---|---|---|
| Expended Current Fund | A-26 | $ 134,301.18 |
| Encumbrance Payable | A-12 | |
| | Above | $ 134,301.18 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**FEDERAL AND STATE GRANT FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF RESERVE FOR FEDERAL AND STATE GRANTS - UNAPPROPRIATED**

**A-29**

| | Balance December 31, 2024 | Transferred To 2025 Budget | Received | Balance December 31, 2025 |
|---|---|---|---|---|
| Clean Communities | $ 38,140.32 | $ 38,140.32 | $ 37,828.25 | $ 37,828.25 |
| Body Armor-Federal | - | - | | - |
| Body Armor-State | 3,050.63 | 3,050.63 | | - |
| Recycling Tonnage Grant | 27,695.42 | 27,695.42 | 7,039.59 | 7,039.59 |
| Alcohol Education &Rehabilitation | 4,780.77 | 4,780.77 | 4,642.48 | 4,642.48 |
| Distracted Driving Grant | - | - | 12,250.00 | 12,250.00 |
| Impaired Driving Grant | 14,000.00 | 14,000.00 | 14,000.00 | 14,000.00 |
| Opioid Settlement Grant | 19,318.14 | 19,318.14 | | - |
| Stormwater Grant | 15,000.00 | 15,000.00 | | - |
| Pedestrian Safety Police Grant | 1,120.00 | 1,120.00 | | - |
| NJ FEMA | | | 43,636.36 | 43,636.36 |
| COVID- ARP- SLFRF- Firefighters Program | 30,666.00 | 30,666.00 | 63,700.00 | 63,700.00 |
| | $ 153,771.28 | $ 153,771.28 | $ 183,096.68 | $ 183,096.68 |
| Reference | A | A-28 | A-12,26 | A |

See independent auditor's report and accompanying notes.

BOROUGH OF PALISADES PARK
TRUST FUND
DECEMBER 31, 2025 AND 2024

**SCHEDULE OF CASH AND CASH EQUIVALENTS**

**B-2**

| | Reference | Animal License Fund | Other Trust Fund | Law Enforcement Trust Fund | Library Trust Fund |
|---|---|---|---|---|---|
| Balance December 31, 2024 | B | $ 4,500.64 | $ 4,557,821.99 | $ 870.91 | $ 62,958.09 |
| Increased by Receipts: | | | | | |
| Interest Earned | B-10,11 | 187.60 | | 32.30 | 1,099.00 |
| Due from Board of Health- Licenses Collected | B-4 | 1,407.00 | | | |
| Library Receipts | B-11 | | | | 21,934.01 |
| Library Receipts- Donations | B-12 | | | | 6,500.00 |
| Interfunds | B-7 | | | | |
| Trust Fund Special Fund Reserves | B-9 | | 596,700.18 | | |
| | | 1,594.60 | 596,700.18 | 32.30 | 29,533.01 |
| | | 6,095.24 | 5,154,522.17 | 903.21 | 92,491.10 |
| Decreased by Disbursements: | | | | | |
| Interfund | B-7 | | 5,225.58 | | |
| Trust Fund Special Fund Reserves | B-9 | | 262,484.95 | | |
| Library Trust | B-11 | | | | 35,052.48 |
| Library Trust- Donations Disbursed | B-12 | | | | 6,000.00 |
| Transfer to Current- Animal License Fund | B-5 | 2,393.19 | | | |
| | | 2,393.19 | 267,710.53 | - | 41,052.48 |
| Balance December 31, 2025 | B | $ 3,702.05 | $ 4,886,811.64 | $ 903.21 | $ 51,438.62 |

**BOROUGH OF PALISADES PARK**
**TRUST FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

**B-3**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | B | | $ 2,373.20 |
| Increased by: | | | |
| Fees Collected: | | | |
| Cat License Fees | | $ 454.00 | |
| Dog License Fees | | 967.40 | |
| Late Fees & Replacements | | 30.00 | |
| | B-4 | | 1,451.40 |
| | | | 3,824.60 |
| Decreased by: | | | |
| Excess - Due to Current | B-5 | 1,335.00 | |
| Cash Disbursements | | - | |
| | | | 1,335.00 |
| Balance, December 31, 2025 | B | | $ 2,489.60 |

**BOROUGH OF PALISADES PARK**
**TRUST FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF AMOUNT DUE FROM BOARD OF HEALTH - ANIMAL CONTROL FUND

**B-4**

| | Reference | | | | |
|---|---|---|---|---|---|
| Balance, December 31, 2024 | B | | | $ | 265.75 |
| Increased by: | | | | | |
| License Fees Collected | B-3 | $ | 1,451.40 | | |
| License Fees Collected - Due to State | B-6 | | 252.60 | | |
| | | | | | 1,704.00 |
| | | | | | 1,969.75 |
| Decreased by: | | | | | |
| Dog and Cat Fees Disbursed to Trust | B-2 | | 1,407.00 | | |
| State Fees | B-6 | | 102.00 | | |
| | | | | | 1,509.00 |
| Balance, December 31, 2025 | B | | | $ | 460.75 |

## SCHEDULE OF AMOUNT DUE TO/(FROM) CURRENT- ANIMAL CONTROL FUND

**B-5**

| | Reference | | | | |
|---|---|---|---|---|---|
| Balance, December 31, 2024 | B | | | $ | 2,393.19 |
| Increased by: | | | | | |
| Interest Income | B-2 | $ | 187.60 | | |
| Statutory Excess | B-3 | | 1,335.00 | | |
| | | | | | 1,522.60 |
| | | | | | 3,915.79 |
| Decreased by: | | | | | |
| Paid to Current | B-2 | | | | 2,393.19 |
| Balance, December 31, 2025 | B | | | $ | 1,522.60 |

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF AMOUNT DUE TO STATE OF NEW JERSEY-ANIMAL LICENSE TRUST FUND**

**B-6**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | B | $ | - |
| Increased by: | | | |
| Fees Collected- Board of Health | | | 252.60 |
| | | | 252.60 |
| Decreased by: | | | |
| Paid to State- Board of Health | | | 102.00 |
| Balance, December 31, 2025 | B | $ | 150.60 |

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF INTERFUNDS**

**B-7**

| | Balance December 31, 2024 | Increased | Decreased | Balance December 31, 2025 |
|---|---|---|---|---|
| Current Fund: | | | | |
| Other Trust Fund: | | | | |
| Escrow | $ (2,979.08) | $ 2,979.08 | $ - | $ - |
| UFC Fines | (2,246.50) | 2,246.50 | | - |
| Unemployment Compensation Fund | - | | | - |
| Other Trust Fund | 200.00 | | | 200.00 |
| Intrafunds: | - | | | - |
| Affordable Housing Rental Income (from Security Deposits) | (1,082.80) | | | (1,082.80) |
| Affordable Housing Security Deposits - (to Rental Income) | 1,082.80 | | | 1,082.80 |
| | $ (5,025.58) | $ 5,225.58 | $ - | $ 200.00 |
| Due from | $ 1,282.80 | | | $ 1,282.80 |
| Due to | (6,308.38) | 5,225.58 | | (1,082.80) |
| | $ (5,025.58) | $ 5,225.58 | $ - | $ 200.00 |
| Reference | B | | | B |
| Cash Receipts | | | | |
| Cash Disbursements | B-2 | 5,225.58 | | |
| | | $ 5,225.58 | $ - | |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF AMOUNT DUE FROM CURRENT FUND- ASSESSMENT TRUST FUNDS**

**B-8**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | B | $ | 203.88 |
| Increased by: | | | |
| | | | 203.88 |
| Decreased by: | | | |
| Canceled to Current Fund-Surplus | A-1 | | 203.88 |
| Balance, December 31, 2025 | B | $ | - |

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF SPECIAL FUNDS - OTHER TRUST FUND**

**B-9**

| | Balance December 31, 2024 | Cash Receipts | Cash Disbursements | Adjustment | Balance December 31, 2025 |
|---|---|---|---|---|---|
| Recycling | $ 29,539.87 | $ 11,640.14 | $ 3,000.00 | $ - | $ 38,180.01 |
| 125th Anniversary | 4,109.71 | 13,812.13 | 2,224.00 | | 15,697.84 |
| Unemployment | 171,926.31 | 21,531.36 | 132,456.00 | | 61,001.67 |
| Centennial Celebration | 8,933.58 | 331.33 | | | 9,264.91 |
| Tree Preservation | 337,680.70 | 44,087.01 | 1,060.35 | | 380,707.36 |
| Memorial Fund | 29,130.61 | 10,118.25 | 9,000.00 | | 30,248.86 |
| Public Defender | 57,053.01 | 4,149.27 | | | 61,202.28 |
| Affordable Senior Facility | 2,989,915.26 | 231,907.77 | 22,074.62 | | 3,199,748.41 |
| UFC Fines | 14,073.90 | 3,114.45 | | | 17,188.35 |
| Night Out Against Crime | 6,005.33 | 14,169.12 | 10,416.43 | | 9,758.02 |
| Veterans Memorial Fund | 10,854.66 | 402.58 | | | 11,257.24 |
| Affordable Housing Rent | 151,708.48 | 66,507.68 | 11,449.13 | | 206,767.03 |
| Affordable Housing Security | 5,658.04 | 250.01 | | | 5,908.05 |
| POAA | 74,361.50 | 15,159.03 | | | 89,520.53 |
| Found Property | 540.85 | 22,470.53 | | | 23,011.38 |
| Korean Host Donations | 163.98 | 8.05 | | | 172.03 |
| Escrow | 661,140.62 | 137,041.47 | 70,804.42 | | 727,377.67 |
| | | | | | - |
| | $ 4,552,796.41 | $ 596,700.18 | $ 262,484.95 | $ - | $ 4,887,011.64 |
| Reference | B | B-2 | B-2 | | B |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF RESERVE FOR DEPARTMENT OF JUSTICE- EQUITABLE SHARING FORFEITURES

**B-10**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | B | | $ 870.91 |
| Increased by: | | | |
| Interest earned | B-2 | | 32.30 |
| Balance, December 31, 2025 | B | | $ 903.21 |

## SCHEDULE OF RESERVE FOR LIBRARY TRUST FUND EXPENDITURES

**B-11**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | B | | $ 49,653.09 |
| Increased by: | | | |
| Interest Earned | B-2 | $ 1,099.00 | |
| Cash Receipts | B-2 | 21,934.01 | |
| | | | 23,033.01 |
| Decreased by: | | | |
| Cash Disbursements | | $34,691.18 | |
| Service Charges | | 361.30 | |
| | B-2 | | 35,052.48 |
| Balance, December 31, 2025 | B | | $ 37,633.62 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**TRUST FUNDS**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF RESERVE FOR LIBRARY DONATIONS- RESTRICTED**

**B-12**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | B | $ | 13,305.00 |
| Increased by: | | | |
| Donations Received | B-2 | | 6,500.00 |
| | | | 19,805.00 |
| Decreased by: | | | |
| Cash Disbursements | B-2 | | 6,000.00 |
| Balance, December 31, 2025 | B | $ | 13,805.00 |

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF CASH - TREASURER**

**C-2**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | C,C-3 | | $ 1,411,033.09 |
| Increased by: | | | |
| Due to/from Current Fund | C-13 | $ 518,226.94 | |
| Interest on Investments Due to Current Fund | C-13 | 7,754.54 | |
| Capital Improvement Fund | C-12 | 200,000.00 | |
| Bond Anticipation Notes | C-15 | 7,966,812.00 | |
| BAN Premium | C-1 | 73,305.31 | |
| | C-3 | | 8,766,098.79 |
| | | | 10,177,131.88 |
| Decreased by: | | | |
| Encumbrances Paid Net of Cancellations | C-8 | 882,582.08 | |
| Transfer to Current | C-13 | 255,952.88 | |
| Bond Anticipation Notes Paid | C-15 | 7,398,441.00 | |
| Improvement Authorizations | C-9 | 466,225.48 | |
| | | | 9,003,201.44 |
| Balance, December 31, 2025 | C,C-3 | | $ 1,173,930.44 |

