TOWNSHIP OF MONROE

MIDDLESEX COUNTY, NEW JERSEY

REPORT OF AUDIT

YEARS ENDED DECEMBER 31, 2025 AND 2024

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

TOWNSHIP OF MONROE
TABLE OF CONTENTS

		PAGE
PART I		1
	Independent Auditors' Report	2
FINANCIAL STATEMENTS – REGULATORY BASIS		6
A	Current Fund - Comparative Balance Sheet	7
A- 1	