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER**

**C-3**

| Ord. # | Improvement Description | Balance Dec. 31, 2024 | Receipts | Disbursements | Transfer To/(From) | Balance Dec. 31, 2025 |
|---|---|---|---|---|---|---|
| | Due from Bergen County Open Space Trust Fund | $ (59,311.00) | $ - | $ - | $ - | $ (59,311.00) |
| | Due from Bergen County Community Development | (133,470.00) | | | (58,135.00) | (191,605.00) |
| | Due from State of New Jersey | (469,002.00) | | | 8,357.88 | (460,644.12) |
| | Expenditure without Appropriation | (167,050.00) | | | 167,050.00 | - |
| | Due to Current Fund | (262,274.06) | 525,981.48 | 255,952.88 | (425,136.41) | (417,381.87) |
| | Capital Improvement Fund | 482,815.00 | 200,000.00 | | (130,575.00) | 552,240.00 |
| | Reserve for Payment of Debt | 46,900.47 | | | (46,900.47) | (0.00) |
| | Bond Anticipation Notes Payable | - | 7,966,812.00 | 7,398,441.00 | (568,371.00) | - |
| | Encumbrance Payable | 882,582.08 | | 882,582.08 | 396,123.13 | 396,123.13 |
| | Due from Property Owner | - | | | | - |
| | Reserve for Grant Receivable | 600,335.00 | | | 58,135.00 | 658,470.00 |
| | Fund Balance | 197,387.45 | 73,305.31 | | | 270,692.76 |
| | | - | | | | - |
| | | - | | | | - |
| | | - | | | | - |
| | | - | | | | - |
| | Improvement Authorizations: | - | | | | - |
| Ord. # | Improvement Description | - | | | | - |
| | | - | | | | - |
| 987 | Acquisition of Cab and Chassis | (903.00) | | | | (903.00) |
| 1214 | Rehabilitation of Affordable Housing | (24,945.56) | | | | (24,945.56) |
| 1502/1523 | Installation of a Salt Storage Shed | (1,974.66) | | | | (1,974.66) |
| 1604 | Improvements to Centre Place | (716.64) | | | | (716.64) |
| 1649/20-2016/6/2017 | Acq. Of Property for Use as Parking lot for Library | (69,514.35) | | | | (69,514.35) |
| 2016-15 | Road Resurfacing and Utility Improvements | 130,233.69 | | | | 130,233.69 |
| 2016-23/2018-03 | Resurfacing of 8th and 9th Streets | (34,952.59) | | | | (34,952.59) |
| 2018-1 | Improvements to Columbus Park | 16,910.70 | | | | 16,910.70 |
| 2018-2 | Resurfacing of East Homestead Avenue | 95,983.78 | | 1,600.00 | | 94,383.78 |
| 2019-2 | Resurfacing of East and West Edsall Blvd. | (346,274.99) | | | | (346,274.99) |
| 2019-4 | Improvements to Tussi Park | (80,903.13) | | | | (80,903.13) |
| 2019-8 | Improvements to Columbus Park | (58,434.39) | | | | (58,434.39) |
| 2019-13 | Acq. Of Mach. & Equip, Inform. Technology Equip. & Vehicles | (8,242.00) | | | | (8,242.00) |
| 2019-15 | Acquisition of Real Property | 362,421.95 | | 185,143.50 | | 177,278.45 |
| 2020-02 | Resurfacing of Pembroke Way | (55,794.86) | | | 905.00 | (54,889.86) |
| 2020-05 | Various Public Improvements | 86,258.67 | | | (905.00) | 85,353.67 |
| 2020-08 | Various Imps. To Columbus Park | (89,285.59) | | | | (89,285.59) |
| 2021-06 | Imps. To West Ruby Ave & Fairview St. | (5,248.12) | | 3,612.50 | | (8,860.62) |
| 2021-07 | Various Imps. To Lindbergh Field | (277.76) | | (13,543.24) | (1,792.32) | 11,473.16 |
| 2021-14 | Various Public Improvements | 203,571.95 | | | | 203,571.95 |
| 2022-03 | Resurfacing of W. Palisades Blvd | (96,037.76) | | | | (96,037.76) |
| 2023-01 | Resurfacing of Glen Ave & 5th Street | (3,215.08) | | | | (3,215.08) |
| 2023-05 | Resurfacing of East Harriet Avenue | 203,838.94 | | | | 203,838.94 |
| 2023-07 | Resurfacing of West Central Blvd | 226,139.18 | | | | 226,139.18 |
| 2023-08 | Public Imp., Acq. of New Addl or Replacement Equip/Mach | (601,143.73) | | 49,697.93 | (59,719.31) | (710,560.97) |
| 2023-09 | Various Imps. To Lindbergh Field, Phase 2 | 174,554.00 | | 5,656.04 | | 168,897.96 |
| 2023-12 | Acq. of Inf Technology Equip., Equip., Mach & Vehicle for Police Dept. | 18,500.00 | | | | 18,500.00 |
| 2024-12 | Road Improvements to Palisades Blvd- Phase II | 193,954.00 | | | | 193,954.00 |
| 2024-16 | Various Capital Improvements | 57,617.50 | | 123,033.37 | 465,389.50 | 399,973.63 |
| 2025-13 | Various Roadway Improvements | | | 41,925.00 | 78,250.00 | 36,325.00 |
| 2025-17 | Various Capital Improvements | | | | 96,325.00 | 96,325.00 |
| 2025-20 | Acquisition and Installation of Parking Meters | | | | 15,500.00 | 15,500.00 |
| 2025-28 | Improvements to Lincoln Street | | | 69,100.38 | 5,499.00 | (63,601.38) |
| | | $ 1,411,033.09 | $ 8,766,098.79 | $ 9,003,201.44 | $ - | $ 1,173,930.44 |
| | Reference | C,C-1 | C-1 | C-1 | | C,C-1 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025**

**C-4**

## SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

| | Reference | | |
|---|---|---|---|
| Balance December 31, 2024 | C | | $ 5,475,000.00 |
| Increased by: | | | |
| | | $ - | |
| | | | 0.00 |
| | | | 5,475,000.00 |
| Decreased by: | | | |
| 2025 Budget Appropriation for Serial Bond Payment | C-14 | $ 855,000.00 | |
| | | | 855,000.00 |
| Balance December 31, 2025 | C | | $ 4,620,000.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED**

**C-5**

| Ord. # | Improvement Description | Balance Dec. 31, 2024 | 2025 Authorizations | Capital Improvement Fund | Grants Receivable | Paydown on BANS | Balance Dec. 31, 2025 | Analysis of Balance - Dec. 31, 2025: Expenditures | Analysis of Balance - Dec. 31, 2025: Unexpended Improvement Authorizations |
|---|---|---|---|---|---|---|---|---|---|
| 987 | Acquisition of Cab & Chassis | $ 903.00 | $ - | $ - | $ - | $ - | $ 903.00 | $ 903.00 | $ - |
| 1214 | Rehabilitation of Affordable Housing | 24,945.56 | | | | | 24,945.56 | 24,945.56 | |
| 1358 | Acquisition of New & Replacement Equipment | - | | | | | - | - | |
| 1523 | Installation of a Salt Storage Shed | 1,974.66 | | | | | 1,974.66 | 1,974.66 | |
| 1604 | Improvements to Centre Place | 716.64 | | | | | 716.64 | 716.64 | |
| 1633 | Various Improvements to East & West Edsall Blvd (Sec. 2,3,4) | - | | | | | - | - | |
| 1645 | Construction of Classrooms at Free Public Library | - | | | | | - | - | |
| 2016-23 | Resurfacing of 8th & 9th Streets | 1,587.00 | | | | | 1,587.00 | 1,587.00 | |
| 2017-7 | Additional Approp: Acquisition of Property (1649/2016-20) | 69,514.35 | | | | | 69,514.35 | 69,514.35 | |
| 2018-01 | Improvements of Columbus Park | 24,825.00 | | | | | 24,825.00 | - | 24,825.00 |
| 2018-02 | Resurfacing of East Homestead Avenue | 33,300.00 | | | | | 33,300.00 | - | 33,300.00 |
| 2018-03 | Additional Appropriation: 2016-23 Road Resurfacing | 389,026.00 | | | | 13,158.00 | 375,868.00 | 230,733.59 | 145,134.41 |
| 2019-02 | Resurfacing of East/West Edsall Blvd. | 346,274.99 | | | | | 346,274.99 | 346,274.99 | |
| 2019-04 | Improvements to Tussi Park | 81,250.50 | | | | | 81,250.50 | 80,903.13 | 347.37 |
| 2019-08 | Improvements to Columbus Park | 81,273.10 | | | | | 81,273.10 | 58,434.39 | 22,838.71 |
| 2019-13 | Acq. of Machinery & Equip., Inf Technology Equip. & Vehicles | 1,278,633.00 | | | | 110,789.00 | 1,167,844.00 | 1,167,844.00 | |
| 2019-15 | Acquisition of Real Property | 1,373,772.00 | | | | 18,076.00 | 1,355,696.00 | 1,178,417.55 | 177,278.45 |
| 2020-02 | Resurfacing of Pembroke Way | 71,800.00 | | | | | 71,800.00 | 54,889.86 | 16,910.14 |
| 2020-05 | Various Public Improvements | 674,519.00 | | | | 29,481.00 | 645,038.00 | 559,684.33 | 85,353.67 |
| 2020-08 | Various Improvements to Columbus | 89,935.64 | | | | | 89,935.64 | 89,285.59 | 650.05 |
| 2021-06 | Imprs.to West Ruby Avenue & Fairview Street | 28,105.12 | | | | | 28,105.12 | 8,860.62 | 19,244.50 |
| 2021-07 | Various Improvements to Lindbergh Field | 121,400.00 | | | | | 121,400.00 | 277.76 | 121,122.24 |
| 2021-14 | Various Public Improvements | 977,875.00 | | | | 60,125.00 | 917,750.00 | 702,185.13 | 215,564.87 |
| 2022-03 | Resurfacing of West Palisades Blvd. | 119,053.87 | | | | | 119,053.87 | 96,037.76 | 23,016.11 |
| 2023-01 | Resurfacing of Glen Ave & 5th Street | 129,000.00 | | | | | 129,000.00 | 78,215.08 | 50,784.92 |
| 2023-05 | Resurfacing of East Harriet Avenue | 228,000.00 | | | | | 228,000.00 | - | 228,000.00 |
| 2023-07 | Resurfacing of West Central Blvd | 305,000.00 | | | | | 305,000.00 | 23,860.82 | 281,139.18 |
| 2023-08 | Public Imps. - Acquisition of New Additional or Repl. Equip/Mach | 7,923,000.00 | | | | | 7,923,000.00 | 2,910,560.97 | 5,012,439.03 |
| 2023-09 | Various Impr. To Lindbergh Field, Phase 2 | 166,600.00 | | | | | 166,600.00 | - | 166,600.00 |
| 2023-12 | Acq..of Information Technology Equip, Mach, & Vehicles for Police Department | 354,000.00 | | | | | 354,000.00 | - | 354,000.00 |
| 2024-12 | Road Improvements to Palisades Blvd- Phase II | 51,046.00 | | | | | 51,046.00 | - | 51,046.00 |
| 2024-16 | Various Capital Improvements | 1,179,500.00 | | | | | 1,179,500.00 | 400,026.37 | 779,473.63 |
| 2025-13 | Various Roadway Improvements | | 1,565,000.00 | 78,250.00 | | | 1,486,750.00 | - | 1,486,750.00 |
| 2025-17 | Various Capital Improvements | | 691,500.00 | 31,325.00 | 65,000.00 | | 595,175.00 | - | 595,175.00 |
| 2025-20 | Acquisition and Installation of Parking Meters | | 325,000.00 | 15,500.00 | | | 309,500.00 | - | 309,500.00 |
| 2025-28 | Improvements to Lincoln Street | | 110,000.00 | 5,500.00 | | | 104,500.00 | 63,601.38 | 40,898.62 |
| | | $16,126,830.43 | $ 2,691,500.00 | $ 130,575.00 | $ 65,000.00 | $ 231,629.00 | $ 18,391,126.43 | $ 8,149,734.53 | $ 10,241,391.90 |
| | Reference | C | C-15,16 | C-12 | C-7,16 | C-15 | C | | C-9 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF STATE AND FEDERAL AWARDS/FUNDS RECEIVABLE**

**C-7**

| Ordinance | Purpose | Balance December 31, 2024 | 2025 Awards/Canceled | Budget Appr.- Cancel/ Grant Receipts | Balance December 31, 2025 |
|---|---|---|---|---|---|
| | **Bergen County:** | | | | |
| | Ordinance 2020-02: Resurfacing of Pembroke Way | $ 53,470.00 | $ - | $ - | $ 53,470.00 |
| | Ordinance 2023-01: Resurfacing of Glen Avenue & 5th Street | - | | | - |
| | Ordinance 2023-05: Resurfacing of Harriet Avenue | 80,000.00 | | | 80,000.00 |
| | Ordinance 2025-17: Resurfacing of Commercial Avenue | | 65,000.00 | | 65,000.00 |
| | Ordinance 2025-28: Resurfacing of Lincoln Street | | 58,135.00 | | 58,135.00 |
| | | 133,470.00 | 123,135.00 | - | 256,605.00 |
| | **Federal Transportation Enhancement:** | | | | |
| | Ordinance 2019-02: Improv. to East and West Edsall Blvd. | 213,000.00 | | | 213,000.00 |
| | Ordinance 2022-03: Resurfacing of West Palisades Blvd. | 63,054.00 | | | 63,054.00 |
| | Ordinance 2023-07: Resurfacing of West Central Avenue | 131,500.00 | | 73,357.88 | 58,142.12 |
| | Ordinance 2024-12: Road Improv. of Palisades Blvd. Phase II | 61,448.00 | | | 61,448.00 |
| | | 469,002.00 | - | 73,357.88 | 395,644.12 |
| | **Bergen County Open Space Funds:** | | | | |
| | Ordinance 2021-07: Lindbergh Field Improvements | 51,250.00 | - | | 51,250.00 |
| | Ordinance 2020-08: Columbus Park Improvements | 8,061.00 | | | 8,061.00 |
| | | 59,311.00 | - | - | 59,311.00 |
| | | $ 661,783.00 | $ 123,135.00 | $ 73,357.88 | $ 711,560.12 |
| | Reference | C | C-5,16 | Below | C |

| | | |
|---|---|---|
| Collected in Current Fund | C-13 | 73,357.88 |
| | C-2,11 | |
| | Above | 73,357.88 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF ENCUMBRANCE PAYABLE**

**C-8**

| | Reference | | |
|---|---|---|---|
| Balance December 31, 2024 | C | $ | 882,582.08 |
| Increased by: | | | |
| Improvement Authorizations Expenditures | C-9 | | 396,123.13 |
| | | | 1,278,705.21 |
| Decreased by: | | | |
| Prior Year Encumbrances Disbursed | C-2 | | 882,582.08 |
| Balance December 31, 2025 | C | $ | 396,123.13 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF IMPROVEMENT AUTHORIZATIONS**

**C-9**

| Ord. # | Improvement Description | Balance December 31, 2024 Funded | Balance December 31, 2024 Unfunded | Year 2025 Authorizations | Expended | Canceled/ Repurposed | Balance December 31, 2025 Funded | Balance December 31, 2025 Unfunded |
|---|---|---|---|---|---|---|---|---|
| 15-2016 | Road Resurfacing/Utility Imps. | $ 130,233.69 | $ - | $ - | $ - | $ - | $ 130,233.69 | $ - |
| 23-2016/3-2018 | Resurfacing of 8th and 9th Streets | | 145,134.41 | | | | | 145,134.41 |
| 2018-1 | Improvements to Columbus Park | 16,910.70 | 24,825.00 | | | | 16,910.70 | 24,825.00 |
| 2018-2 | Resurfacing of East Homestead Avenue | 95,983.78 | 33,300.00 | | 1,600.00 | | 94,383.78 | 33,300.00 |
| 2019-4 | Improvements to Tussi Park | - | 347.37 | | | | - | 347.37 |
| 2019-8 | Improvements to Columbus Park | - | 22,838.71 | | | | - | 22,838.71 |
| 2019-15 | Acquisition of Real Property | - | 362,421.95 | | 185,143.50 | | - | 177,278.45 |
| 2020-02 | Resurfacing of Pembroke Way | - | 16,005.14 | | (905.00) | | - | 16,910.14 |
| 2020-05 | Various Public Improvements | - | 86,258.67 | | 905.00 | | - | 85,353.67 |
| 2020-08/2021-03 | Various Imps. To Columbus Park | - | 650.05 | | | | - | 650.05 |
| 2021-06 | Imps. To West Ruby Ave & Fairview St. | | 22,857.00 | | 3,612.50 | | | 19,244.50 |
| 2021-07 | Various Imps. To Lindbergh Field | - | 121,122.24 | | | | - | 121,122.24 |
| 2021-14 | Various Public Improvements | - | 203,813.95 | | (11,750.92) | | - | 215,564.87 |
| 2022-3 | Resurfacing of W. Palisades Blvd | | 23,016.11 | | | | | 23,016.11 |
| 2023-01 | Resurfacing of Glen Ave & 5th Street | - | 50,784.92 | | | | - | 50,784.92 |
| 2023-05 | Resurfacing of East Harriet Avenue | 3,838.94 | 228,000.00 | | | | 3,838.94 | 228,000.00 |
| 2023-07 | Resurfacing of West Central Blvd | | 281,139.18 | | | | | 281,139.18 |
| 2023-08 | Public Imps. - Acquisition of New Additional | | - | | | | | - |
| | or Replacement Equipment/Machinery | | 5,121,856.27 | | 109,417.24 | | | 5,012,439.03 |
| 2023-09 | Various Imps. To Lindbergh Field, Phase 2 | 7,954.00 | 166,600.00 | | 5,656.04 | | 2,297.96 | 166,600.00 |
| 2023-12 | Acq. of Information Technology Equip., Equip., | | - | | | | | - |
| | Machinery and Vehicle for Police Department | 18,500.00 | 354,000.00 | | | | 18,500.00 | 354,000.00 |
| 2024-12 | Road Improvements to Palisades Blvd- Phase II | 193,954.00 | 51,046.00 | | | | 193,954.00 | 51,046.00 |
| 2024-16 | Various Capital Improvements | 57,617.50 | 1,179,500.00 | | 457,643.87 | | | 779,473.63 |
| 2025-13 | Various Roadway Improvements | | | 1,565,000.00 | 41,925.00 | | 36,325.00 | 1,486,750.00 |
| 2025-17 | Various Capital Improvements | | | 691,500.00 | | | 96,325.00 | 595,175.00 |
| 2025-20 | Acquisition and Installation of Parking Meters | | | 325,000.00 | | | 15,500.00 | 309,500.00 |
| 2025-28 | Improvements to Lincoln Street | | | 110,000.00 | 69,101.38 | | | 40,898.62 |
| | | $ 524,992.61 | $ 8,495,516.97 | $ 2,691,500.00 | $ 862,348.61 | $ - | $ 608,269.07 | $ 10,241,391.90 |
| | Reference | C | C | C-5,16 | Below | C-8 | C | C,C-3 |

| | | |
|---|---|---|
| Encumbrance Payable | C-8 | 396,123.13 |
| Cash Disbursements | C-2 | 466,225.48 |
| | Above | $ 862,348.61 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF RESERVE FOR PAYMENT OF BANS**

**C-10**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | C | | $ 46,900.47 |
| Increased by: | | $ - | |
| Grants Received | | | |
| | | | - |
| | | | 46,900.47 |
| Decreased by: | | | |
| Due to Current Fund- Anticipated Revenue | C-13 | | 46,900.47 |
| Balance, December 31, 2025 | C, Below | | $ - |

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE**

**C-11**

| Grant | Balance December 31, 2024 | Grants Awarded | Grants Applied | Balance December 31, 2025 |
|---|---|---|---|---|
| **Bergen County:** | | | | |
| Ordinance 2020-02: Resurfacing of Pembroke Way | $ 53,470.00 | $ - | $ - | $ 53,470.00 |
| Ordinance 2023-01: Resurfacing of Glen Avenue & 5th Street | - | | | - |
| Ordinance 2023-05: Resurfacing of Harriet Avenue | 80,000.00 | | | 80,000.00 |
| Ordinance 2025-17: Resurfacing of Commercial Avenue | | 65,000.00 | 65,000.00 | - |
| Ordinance 2025-28: Resurfacing of Lincoln Street | | 58,135.00 | | 58,135.00 |
| | 133,470.00 | 123,135.00 | 65,000.00 | 191,605.00 |
| **Federal Transportation Enhancement:** | | | | |
| Ordinance 2019-02: Improv. to East and West Edsall Blvd. | 213,000.00 | | | 213,000.00 |
| Ordinance 2022-03: Resurfacing of West Palisades Blvd. | 63,054.00 | | | 63,054.00 |
| Ordinance 2023-07: Resurfacing of West Central Avenue | 131,500.00 | | | 131,500.00 |
| Ordinance 2024-12: Road Improv. of Palisades Blvd. Phase II | - | | | - |
| | 407,554.00 | - | - | 407,554.00 |
| **Bergen County Open Space Funds:** | | | | |
| Ordinance 2021-07: Lindbergh Field Improvements | 51,250.00 | | | 51,250.00 |
| Ordinance 2020-08: Columbus Park Improvements | 8,061.00 | | | 8,061.00 |
| | 59,311.00 | | | 59,311.00 |
| | $ 600,335.00 | $ 123,135.00 | $ 65,000.00 | $ 658,470.00 |
| | C | C-7 | Below | C |

| | | |
|---|---|---|
| Reserve for Payment of BANS | | C-7 |
| Funded Ordinance | 65,000.00 | C-16 |
| | $ 65,000.00 | Above |

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF CAPITAL IMPROVEMENT FUND

**C-12**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | C | | $ 482,815.00 |
| Increased by: | | | |
| Budget Appropriation | C-2 | $ 200,000.00 | |
| | | | 200,000.00 |
| Decreased by: | | | 682,815.00 |
| Appropriation to Finance: | | | |
| Improvement Authorizations | C-5,16 | 130,575.00 | |
| | | | 130,575.00 |
| Balance, December 31, 2025 | C | | $ 552,240.00 |

## SCHEDULE OF DUE FROM CURRENT FUND

**C-13**

| | Reference | | |
|---|---|---|---|
| Balance, December 31, 2024 | C | | $ 262,274.06 |
| Increased by: | | | |
| Transfer to Current | C-2 | $ 255,952.88 | |
| Grants Received in Current | C-7 | 73,357.88 | |
| Budgeted Deferred Charges Due to Capital | C | 167,050.00 | |
| Budgeted- BAN Paydowns | C-15 | 231,629.00 | |
| | | | 727,989.76 |
| Decreased by: | | | 990,263.82 |
| Interest Income | C-2 | 7,754.54 | |
| Transfer from Current | C-2 | 518,226.94 | |
| Reserve for PMT of BANS- Current Fund Revenue | C-10 | 46,900.47 | |
| | | | 572,881.95 |
| Balance, December 31, 2025 | C | | $ 417,381.87 |

BOROUGH OF PALISADES PARK
CAPITAL FUND
DECEMBER 31, 2025 AND 2024

**SCHEDULE OF GENERAL SERIAL BONDS**

**C-14**

| Purpose | Date of Issue | Amount of Original Issue | Maturities of Bonds Outstanding December 31, 2025 | | Interest Rate | Balance Dec. 31, 2024 | General Serial Bonds Issued | Decreased | Balance Dec. 31, 2025 |
|---|---|---|---|---|---|---|---|---|---|
| | | | Date | Amount | | | | | |
| General Improvement Bonds | 4/5/2011 | 3,735,000.00 | 4/15/2025 | 315,000.00 | 4.00% | $ 315,000.00 | $ - | $ 315,000.00 | $ - |
| General Improvement Bonds | 4/1/2017 | 8,125,000.00 | 4/1/2025 | 540,000.00 | 2.25% | 5,160,000.00 | | 540,000.00 | 4,620,000.00 |
| | | | 4/1/2026 | 640,000.00 | 2.50% | | | | |
| | | | 4/1/2027 | 660,000.00 | 2.50% | | | | |
| | | | 4/1/2028 | 660,000.00 | 2.75% | | | | |
| | | | 4/1/2029 | 660,000.00 | 2.75% | | | | |
| | | | 4/1/2030 | 665,000.00 | 3.00% | | | | |
| | | | 4/1/2031 | 670,000.00 | 3.00% | | | | |
| | | | 4/1/2032 | 665,000.00 | 3.00% | | | | |
| | | | | | | $ 5,475,000.00 | $ - | $ 855,000.00 | $ 4,620,000.00 |
| | | | | | Reference | C | C-4 | C-4 | C |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

## SCHEDULE OF BOND ANTICIPATION NOTES

**C-15**

| Ord. # | Improvement Description | Date of Issuance of Original Note | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2024 | Increased B.A.N. Receipt | Decreased B.A.N. Paid | Balance Dec. 31, 2025 |
|---|---|---|---|---|---|---|---|---|---|
| 2018-3 | Resurfacing of 8th & 9th Streets | 12/20/19 | 03/12/25 | 03/11/26 | 4.25% | $ 210,526.00 | $ 197,368.00 | $ 210,526.00 | $ 197,368.00 |
| 2019-13 | Acq. Of Machinery & Equip, Inf Tech Equip., Vehicles | 12/20/19 | 03/12/25 | 03/11/26 | 4.25% | 1,269,633.00 | 1,158,844.00 | 1,269,633.00 | 1,158,844.00 |
| 2019-15 | Acquisition of Real Property | 12/20/19 | 03/12/25 | 03/11/26 | 4.25% | 1,373,772.00 | 1,355,696.00 | 1,373,772.00 | 1,355,696.00 |
| 2020-05 | Various Public Improvements | 03/18/21 | 03/12/25 | 03/11/26 | 4.25% | 674,519.00 | 645,038.00 | 674,519.00 | 645,038.00 |
| 2021-14 | Various Public Improvements | 03/18/21 | 03/12/25 | 03/11/26 | 4.25% | 977,633.00 | 917,508.00 | 977,633.00 | 917,508.00 |
| 2019-13 | Acq. Of Machinery & Equip, Inf Tech Equip., Vehicles | 03/17/23 | 03/12/25 | 03/11/26 | 4.25% | 758.00 | 758.00 | 758.00 | 758.00 |
| 2023-01 | Resurfacing Glen Ave and 5th Street | 03/14/24 | 03/12/25 | 03/11/26 | 4.25% | 75,000.00 | 75,000.00 | 75,000.00 | 75,000.00 |
| 2023-05 | Resurfacing of East Harriet Ave. and West Columbia Ave. | 03/14/24 | 03/12/25 | 03/11/26 | 4.25% | 200,000.00 | 200,000.00 | 200,000.00 | 200,000.00 |
| 2023-07 | Resurfacing of West Central Boulevard | 03/14/24 | 03/12/25 | 03/11/26 | 4.25% | 250,000.00 | 250,000.00 | 250,000.00 | 250,000.00 |
| 2023-08 | Public Improv. and Acq. of Equip., Machinery & Vehicles | 03/14/24 | 03/12/25 | 03/11/26 | 4.25% | 2,200,000.00 | 2,200,000.00 | 2,200,000.00 | 2,200,000.00 |
| 2023-09 | Various Capital Improv. to Lindbergh Field (Phase II) | 03/14/24 | 03/12/25 | 03/11/26 | 4.25% | 166,600.00 | 166,600.00 | 166,600.00 | 166,600.00 |
| 2024-16 | Various Capital Improvements | 03/12/25 | 03/12/25 | 03/11/26 | 4.25% | | 800,000.00 | | 800,000.00 |
| | | | | | | - | | | - |
| | | | | | | $ 7,398,441.00 | $ 7,966,812.00 | $ 7,398,441.00 | $ 7,966,812.00 |
| | | | | | Reference | C | Below | Below | C |

| Analysis of New Issue: | Reference | Increased B.A.N. Receipt | Decreased B.A.N. Paid |
|---|---|---|---|
| Budget Appropriation Payment | C-13 | $ - | $ 231,629.00 |
| New BAN Issue | C-16 | 800,000.00 | |
| Renewals of BAN | | 7,166,812.00 | 7,166,812.00 |
| | C-2 | $ 7,966,812.00 | $ 7,398,441.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**CAPITAL FUND**
**DECEMBER 31, 2025 AND 2024**

**SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED**

**C-16**

| Ord. # | Improvement Description<br>General Improvements | Balance<br>Dec. 31, 2024 | 2025<br>Authorizations | Capital<br>Improvement<br>Fund | Funded<br>Grant<br>Receivable | Funded by<br>Bond<br>Anticipation Notes | Balance<br>Dec. 31, 2025 |
|---|---|---|---|---|---|---|---|
| 987 | Acquisition of Cab & Chassis | $ 903.00 | $ - | $ - | $ - | $ - | $ 903.00 |
| 1214 | Rehabilitation of Affordable Housing | 24,945.56 | | | | | 24,945.56 |
| 1523 | Installation of Salt Storage Shed- Additional Approp to 1502 | 1,974.66 | | | | | 1,974.66 |
| 1604 | Improvement of Centre Place | 716.64 | | | | | 716.64 |
| 2016-23 | Resurfacing of 8th & 9th Streets | 1,587.00 | | | | | 1,587.00 |
| 2017-07 | Addt'l. Appr., Acq. Of Real Property (1649,2016-20) | 69,514.35 | | | | | 69,514.35 |
| 2018-01 | Improvement to Columbus Park | 24,825.00 | | | | | 24,825.00 |
| 2018-02 | Resurfacing of East Homestead Avenue | 33,300.00 | | | | | 33,300.00 |
| 2018-03 | Additional Approp. 2016-23 | 178,500.00 | | | | | 178,500.00 |
| 2019-02 | Resurfacing of East & West Edsall Blvd | 346,274.99 | | | | | 346,274.99 |
| 2019-04 | Improvements to Tussi Park | 81,250.50 | | | | | 81,250.50 |
| 2019-08 | Improvements to Columbus Park | 81,273.10 | | | | | 81,273.10 |
| 2019-13 | Acq. Of Machinery & Equip, Inf Tech Equip., Vehicles | 8,242.00 | | | | | 8,242.00 |
| 2020-02 | Resurfacing of Pembroke Way | 71,800.00 | | | | | 71,800.00 |
| 2020-08 | Various Improvements to Columbus Park | 89,935.64 | | | | | 89,935.64 |
| 2021-06 | Imps. to West Ruby Avenue & Fairview St. | 28,105.12 | | | | | 28,105.12 |
| 2021-07 | Various Improvements to Lindbergh Field | 121,400.00 | | | | | 121,400.00 |
| 2021-14 | Various Public Improvements | 242.00 | | | | | 242.00 |
| 2022-3 | Resurfacing of W. Palisades Blvd | 119,053.87 | | | | | 119,053.87 |
| 2023-01 | Resurfacing of Glen Ave & 5th Street | 139,000.00 | | | 85,000.00 | PY Adjusted | 54,000.00 |
| 2023-05 | Resurfacing of East Harriet Avenue | 28,000.00 | | | | | 28,000.00 |
| 2023-07 | Resurfacing of West Central Blvd. | 55,000.00 | | | | | 55,000.00 |
| 2023-08 | Public Imps., Acquisition of New Addl Rep Equip/Mach | 5,723,000.00 | | | | | 5,723,000.00 |
| 2023-09 | Various Improvements to Lindbergh Field, Phase 2 | - | | | | | - |
| 2023-12 | Acq. of Information Technology Equip, Mach, & Vehicles for Police Department | 354,000.00 | | | | | 354,000.00 |
| 2024-12 | Road Improvements to Palisades Blvd- Phase II | 51,046.00 | | | | | 51,046.00 |
| 2024-16 | Various Capital Improvements | 1,179,500.00 | | | | $ 800,000.00 | 379,500.00 |
| 2025-13 | Various Roadway Improvements | | 1,565,000.00 | 78,250.00 | | | 1,486,750.00 |
| 2025-17 | Various Capital Improvements | | 691,500.00 | 31,325.00 | 65,000.00 | | 595,175.00 |
| 2025-20 | Acquisition and Installation of Parking Meters | | 325,000.00 | 15,500.00 | | | 309,500.00 |
| 2025-28 | Improvements to Lincoln Street | | 110,000.00 | 5,500.00 | | | 104,500.00 |
| | | $ 8,813,389.43 | $ 2,691,500.00 | $ 130,575.00 | $ 150,000.00 | $ 800,000.00 | $ 10,424,314.43 |
| | Reference | C | C-5,9 | C-12 | C-7 | C-15 | C |

See independent auditor's report and accompanying notes.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER

**D-4**

| | Reference | Operating | Capital |
|---|---|---|---|
| Balance December 31, 2024 | D | $ 449,923.68 | $ 349,424.09 |
| Increased by Cash Receipts: | | | |
| Membership Fees | D-1, 2 | 389,685.76 | |
| Interest on Investments | D-1, 2,5,6 | 14,428.39 | 9,502.21 |
| Transfer from Swim Pool Operating | D-6 | | 60,498.41 |
| Budget Reimbursements | D-3 | 500.00 | |
| Bond Anticipation Note | D-23 | | 665,060.00 |
| | | 404,614.15 | 735,060.62 |
| Decreased by Cash Disbursements: | | | |
| Budget Appropriations | D-3 | 398,615.18 | |
| Appropriation Reserves | D-10 | 4,090.01 | |
| Transfer to Swim Pool Operating | D-6 | 60,498.41 | |
| Bond Anticipation Note | D-23 | | 594,795.00 |
| Capital Ordinance Disbursements | D-22 | | 217,823.11 |
| | | 463,203.60 | 812,618.11 |
| Balance December 31, 2025 | D | $ 391,334.23 | $ 271,866.60 |

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

**SCHEDULE OF ANALYSIS OF CASH**

**D-5**

| Improvement Authorizations | Ref. | Balance December 31, 2024 | Cash Receipts | Cash Disbursements/ Cancellations | Balance December 31, 2025 |
|---|---|---|---|---|---|
| Capital Improvement Fund | | $ 1,700.00 | $ - | $ - | $ 1,700.00 |
| Grants Receivable | | 146,800.00 | | | 146,800.00 |
| Fund Balance | | 20,936.06 | | | 20,936.06 |
| Due from Swim Pool Utility Fund | | (69,406.15) | 70,000.62 | 29,735.00 | (29,140.53) |
| Encumbrance Payable | | - | | | - |
| Reserve For Grants Receivable | | (146,800.00) | | | (146,800.00) |
| BAN Rollover | | - | 565,060.00 | 565,060.00 | - |
| <u>Improvement authorizations:</u> | | | | | |
| Various Swim Pool Improvements | | (39,833.00) | 16,282.00 | | (23,551.00) |
| Various Swim Pool Improvements | | (122,210.00) | | | (122,210.00) |
| Rehabilitation of Municipal Pool Complex | | 637,560.00 | 83,718.00 | 107,643.11 | 613,634.89 |
| Various Swim Pool Improvements | | (79,322.82) | | 110,180.00 | (189,502.82) |
| | | | | | - |
| | | $ 349,424.09 | $ 735,060.62 | $ 812,618.11 | $ 271,866.60 |
| | Ref. | D | D-4 | D-4 | D |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## SCHEDULE OF DUE TO SWIM POOL UTILITY CAPITAL FUND

**D-6**

| | Reference | | |
|---|---|---|---|
| Balance December 31, 2024 | D | | $ 69,406.15 |
| Increased by: | | | |
| Bond Anticipation Note Paydown Due to Swim Pool Capital | D-3,19 | $ 29,735.00 | |
| | | | 29,735.00 |
| | | | 99,141.15 |
| Decreased by: | | | |
| Transferred to Swim Pool Operating | D-4 | 60,498.41 | |
| Interest Earned- Due to Swim Pool Operating | D-4 | 9,502.21 | |
| | | | 70,000.62 |
| Balance December 31, 2025 | D | | $ 29,140.53 |

## SCHEDULE OF ACCRUED INTEREST ON BOND ANTICIPATION NOTES

**D-7**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | D | $ 19,033.44 |
| Increased by: | | |
| Budget Appropriations | D-3 | 26,211.20 |
| | | 45,244.64 |
| Decreased by: | | |
| Cash Disbursements | D-4 | 22,318.89 |
| Balance December 31, 2025 | D | $ 22,925.75 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

**SCHEDULE OF DUE FROM CURRENT FUND**

**D-8**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | D | $ - |
| Decreased by | | |
| Cash Receipts | D-4 | - |
| Balance December 31, 2025 | D | $ - |

**SCHEDULE OF DEFERRED CHARGES**

**D-9**

| | Balance December 31, 2024 | Amount Resulting from 2025 | Appropriated 2025 Budget | Balance December 31, 2025 |
|---|---|---|---|---|
| Special Emergency | $ 92,000.00 | $ - | $ 46,000.00 | $ 46,000.00 |
| Over-Expenditure of Appropriations | 2,659.28 | | 2,659.28 | - |
| | - | | | - |
| | $ 94,659.28 | $ - | $ 48,659.28 | $ 46,000.00 |
| | D | D-3,10 | D-3 | D |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## SCHEDULE OF 2024 APPROPRIATION RESERVES

**D-10**

| | Balance Dec. 31, 2024 | Balance After Transfers & Encumbrances | Paid or Charged | Accounts Payable | Balance Lapsed |
|---|---|---|---|---|---|
| Operating: | | | | | |
| Salaries and Wages | $ 12,167.21 | $ 12,167.21 | $ - | $ - | $ 12,167.21 |
| Other Expenses | 80,223.27 | 99,784.94 | 4,090.01 | | 95,694.93 |
| Capital Outlay | | | | - | - |
| | $ 92,390.48 | $ 111,952.15 | $ 4,090.01 | $ - | $ 107,862.14 |
| Ref. | | Below | D-4 | D | D-1 |

| | Ref. | |
|---|---|---|
| Appropriation Reserves | D | $ 92,390.48 |
| Encumbrances | D-11 | 19,561.67 |
| | Above | $ 111,952.15 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

**SCHEDULE OF ENCUMBRANCE PAYABLE**

**D-11**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | D | $ 19,561.67 |
| Increased by: | | |
| Encumbrance Payable | D-3 | 1,314.72 |
| | | 20,876.39 |
| Decreased by: | | |
| Transfer to Appropriation Reserves | D-10 | 19,561.67 |
| Balance December 31, 2025 | D | $ 1,314.72 |

**DUE FROM COUNTY OPEN SPACE GRANT**

**D-12**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | D | $ 146,800.00 |
| Increased by: | | |
| | | 146,800.00 |
| Decreased by: | | |
| Balance December 31, 2025 | D | $ 146,800.00 |
| Analysis of Balance | | |
| Ordinance # 2023-10 | | $ 146,800.00 |

See independent auditor's report and notes to the financial statements.

## SCHEDULE OF FIXED CAPITAL

| | Ref. | Balance December 31, 2024 | Increased by: Budget Capital Outlay | Completed Projects Transferred From Fixed Capital Authorized and Uncompleted | Balance December 31, 2025 |
|---|---|---|---|---|---|
| Various Swim Pool Improvements | | $ 3,318,996.85 | $ - | $ - | $ 3,318,996.85 |
| | | $ 3,318,996.85 | $ - | $ - | $ 3,318,996.85 |
| | Ref. | D | Below | D-14 | D |
| Budget Expenditures | D-3,19 | | $ - | | |
| | Above | | $ - | | |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

**SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED**

**D-14**

| Ord. Number | Improvement Description | Original Issue Date | Original Issue Amount | Balance December 31, 2024 | Increased by: Improvement Authorization | Completed Projects Transferred to Fixed Capital | Balance December 31, 2025 |
|---|---|---|---|---|---|---|---|
| 2017-07 | Various Swim Pool Improvements | 2/23/2016 | $ 79,000.00 | $ 79,000.00 | $ - | $ - | $ 79,000.00 |
| 2018-17 | Rehabilitation of Municipal Swim Pool Complex | 11/27/2018 | 750,000.00 | 750,000.00 | | | 750,000.00 |
| 2023-10 | Various Swim Pool Improvements | 7/24/2023 | 355,000.00 | 355,000.00 | | | 355,000.00 |
| | | | | $1,184,000.00 | $ - | $ - | $ 1,184,000.00 |
| | | | Reference | D | D-22 | | D |

See independent auditor's report and notes to the financial statements.

## SCHEDULE OF CAPITAL IMPROVEMENT FUND

**D-15**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | D | $ 1,700.00 |
| Increased by: | | |
| Budget Appropriation | D-4 | |
| | | 1,700.00 |
| Decreased by: | | |
| Down Payment on Improvement Authorizations | D-21 | |
| Balance December 31, 2025 | D | $ 1,700.00 |

## SCHEDULE OF RESERVE FOR GRANTS RECEIVABLE

**D-16**

| | Reference | |
|---|---|---|
| Balance December 31, 2024 | D | $ 146,800.00 |
| Increased by: | | |
| Balance December 31, 2025 | D | $ 146,800.00 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

**SCHEDULE OF SWIM POOL UTILITY BONDS**

**D-17**

| Purpose | Date of Issue | Original Issue | Maturates of Bonds Outstanding Date | Maturates of Bonds Outstanding Amount | Interest Rate | Balance Dec. 31, 2024 | Decreased | Balance Dec. 31, 2025 |
|---|---|---|---|---|---|---|---|---|
| Swim Pool Utility Bonds | | | | | | $ - | $ - | $ - |
| | | | | | | $ - | $ - | $ - |
| | | | | | | D | | D |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

**D-18**

| | Reference | | |
|---|---|---|---|
| Balance December 31, 2024 | D | | $ 36,000.00 |
| Increased by: | | | |
| | | $ - | |
| | | | - |
| Balance December 31, 2025 | D | | $ 36,000.00 |

## SCHEDULE OF RESERVE FOR AMORTIZATION

**D-19**

| | Reference | | |
|---|---|---|---|
| Balance December 31, 2024 | D | | $ 3,224,651.00 |
| Increased by: | | | |
| Bond Anticipation Note Paid by Operating Budget | D-3, 23 | $ 29,735.00 | |
| | | | 29,735.00 |
| | | | 3,254,386.00 |
| Decreased by: | | | |
| | | | - |
| Balance December 31, 2025 | D | | $ 3,254,386.00 |

## SCHEDULE OF CAPITAL FUND BALANCE

**D-20**

| | Reference | | |
|---|---|---|---|
| Balance December 31, 2024 | D | | $ 20,936.06 |
| Increased by: | | | |
| | | $ - | |
| | | | 20,936.06 |
| Decreased by: | | | |
| | | | - |
| Balance December 31, 2025 | D | | $ 20,936.06 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

**D-21**

| Ord. Number | Improvement Description | Balance December 31, 2024 | 2025 Authorizations | Funded by Bond Ant. Note | Balance December 31, 2025 |
|---|---|---|---|---|---|
| 12-10 | Various Swim Pool Improvements | $ 39,833.00 | $ - | $ - | $ 39,833.00 |
| 2016-2 | Various Swim Pool Improvements | 90,000.00 | | 16,282.00 | 73,718.00 |
| 2017-7 | Additional Approp. Ord# 2016-2 | 79,000.00 | | | 79,000.00 |
| 2018-17 | Rehabilitation of the Municipal Swimming Pool Complex | 83,718.00 | | 83,718.00 | - |
| 2023-10 | Various Swim Pool Improvements | 355,000.00 | | | 355,000.00 |
| | | | | | - |
| | | | - | - | - |
| | | $ 647,551.00 | $ - | $ 100,000.00 | $ 547,551.00 |
| | | D | D-22 | D-23 | D |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

## SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

**D-22**

| | | Original Authorization | | Balance at December 31, 2024 | | 2025 | Paid or | Balance at December 31, 2025 | |
|---|---|---|---|---|---|---|---|---|---|
| Number | Improvement Description | Date | Amount | Funded | Unfunded | Authorizations | Charged | Funded | Unfunded |
| 2016-02/2017-7 | Various Pool Improvements | 3/28/2017 | 79,000.00 | $ - | $ 46,789.96 | $ - | $ - | $ - | $ 46,789.96 |
| 2018-17 | Various Pool Improvements | 11/27/2018 | 750,000.00 | 50,747.68 | 670,530.00 | | 107,643.11 | | 613,634.57 |
| 2023-10 | Various Pool Improvements | 7/24/2023 | 355,000.00 | | 275,677.39 | | 203,817.50 | - | 71,859.89 |
| | | | | | | | | - | - |
| | | | | | | | | - | - |
| | | | | | | | | - | - |
| | | | | | | | | - | - |
| | | | | | - | | | - | - |
| | | | | $ 50,747.68 | $ 992,997.35 | $ - | $ 311,460.61 | $ - | $ 732,284.42 |
| | | | Ref. | D | D | | Below | D | D |

| | | |
|---|---|---|
| Cash Disbursements | D-4 | $ 217,823.11 |
| Encumbrance Payable | D | 93,637.50 |
| | Above | $ 311,460.61 |

See independent auditor's report and notes to the financial statements.

BOROUGH OF PALISADES PARK
SWIMMING POOL UTILITY FUND - CAPITAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025



**SCHEDULE OF BOND ANTICIPATION NOTES**

| Ordinance Number | Purpose | Original Date of Issue | Date of Issue | Date of Maturity | Interest Rate | Balance Dec. 31, 2024 | | BANS Issued | Paid | Balance Dec. 31, 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| 2016-2 | Rehabilitation of the Municipal Swimming Pool Complex | 04/15/16 | 03/12/25 | 03/11/26 | 4.25% | $ 182,000.00 | | $ 190,282.00 | $ 182,000.00 | $ 190,282.00 |
| 2018-17 | Rehabilitation of the Municipal Swimming Pool Complex | 11/27/18 | 03/12/25 | 03/11/26 | 4.25% | 412,795.00 | | 474,778.00 | 412,795.00 | 474,778.00 |
| | | | | | | $ 594,795.00 | | $ 665,060.00 | $ 594,795.00 | $ 665,060.00 |
| | | | | | Reference | D | | Below | Below | D |
| | | | | Budget Appropriation Payment | | | D-3,19 | $ - | $ 29,735.00 | |
| | | | | New BAN | | | D-21 | 100,000.00 | | |
| | | | | Renewals of BAN | | | | 565,060.00 | 565,060.00 | |
| | | | | | | | D-4 | $ 665,060.00 | $ 594,795.00 | |
| | | | | | | | | Above | Above | |

See independent auditor's report and notes to the financial statements.

**BOROUGH OF PALISADES PARK**
**LAST TEN FISCAL YEARS ENDED JUNE 30,**

**Exhibit G-1**

## SCHEDULE OF BOROUGH'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

**Police and Firemen's Retirement System (PFRS)**

| | Fiscal Year Ended June 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** |
| Borough's proportionate share of the net pension liability (asset) ** | 0.11699% | 0.12076% | 0.10301% | 0.11359% | 0.11407% | 0.11582% | 0.11260% | 0.11341% | 0.10852% |
| Borough's proportionate share of the net pension liability (asset) associated with the Borough | $ 12,081,370 | $ 13,342,789 | $ 11,790,328 | $ 8,302,736 | $ 14,739,420 | $ 14,174,446 | $ 15,237,219 | $ 17,508,705 | 20,729,566 |
| Total | 12,081,370 | 13,342,789 | 11,790,328 | 8,302,736 | 14,739,420 | 14,174,446 | 15,237,219 | 17,508,705 | 20,729,566 |
| Borough's covered employee payroll | 4,392,774 | * | * | * | * | * | * | * | * |
| Borough's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 275% | * | * | * | * | * | * | * | * |
| Plan fiduciary net position as a percentage of the total pension liability (Local) | 70.16% | 70.16% | 68.33% | 77.26% | 63.52% | 65.00% | 62.48% | 58.60% | 52.01% |

**Public Employees' Retirement System (PERS)**

| | Fiscal Year Ended June 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **2024** | **2023** | **2022** | **2021** | **2020** | **2019** | **2018** | **2017** | **2016** |
| Borough's proportionate of the net pension liability (asset) | 0.04709% | 0.04597% | 0.04536% | 0.04625% | 0.04797% | 0.04661% | 0.04693% | 0.04151% | 0.04043% |
| Borough's proportionate share of the net pension liability (asset) | 6,398,438 | 6,658,656 | 6,996,735 | 5,478,629 | 7,821,958 | 8,398,211 | 9,239,890 | 9,662,442 | 11,975,262 |
| Borough's covered employee payroll | 3,519,213 | * | * | * | * | * | * | * | * |
| Borough's proportionate share of net pension liability (asset) as a percentage of its covered -employee payroll | 182% | * | * | * | * | * | * | * | * |
| Plan fiduciary net position as a percentage of the total pension liability (Local) | 65.23% | 65.23% | 62.91% | 70.33% | 58.32% | 56.27% | 53.60% | 48.10% | 40.14% |

*** 2025 GASB 68 was unavailable as of the date of our audit.**

BOROUGH OF PALISADES PARK
LAST TEN FISCAL YEARS ENDED JUNE 30,

Exhibit G-2

## SCHEDULE OF BOROUGH CONTRIBUTIONS

### Police and Firemen's Retirement System (PFRS)

| | Fiscal Year Ended June 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Contractually required contribution* | $ 1,618,276 | $ 1,607,592 | $ 1,339,636 | $ 1,323,894 | $ 1,274,363 | $ 1,169,960 | $ 1,100,873 | $ 1,003,722 | $ 884,785 |
| Contributions in relation to the contractually required contributions* | (1,618,276) | (1,607,592) | (1,339,636) | (1,323,894) | (1,274,363) | (1,169,960) | (1,100,873) | (1,003,722) | (884,785) |
| Contributions deficiency (excess) | - | - | - | - | - | - | - | - | - |
| Borough's covered employee payroll | 4,392,774 | * | * | * | * | * | * | * | * |
| Contributions as a percentage of covered-employee payroll | 36.84% | * | * | * | * | * | * | * | * |

### Public Employees' Retirement System (PERS)

| | Fiscal Year Ended June 30, | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Contractually required contribution* | $ 640,746 | $ 614,419 | $ 584,653 | $ 541,604 | $ 524,721 | $ 453,367 | $ 466,782 | $ 384,529 | $ 359,206 |
| Contributions in relation to the contractually required contributions* | (640,746) | (614,419) | (584,653) | (541,604) | (524,721) | (453,367) | (466,782) | (384,529) | (359,206) |
| Contributions deficiency (excess) | - | - | - | - | - | - | - | - | - |
| Borough's covered employee payroll | 3,519,213 | * | * | * | * | * | * | * | * |
| Contributions as a percentage of covered-employee payroll | 18.21% | * | * | * | * | * | * | * | * |

* 2025 GASB 68 was unavailable as of the date of our audit.

BOROUGH OF PALISADES PARK
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Pension Schedules
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

**Exhibit G-3**

***Police & Firemen's Retirement System (PFRS)***

*Changes of benefit terms.* The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service, and disability benefits after 4 years of service

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

***Public Employees' Retirement System (PERS)***

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

*Changes of assumptions* Employer mortality rates were based on the Pub-2010 Safety Employee amount-weighted 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 retirement rates were 144% of the Pub-2010 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2010 Safety Disabled Retiree 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.

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# Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

## Independent Auditor's Report

The Honorable Mayor and Members
of the Borough Council
Borough of Palisades Park, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), the financial statements – regulatory basis (the "financial statements") of the Borough of Palisades Park (the "Borough"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements and have issued our report thereon dated June 29, 2026. As described in Note 1, the Borough prepares its financial statements on a basis of accounting prescribed by the Division that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

We also noted certain other matters that we reported to the management of the Borough in the schedule of comments and recommendations as items number 2025-01 through 2025-24.

**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.

Paul Garbarini

Paul W. Garbarini, CPA
Registered Municipal Accountant
No. 534

Garbarini & Co.

Garbarini & Co. P.C. CPAs
Registered Municipal Accountants

June 29, 2026
River Edge, New Jersey

## BOROUGH OF PALISADES PARK
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## DECEMBER 31, 2025

**SCHEDULE I-1**

| Federal Department and Program | Federal CFDA Number | Grant Period From | Grant Period To | Grant Award | Program Amount/ Funds Received (Cumulative) | Funds Available December 31, 2024 | Current Year Appropriations | Current Year Disbursements and Charges | Expended PY Cancellation/ Transfers | Funds Available December 31, 2025 | Cumulative Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Community Development Block Grant | 14.218 | | | | | | | | | | |
| Resurfacing of Pembroke Way( Ord. # 2020-2) | | 07/01/19 | 06/30/20 | 53,470.00 | $ - | $ 53,470.00 | $ - | $ - | $ - | $ 53,470.00 | $ - |
| Resurfacing of Harriet Avenue (Ord. # 2023-05) | | 07/01/22 | 06/30/23 | 80,000.00 | - | 80,000.00 | | - | | 80,000.00 | |
| | | | | | - | 133,470.00 | - | - | - | 133,470.00 | - |
| Department of Transportation | | | | | | | | | | | |
| Passed Through State of New Jersey | | | | | | | | | | | |
| National Highway Traffic Administration | 20.616 | | | | | | | | | | |
| Alcohol Impaired Driving Countermeasures | | | 2025 | 14,000.00 | 14,000.00 | | | | | | |
| Alcohol Impaired Driving Countermeasures | | | 2024 | 14,000.00 | 14,000.00 | - | 14,000.00 | 14,000.00 | | - | 14,000.00 |
| Pedestrian Safety Grant | | | 2024 | 1,120.00 | 1,120.00 | | 1,120.00 | | | 1,120.00 | |
| Districted Driving 2025 Crackdown | | | 2025 | 12,250.00 | 12,250.00 | | | | | | |
| Districted Driving 2023 Crackdown | | | 2023 | 12,250.00 | 12,250.00 | 5,250.00 | | 5,250.00 | | - | 12,250.00 |
| | | | | | 53,620.00 | 5,250.00 | 15,120.00 | 19,250.00 | - | 1,120.00 | 26,250.00 |
| Highway Planning & Construction | 20.205 | | | | | | | | | | |
| West Edsall Blvd.- Sec. 7 (2018 Municipal Aid) Ord # 19-02 | | | | 213,000.00 | | - | | | | - | 213,000.00 |
| East Edsall Blvd. Sec 8 (2019 Municipal Aid) | | | | 192,000.00 | | 88,275.00 | | | | 88,275.00 | 103,725.00 |
| West Palisades Blvd. (2020 Municipal Aid)- Ord # 22-3 | | | | 169,000.00 | 105,946.00 | 22,852.42 | | | | 22,852.42 | 146,147.58 |
| Palisades Blvd. Phase 2 (2021 Municipal Aid) Ord # 24-12 | | | | 193,954.00 | 132,506.00 | 61,448.00 | | | | 61,448.00 | 132,506.00 |
| Broad Avenue Streetscape(2022 Municipal Aid) | | | | 193,000.00 | | 193,000.00 | | | | 193,000.00 | - |
| Central Blvd. Imp. Project (2023 Municipal Aid) Ord # 23-07 | | | | 131,500.00 | 73,357.88 | 131,500.00 | | 23,860.82 | | 107,639.18 | 23,860.82 |
| Commercial Avenue Ord # 25-17 | | | | 65,000.00 | | | 65,000.00 | | | 65,000.00 | |
| Lincoln Street - Ord # 25-28 | | | | 58,135.00 | | | 58,135.00 | 58,135.00 | | - | 58,135.00 |
| | | | | | 311,809.88 | 497,075.42 | 123,135.00 | 81,995.82 | - | 538,214.60 | 677,374.40 |
| Alcohol Impaired Driving Countermeasures | 20.601 | | 2015 | 1,258.00 | 1,258.00 | 1,258.00 | | | | 1,258.00 | |
| | | | | | | | | - | | - | |
| Department of Health and Human Services | | | | | | | | | | | |
| National Opioid Settlement | 93.788 | | 2022/23 | 35,062.00 | 35,062.00 | 24,231.44 | | 78.00 | | 24,153.44 | 10,908.56 |
| | | | 2024 | 19,318.14 | 19,318.14 | | 19,318.14 | | | 19,318.14 | |
| | | | | | 54,380.14 | 24,231.44 | 19,318.14 | 78.00 | - | 43,471.58 | 10,908.56 |
| | | | | | | | | | | - | |
| Public Heath Priority Funding | 93.069 | | 2009 | 5,746.00 | 5,746.00 | 4,638.91 | | | | 4,638.91 | 1,107.09 |
| U.S. Department of Justice | | | | | | | | | | - | |
| Bulletproof Vest Partnership Program | 16.607 | | 2017-2023 | 12,078.00 | 12,078.00 | 9,762.75 | | 3,910.99 | | 5,851.76 | 2,315.00 |
| Edward Byrne Memorial Justice Assistance (Bolstering Youth ' | 16.738 | 10/01/21 | 09/30/22 | 16,500.00 | 15,968.63 | 10,664.37 | | | | 10,664.37 | 5,835.63 |
| Department of Community Affairs | | | | | | | | | | | |
| Corona Virus State and Local Fiscal Recovery Funds- Firefighters Program Grant | 21.027 | | 2024 | 94,366.00 | 94,366.00 | | 30,666.00 | | | 30,666.00 | |
| Total Federal Awards | | | | | 549,226.65 | 686,350.89 | 188,239.14 | 105,234.81 | - | 769,355.22 | 723,790.68 |

** Denotes a Major Program

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**
**DECEMBER 31, 2025**

**SCHEDULE I-2**

| State Department and Program | State Acct. Number/ Grant Number | Grant Period From | Grant Period To | Grant Award | Program Amount/ Funds Received (Cumulative) | Funds Available December 31, 2024 | Current Year Appropriations | Current Year Disbursements and Charges | Cancellation/ Transfers | Funds Available December 31, 2025 | Cumulative Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Department of Environmental Protection | | | | | | | | | | | |
| Recycling Tonnage Grant | 4910-100-042-4910 | 07/01/24 | 06/30/25 | $ 7,039.59 | $ 7,039.59 | $ - | $ - | $ - | $ - | $ - | $ - |
| | | 07/01/23 | 06/30/24 | 27,695.42 | 27,695.42 | - | 27,695.42 | - | - | 27,695.42 | - |
| | | 07/01/22 | 06/30/23 | 33,750.00 | 33,750.00 | 33,750.00 | | | - | 33,750.00 | - |
| | | 07/01/21 | 06/30/22 | 27,695.00 | 27,695.00 | 21,734.00 | | | - | 21,734.00 | 5,961.00 |
| | | 07/01/20 | 06/30/21 | 22,649.00 | 22,649.00 | 22,649.00 | | | - | 22,649.00 | - |
| | | 07/01/19 | 06/30/20 | 20,246.66 | 20,246.66 | 20,246.66 | | | | 20,246.66 | - |
| | | 07/01/18 | 06/30/19 | 20,247.00 | 20,247.00 | 20,247.00 | | | | 20,247.00 | - |
| | | 07/01/17 | 06/30/19 | 27,695.42 | 27,695.42 | 27,695.42 | | 13,254.81 | | 14,440.61 | 13,254.81 |
| | | 07/01/14 | 06/30/15 | 20,322.00 | 20,322.00 | 16,754.76 | | 16,754.76 | | (0.00) | 20,322.00 |
| | | | | | 207,340.09 | 163,076.84 | 27,695.42 | 30,009.57 | - | 160,762.69 | 39,537.81 |
| NJ Forest Service - Green Community Grant | | | 2019 | 3,000.00 | 3,000.00 | 2,257.20 | | | | 2,257.20 | 742.80 |
| Stormwater Grant | 4854-100-099-4854 | 1/1/2024 | 12/31/24 | 15,000.00 | 15,000.00 | | 15,000.00 | | | 15,000.00 | |
| Clean Communities | 4900-765-042-4900 | 1/1/2025 | 12/31/25 | 37,828.25 | 37,828.25 | | | | | - | |
| | | 1/1/2024 | 12/31/24 | 38,140.32 | 38,140.32 | | 38,140.32 | 38,140.32 | | - | 38,140.32 |
| | | 01/01/23 | 12/31/23 | 33,578.98 | 33,578.98 | 21,760.10 | | 21,760.10 | | 0.00 | 33,578.98 |
| | | | | | 109,547.55 | 21,760.10 | 38,140.32 | 59,900.42 | - | 0.00 | 71,719.30 |
| Domestic Violence Training | | | 2009 | 1,224.00 | 1,224.00 | 1,224.00 | | | | 1,224.00 | |
| Department of Motor Vehicles | | | | | | | | | | | |
| Drunk Driving Enforcement Fund | 6400-100-078-6400 | | PY | 17,589.00 | 17,589.00 | 2,650.92 | | | | 2,650.92 | 14,938.08 |
| | | | | | | | | | | - | |
| Total Department of Motor Vehicles | | | | | 17,589.00 | 2,650.92 | - | - | - | 2,650.92 | 14,938.08 |
| Pass Through County of Bergen | | | | | | | | | | | |
| Municipal Alliance Alcoholism and Drug Abuse | * | 01/01/20 | 12/31/20 | 4,861.00 | 4,861.00 | 4,507.18 | | | | 4,507.18 | 354.00 |
| | | | | | $ 4,861.00 | $ 4,507.18 | $ - | $ - | $ - | $ 4,507.18 | $ 354.00 |

* - Information Not Available

Continued on next page

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE**
**DECEMBER 31, 2025**

**SCHEDULE I-2**

| State Department and Program | State Acct. Number/ Grant Number | Grant Period From | Grant Period To | Grant Award | Program Amount/ Funds Received (Cumulative) | Funds Available December 31, 2024 | Current Year Appropriations | Current Year Disbursements and Charges | Cancellation/ Transfers | Funds Available December 31, 2025 | Cumulative Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Administrative Office of the Courts | | | | | | | | | | | |
| Alcohol Education and Rehabilitation | 9735-760-098-4900 | 07/01/24 | 06/30/25 | $ 4,780.77 | $ 4,642.48 | $ - | $ - | $ - | $ - | $ - | $ - |
| Alcohol Education and Rehabilitation | | 07/01/23 | 06/30/24 | 4,780.77 | 4,780.77 | - | 4,780.77 | - | - | 4,780.77 | - |
| Alcohol Education and Rehabilitation | | 07/01/22 | 06/30/23 | 3,504.45 | 3,504.45 | 3,504.45 | - | - | - | 3,504.45 | - |
| Alcohol Education and Rehabilitation | | 07/01/21 | 06/30/22 | 5,370.00 | 5,370.00 | 5,370.00 | | - | - | 5,370.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/20 | 06/30/21 | 3,181.00 | 3,181.00 | 1,931.00 | | - | - | 1,931.00 | 1,250.00 |
| Alcohol Education and Rehabilitation | | 07/01/19 | 06/30/20 | 1,750.00 | 1,750.00 | 1,750.00 | | | | 1,750.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/18 | 06/30/19 | 1,929.00 | 1,929.00 | 1,929.00 | | | - | 1,929.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/17 | 06/30/18 | 2,051.00 | 2,051.00 | 2,051.00 | | | | 2,051.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/16 | 06/30/17 | 1,608.00 | 1,608.00 | 1,608.00 | | | | 1,608.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/15 | 06/30/16 | 1,692.00 | 1,692.00 | 1,692.00 | | | | 1,692.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/14 | 06/30/15 | 2,593.00 | 2,593.00 | 898.00 | | | | 898.00 | 1,695.00 |
| Alcohol Education and Rehabilitation | | 07/01/13 | 06/30/14 | 2,245.00 | 2,245.00 | 2,245.00 | | | | 2,245.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/11 | 06/30/12 | 756.00 | 756.00 | 756.00 | | | | 756.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/10 | 06/30/11 | 755.00 | 755.00 | 755.00 | | | | 755.00 | - |
| Alcohol Education and Rehabilitation | | 07/01/09 | 06/30/10 | 955.00 | 955.00 | 955.00 | | | | 955.00 | - |
| | | 07/01/08 | 06/30/09 | 2,356.00 | 2,356.00 | 1,531.00 | | | | 1,531.00 | 825.00 |
| | | | | | 403.98 | 403.98 | | | | 403.98 | |
| Total Administrative Office of the Courts | | | | | 40,572.68 | 27,379.43 | 4,780.77 | - | - | 32,160.20 | 3,770.00 |
| Department of Law and Public Safety | | | | | | | | | | | |
| Division of Criminal Justice | | | | | | | | | | | |
| NJ DOC Body Armor Replacement Grant | 1020-718-066-001-YCJS-6120 | 07/01/23 | 06/30/24 | 3,050.63 | 3,050.63 | | 3,050.63 | 3,050.63 | | - | 3,050.63 |
| NJ DOC Body Armor Replacement Grant | | 07/01/22 | 06/30/23 | 2,995.54 | 2,995.54 | 2,405.87 | | 2,405.87 | | - | 2,405.87 |
| NJ DOC Body Armor Replacement Grant | | 07/01/21 | 06/30/22 | 4,548.00 | 4,548.00 | 4,548.00 | | | 4,548.00 | - | - |
| | | 07/01/20 | 06/30/21 | 2,832.04 | 2,832.04 | 2,832.04 | | | 2,832.04 | - | - |
| Total Department of Law and Public Safety | | | | | 13,426.21 | 9,785.91 | 3,050.63 | 5,456.50 | 7,380.04 | - | 5,456.50 |
| BCUA- Municipal Recycling Grant | * | | 2009 | 4,976.00 | 4,976.00 | 4,976.00 | | 4,976.00 | | - | - |
| Total State Awards | | | | | $ 417,536.53 | $ 237,617.58 | $ 88,667.14 | $ 100,342.49 | $ 7,380.04 | $ 218,562.19 | $ 136,518.49 |

* - Information Not Available

See independent auditor's report and accompanying notes.

BOROUGH OF PALISADES PARK
NOTES TO THE SCHEDULES OF EXPENDITURES
OF FEDERAL AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

**1. General**

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

**2. Basis of Accounting**

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

**3. Relationship of Financial Statements**

Program expenditures reported in the accompanying schedules agree with the amounts reported in the Borough's financial statements, exclusive of the unappropriated reserves. Financial assistance awards are reported in the Borough's financial statements on a basis of accounting described above as follows:

| | State | Federal | Total |
|---|---|---|---|
| Current / Grant Fund | $100,342.49 | $ 23,238.99 | $ 123,581.48 |
| Capital Fund | | 81,995.82 | 81,995.82 |
| | | | - |
| | $100,342.49 | $ 105,234.81 | $ 205,577.30 |

**4. Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**Supplementary Data**

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF TAX RATE INFORMATION**
**FOR THE LAST FIVE YEARS**

TAX RATE AND APPORTIONMENT OF TAX RATE

| Year | Total Tax Rate | Municipal | County | Library | Local School |
|---|---|---|---|---|---|
| 2025 | 1.463 | 0.519 | 0.246 | 0.036 | 0.662 |
| 2024 | 1.455 | 0.502 | 0.243 | 0.035 | 0.675 |
| 2023 | 1.479 | 0.502 | 0.249 | 0.035 | 0.693 |
| 2022 | 1.539 | 0.518 | 0.254 | 0.036 | 0.731 |
| 2021 | 1.584 | 0.530 | 0.256 | 0.034 | 0.764 |

TAX RATE AND APPORTIONMENT OF TAX RATE

| Year | Assessed Valuation |
|---|---|
| 2025 | $ 4,107,250,491 |
| 2024 | 3,911,829,795 |
| 2023 | 3,730,208,201 |
| 2022 | 3,468,672,099 |
| 2021 | 3,249,843,976 |

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF TAX LEVIES AND COLLECTIONS**
**FOR THE LAST FIVE YEARS**

| Year | Tax Levy | Cash Collections | Collection Percentage |
|---|---|---|---|
| 2025 | $ 60,232,394.88 | $ 59,665,955.50 | 99.06% |
| 2024 | 57,160,190.98 | 56,211,919.97 | 98.34% |
| 2023 | 55,374,573.00 | 54,614,990.00 | 98.63% |
| 2022 | 53,639,007.00 | 53,009,475.00 | 98.83% |
| 2021 | 51,606,692.00 | 50,588,678.00 | 98.03% |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF DELINQUENT TAXES AND TAX TITLE LIENS**
**FOR THE LAST FIVE YEARS**

| Year | Liens | Delinquent Taxes | Total | Percentage of Tax Levy |
|---|---|---|---|---|
| 2025 | | $ 537,903.76 | $ 537,903.76 | 0.89% |
| 2024 | | 888,018.50 | 888,018.50 | 1.55% |
| 2023 | | 721,138.00 | 721,138.00 | 1.30% |
| 2022 | | 574,206.00 | 574,206.00 | 1.07% |
| 2021 | | 677,772.00 | 677,772.00 | 1.31% |

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF PROPERTY ACQUIRED BY TAX TITLE LIENS LIQUIDATION**
**FOR THE LAST FIVE YEARS**

| Year | Amount |
|---|---|
| 2025 | $ 275,000.00 |
| 2024 | 275,000.00 |
| 2023 | 275,000.00 |
| 2022 | 275,000.00 |
| 2021 | 275,000.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF SWIMMING POOL UTILITY MEMBERSIP FEES**
**FOR THE LAST FIVE YEARS**

| Year | Budgeted Membership Fee | Cash Collections |
|---|---|---|
| 2025 | $ 428,000.00 | $ 389,685.76 |
| 2024 | 409,000.00 | 428,154.09 |
| 2023 | 450,000.00 | 409,327.00 |
| 2022 | 351,900.00 | 496,146.00 |
| 2021 | 400,000.00 | 351,919.00 |

See independent auditor's report and accompanying notes.

**BOROUGH OF PALISADES PARK**
**SCHEDULE OF FUND BALANCES**
**FOR THE LAST FIVE YEARS**

| | CURRENT FUND | | SWIMMING POOL UTILITY - OPERATING FUND | |
|---|---|---|---|---|
| Year | Balance | Utilized in Budget Succeeding Year | Balance | Utilized in Budget Succeeding Year |
| 2025 | $ 4,155,770.60 | Not Adopted | $ 240,776.75 | Not Adopted |
| 2024 | 4,398,825.44 | 3,361,044.00 | 343,903.73 | 198,394.28 |
| 2023 | 4,811,991.00 | 3,163,000.00 | 394,696.00 | 216,735.00 |
| 2022 | 5,859,103.00 | 4,100,000.00 | 439,023.00 | 165,735.00 |
| 2021 | 6,738,614.00 | 3,568,000.00 | 402,885.00 | 172,800.00 |

**BOROUGH OF PALISADES PARK**
**OFFICIALS IN OFFICE AND SURETY BONDS**

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

| Name | Title | Amount of Bond |
|---|---|---|
| Chong Paul Kim | Mayor | |
| Sang H. Lee | President of Council | |
| Charlie Shin | Councilperson | |
| Suk "John" Min | Councilperson | |
| Youbong Won-Yoon | Councilperson | |
| Christopher Kwak | Councilperson | |
| Frank Donohue | Councilperson | |
| Roberta Stern | Administrator | |
| Roy Riggitano | Chief Financial Officer | $1,000,000 (A) |
| Sophia Jang | Deputy, Clerk | |
| Michael Apicella | Tax Collector | $1,000,000 (A) |
| Kenneth F. Bruno | Director of Public Works | |
| Thomas O'Malley | Construction Official | |
| Joseph Rotolo | Magistrate | (B) |
| Serina M. Ruberto | Court Administrator | (B) |
| Joan Meo | Deputy Court Administrator | (B) |

(A) - The Municipal Excess Liability Joint Insurance Fund (MEL)
(B) - Municipal Court blanket bond - $1,000,000

Blanket Bond coverage of $1,000,000 is provided through the Bergen County Municipal Joint Insurance Fund.

All Bonds were examined and were properly executed.

Contracts and Agreements Required to be Advertised for NJS 40A:11-4

NJS40A:11-4 states "Every contract awarded by the contracting agents, for the provision or performance of any goods or services, the cost of which in the aggregate exceed the bid threshold [40A:11-3 "a contract year the total sum of $17,500…If the purchasing agent is qualified pursuant to subsection b. of section 9 of P.L.1971, c.198 (C.40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to $44,000."], 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."

NJS40A:11-9 states "The governing body of any contracting unit may by ordinance, in the case of a municipality, by ordinance or resolution, as the case may be, in the case of a county, or by resolution in all other cases, establish the office of purchasing agent, or a purchasing department or a purchasing board, with the authority, responsibility, and accountability as its contracting agent, for the purchasing activity for the contract in unit, to prepare public advertising for bids and to receive bids for the provision or performance of goods or services on behalf of the contracting unit and to award contracts permitted pursuant to subsection a. of section 3 of P.L.1971, c. 198 (C.40A:11-3) in the name of the contracting unit, and conduct any activities as may be necessary or appropriate to the purchasing function of the contracting unit."

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed $53,000 within the calendar year or any twelve-month period. Where questions arise as to whether any contract or agreement might result in a violation of the statute, the Borough Attorney's opinion should be sought before a commitment is made.

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

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

Expenditure of $2,625 or more and less than $17,500 ($7,950 or more and less than $53,000 with qualified purchasing agent) Per N.J.S.A. 40A:11-6.1

N.J.S.A 40A:11-6.1 states, "a. For all contracts that in the aggregate are less than the bid threshold but 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L.1971, c.198 (C.40A:11-5), except for paragraph (a) of that subsection professional services and paragraph (b) of the subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered. The contracting agent shall retain the record of the quotation solicitation and shall include a copy of the record with the voucher used to pay the vendor. Whenever two or more responses to a request of a contracting agent offer equal prices and are the lowest responsible bids or proposals, the contracting unit may award the contract to the vendor whose response, in the discretion of the contracting unit, is the most advantageous, price and other factors considered. In such a case, the award resolution or purchase order documentation shall explain why the vendor selected is the most advantageous."

Collection on Interest of Delinquent Taxes and Assessments

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

The Governing Body on January 1, 2025 adopted the following resolution authorizing interest to be charged on delinquent taxes:

WHEREAS, N.J.S.A. 54:4-67 permits the governing body of each municipality to fix the rate of interest to be charged for nonpayment of taxes or assessments subject to any abatement or discount for the late payment of taxes as provided by law; and

WHEREAS N.J.S.A. 54:4-67 has been amended to permit the fixing of said rate of 8% per annum on the first $1,500.00 of the delinquency and 18% per annum on any amount in excess of $1,500.00 and allows an additional penalty of 6% be collected against a delinquency in excess of $10,000.00 prior to the end of the calendar year;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Borough Council of the Borough of Palisades Park, County of Bergen, State of New Jersey as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first $1,500.00 of taxes becoming delinquent after due date and 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 31, and additional penalty of 6% shall be charged against the delinquency.

2. Effective January 1, 2025 there will be a ten-day grace period of quarterly tax payments made by cash, check or money order.

3. Any payments not made in accordance with paragraph two of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

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

## Suggestions to Management

1. A second authorizing signature be added to the following Borough accounts:
   a. Health Department Revenue Account
   b. Municipal Court Bail and Fines Account
2. Stale outstanding checks in the Net Payroll be voided by resolution.
3. Include a budget appropriation line item for the Borough's contributions to the employee Defined Contribution Retirement Program.

Borough of Palisades Park
Schedule of Findings and Responses
For the Year Ended December 31, 2025

Part 1- Summary of Auditor's Results

Financial Statement Section

| | | |
|---|---|---|
| A) Type of Auditors Report Issued | Unmodified (Regulatory Basis) | |
| B) Internal Control over Financial Reporting | | |
| 1) Material weakness identified | Yes | X No |
| 2) Were reportable conditions identified that were not considered to be material weaknesses? | X Yes | No |
| C) Noncompliance material to financial statements notes? | Yes | X No |

Federal Awards Section - N/A- Not a Single Audit

Internal Control over major programs:

| | | |
|---|---|---|
| 1) Material weakness identified | Yes | No |
| 2) Significant deficiencies identified? | Yes | No |
| Type of auditor's report issued on compliance for major programs: | Unqualified | |
| 1) Any audit findings disclosed that are required to be reported in accordance with section 2CFR 200 section .516(a) of? | Yes | No |

Identification of major programs:

| | CFDA Number | Name of Federal Program or Cluster |
|---|---|---|
| (Type A) | | |
| (Type B) | | |

Dollar threshold used to determine type A and type B programs: $ 750,000

Auditee qualified as low-risk auditee? Yes No

State Awards Section

NOT APPLICABLE

***Section II - Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Chapter 5.18-5.20 of *Government Auditing Standards.*

**Finding 2025-001**

Over-expenditure of appropriations/ appropriation reserves/grant reserves:

1. $988,708.45 in various appropriations including legal fees, police salaries, trash removal and judgements.
2. $23,728.24 in various appropriation reserves.
3. $10,719.70 in grant reserves.

**Context**

There are no formal review procedures in place in order to prevent the over-expenditure of funds. Budget transfers could have been approved to reduced or eliminate some of the over-expenditures.

**Effect**

Expenditure of funds in the current or prior years will result in cash deficits and will need to be raised in the 2026 budget.

**Cause**

The Borough did not implement a formal policy to certify funds on a monthly basis and or approve budget transfers to reduce or eliminate some of the over-expenditures.

**Recommendation**

That the Borough implement a review process to verify balances prior to approving expenditures to ensure that there are sufficient funds. Transfers of appropriations should be approved in order to avoid certain over-expenditures.

**Management's Response**

The Certified Municipal Finance Officer did apply to the Division of Local Government Services to request approval for Emergency resolution in the amount of $775,000. The resolution was approved by the governing body at the sine die meeting; however, NJ JDLGS denied the request.

***Section III – Schedule of Federal and State Award Findings and Questioned Cost***

**FEDERAL AWARDS**

N/A- Not a Single Audit

**STATE AWARDS**

N/A- Not a Single Audit

***Section IV: Summary Schedule of Prior – Year Audit Findings and Questioned Costs as Prepared by Management***

[This section identifies the status of prior-year findings related to the general-purpose financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, *USOMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (section .511 (a)(b)) and NJOMB's Circular Letter 15-08].

## FINANCE/TREASURER/ACCOUNTS PAYABLE

***Recommendation 24-01:**
That unfunded improvement authorizations over 5 years old, where projects have been completed, be funded through either a budget appropriation or through the issuance of temporary or permanent debt.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-02:**
Greater effort be made to expend available appropriated grant reserves.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-03:**
Quotes be obtained for purchases that exceed 15% of the bid threshold in accordance with the Local Public Contracts Law.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-04:**
Purchase orders be utilized for all expenditures to ensure proper approvals and certifications are received prior to payment being made.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-05:**
Departmental revenue in the Health and Construction Code departments is not being turned over to the Finance office prior to year-end.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-06:**
Accounting practices be updated to account for the receipt and payment of Off- Duty/Outside employment of police officers to comply with the requirements as set forth in Local Finance Notice 2000-14.

**Status:**
Corrective action has *not* been taken.

**FINANCE/TREASURER/ACCOUNTS PAYABLE (Continued)**

***Recommendation 24-07:**
A purchase order be issued prior to the ordering of any goods and services.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-08:**
Sick and vacation payouts are approved via resolution prior to payment.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-09:**
Sick and vacation compensation policies be updated to maintain compliance with N.J.S.A. 40A: 9-10.4.

**Status:**
Corrective action has been taken.

***Recommendation 24-10:**
A more thorough review of available liability, budget appropriation and improvement authorization balances be made to ensure adequate balances are available for all expenditures.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-11:**
A certificate of availability of funds be prepared and approved prior to the awarding of a contract to prevent the expenditure of funds without proper funding in place.

**Status:**
Partial corrective action has been taken.

**Recommendation 24-12:**
That internal controls be implemented and maintained to ensure that proper procurement procedures are followed.

**Status:**
Corrective action has *not* been taken.

## PAYROLL:

**Recommendation 24-13:**
That controls be implemented and monitored to ensure that all required forms are included in employee files.

**Status:**
Corrective action has *not* been taken.

## MUNICIPAL COURT:

***Recommendation 24-14:**

1. That the following backlog in ticket and complaint processing be rectified:

   a. The Eligible for FTA Report should be reviewed, and FTAs should be promptly generated.

   b. The Cases Eligible for Dismissal Report should be reviewed, and tickets listed on the report should be dismissed with the judge's adjudication on record.

   c. The Eligible for DSUS Notices Report should be reviewed and all tickets/complaints which are eligible for driver's license suspension should be processed through ATS/ACS.

   d. The Tickets Assigned Not Issued Report should be reviewed, and all tickets assigned over six (6) months not issued should be recalled.

   e. The Follow-Up Incomplete Report should be reviewed and parking tickets over three years old must be dismissed in accordance with Rule 7:8-9(f).

**Status:**
Corrective action has *not* been taken.

## SWIM POOL:

***Recommendation 24-15:**

That controls over Swim Pool cash receipts be implemented and monitored to ensure that all deposits are reconciled correctly and deposited within 48 hours, reconciled with credit card statements, and memberships are charged according to approved fee schedules.

**Status:**
Corrective action has *not* been taken.

***Recommendation 24-16:**

That fee charges related to the swim pool be approved via ordinance.

**Status:**
Corrective action has *not* been taken.

## DEFERRED COMPENSATION PLAN:

**Recommendation 24-17:**

That deferred compensation reports be obtained and reconciled to payroll distributions.

**Status:**
Corrective action has *not* been taken.

## CLERK:

**Recommendation 24-18:**

That all meeting minutes be available for inspection.

**Status:**
Corrective action has been taken

***Recommendation 24-19:**

That bid packets provided for auditor review include all required and completed components.

**Status:**
Corrective action has been taken

**Recommendation 24-20:**

That expenditures be monitored for compliance with the Local Public Contract Law.

**Status:**
Corrective action has *not* been taken.

**Recommendation 24-21:**

That all deposits be made with 48 hours of receipt.

**Status:**
Corrective action has *not* been taken.

## HEALTH/REGISTRAR:

**Recommendation 24-22:**

That all deposits be made with 48 hours of receipt.

**Status:**
Corrective action has *not* been taken.

## UNIFORM CONSTRUCTION CODE:

**Recommendation 24-23:**
That all deposits be made with 48 hours of receipt.

**Status:**
Corrective action has *not* been taken.

**Recommendation 24-24:**

That more care be exercised when calculating the permit fees to ensure the fees charged are correct.

**Status:**
Corrective action has *not* been taken.

## POLICE DEPARTMENT:

**Recommendation 24-25:**

That all daily receipts be recorded and deposited, and all financial records be available for inspection.

**Status:**
Partial corrective action has *not* been taken.

## FINANCE/TREASURER/ACCOUNTS PAYABLE:

***25-02 Comment:**

There are General Capital Fund and Swim Pool Capital improvement authorizations greater than five years old that have unfunded portions outstanding.

**Recommendation:**

That unfunded improvement authorizations over 5 years old, where projects have been completed, be funded through either a budget appropriation or through the issuance of temporary or permanent debt.

***25-03 Comment:**

There is a significant amount of unexpended appropriated grant balances.

**Recommendation:**

That greater effort be made to expend available appropriated grant reserves.

***25-04 Comment:**

Quotes were not obtained for all purchases in excess of 15% of the bid threshold.

**Recommendation:**

That quotes be obtained for purchases that exceed 15% of the bid threshold in accordance with the Local Public Contracts Law.

***25-05 Comment:**

Some expenditures are often being processed through the use of an authorizing resolution: no formal purchase order is being created and/or approved.

**Recommendation:**

That purchase orders be utilized for all expenditures to ensure proper approvals and certifications are received prior to payment being made.

## FINANCE/TREASURER/ACCOUNTS PAYABLE:

***25-06 Comment:**

Departmental revenue in the Health and Construction Code departments is not being turned over to the Finance office prior to year-end. On December 31, 2025, the Health department had a book balance of $86,962.62 and the Construction Code department had a book balance of $62,566.60.

**Recommendation:**

That departmental revenue in the Health and Construction Code departments be turned over to the Finance officer prior to year-end for proper revenue recognition.

***25-07 Comment:**

Outside Duty/Outside Employment of Borough police officers is not being accounted for in Accordance with Local Finance Notice 2000-14.

**Recommendation:**

That accounting practices be updated to account for the receipt and payment of Off Duty/Outside Employment of police officers to comply with the requirements as set forth in Local Finance Notice 2000-14.

***25-08 Comment:**

Goods and services are being ordered prior to encumbrance in violation of Technical Accounting Directive No. 1, N.J.A.C. 5:30-5.2 – 5.5.

**Recommendation:**

That a purchase order be issued prior to the ordering of any goods and services.

***25-09 Comment:**

Vacation time payouts are not being approved via resolution of the governing body.

**Recommendation:**

That vacation payouts be approved via resolution prior to payment.

## FINANCE/TREASURER/ACCOUNTS PAYABLE:

***25-10 Comment:**

Audit of the cash disbursements revealed that:

a. Numerous items did not have supporting documentation available for inspection.
b. Numerous items did not have required approval signatures on the purchase order
c. Numerous vendors did not have Form W-9s and New Jersey Business Registration Certificates
d. Form 1099s were unavailable for inspection.

**Recommendation:**

That internal controls be implemented and maintained to ensure that proper procurement procedures are followed and all applicable forms are available for inspection.

***25-11 Comment:**

A review of budget transfers identified discrepancies between the transfers made and those approved by the Governing Body:

- Nine transfers were made in amounts that differed from the approved amounts.
- In some cases, transfers were made from budget accounts different from those authorized.

**Recommendation:**

That internal controls be implemented and monitored to ensure that budget transfers made are approved by the Governing Body.

## PAYROLL:

***25-12 Comment:**

During the examination of employee files, it was noted that numerous employee files did not include required IRS Forms I-9.

**Recommendation:**

That controls be implemented and monitored to ensure that all required forms are included in employee files.

Borough of Palisades Park
Schedule of Current Year Audit Comments & Recommendations
Year Ended December 31, 2025

## MUNICIPAL COURT:

***25-13 Comment:**

A review of the ATS/ACS monthly management report for the month of December 2024 indicated some backlog in ticket and complaint processing:

a. *There were 1,151 tickets assigned over 180 days.
b. *There were 1,401 tickets eligible for Dismissal.
c. There were 3,439 tickets and 7 complaints eligible for Order of Driver's License Suspension.
d. There were 2,159 tickets and 14 complaints eligible for FTA over 14 days.
e. There were 3,161 parking tickets over 3 years old for which dismissal is required.

**Recommendation:**

1. That the following backlog in ticket and complaint processing be rectified:

   a. The Eligible for FTA Report should be reviewed, and FTAs should be promptly generated.

   b. The Cases Eligible for Dismissal Report should be reviewed, and tickets listed on the report should be dismissed with the judge's adjudication on record.

   c. The Eligible for DSUS Notices Report should be reviewed and all tickets/complaints which are eligible for driver's license suspension should be processed through ATS/ACS.

   d. The Tickets Assigned Not Issued Report should be reviewed, and all tickets assigned over six (6) months not issued should be recalled.

   e. The Follow-Up Incomplete Report should be reviewed and parking tickets over three years old must be dismissed in accordance with Rule 7:8-9(f).

**SWIM POOL:**

***25-14 Comment:**

Examination of Swim Pool cash receipts revealed the following:

a. Swim pool daily & monthly sales reports revealed differences between daily reports & monthly reports.
b. Deposits were not made within 48 hours.
c. Credit card reports were not reconciled with monthly sales reports and bank statements.
d. Instances were found that membership fees were not charged in accordance with the fee schedule.

**Recommendation:**

That controls over Swim Pool cash receipts be implemented and monitored to ensure that all deposits are reconciled correctly and deposited within 48 hours, reconciled with credit card statements, and memberships are charged according to approved fee schedules.

***25-15 Comment:**

Revisions to swim pool membership fees were not approved via ordinance.

**Recommendation:**

That fee charges related to the swim pool be approved via ordinance.

**DEFERRED COMPENSATION PLAN:**

***25-16 Comment:**

Deferred Comp 457 Plan is administered by The Equitable. Borough is receiving quarterly statements of activity in the plan, not obtaining reports by participant and not reconciling payroll deductions to contribution deposits.

**Recommendation:**

That deferred compensation participant reports be obtained quarterly and reconciled to payroll deductions.

## CLERK:

***25-17 Comment:**

Purchases from nine vendors exceeded the bidding threshold in aggregate and were not advertised for bids in accordance with the Local Public Contracts Law.

**Recommendation:**

That expenditures be monitored for compliance with the Local Public Contracts Law.

***25-18 Comment:**

Instances of deposits were not made within 48 hours.

**Recommendation:**

That all deposits be made within 48 hours of receipt.

## HEALTH/REGISTRAR:

***25-19 Comment:**

Instances of deposits were not made within 48 hours.

**Recommendation:**

That all deposits be made within 48 hours of receipt.

## UNIFORM CONSTRUCTION CODE:

***25-20 Comment:**

Instances of deposits were not made within 48 hours.

**Recommendation:**

That all deposits be made within 48 hours of receipt.

***25-21 Comment:**

There was an instance that permit fees charged were calculated incorrectly, creating an over-charge of $2,870.

**Recommendation:**

That more care be exercised when calculating the permit fees to ensure the fees charged are correct.

**POLICE DEPARTMENT:**

***25-22 Comment:**

The monies collected by the police department were not recorded or deposited from November 2024 through February 2025.

**Recommendation:**

That all daily receipts be recorded and deposited, and all financial records be available for inspection.

**25-23 Comment**:

Receipt dates were not recorded, making it impossible to determine whether deposits were made within 48 hours.

**Recommendation:**

Subsidiary ledgers should be properly used to record receipts when received in order to determine that they were deposited within 48 hours.

**OTHER:**

**25-24 Comment:**

The following items were not provided for inspection during audit fieldwork:

a. The accumulated absences for the Police Department.
b. The Borough's contributions to the Defined Contribution Retirement Program (DCRP).
c. The number of retirees on the Borough's health insurance plan including the cost of retiree health insurance.

**Recommendation:**

That all records requested for audit be available for inspection.

## Appreciation

We desire to express our appreciation of the assistance and courtesies rendered by the Borough Officials and employees during the year.

* * * * * * * * * * * * * * * * * * * * * * * * * * * *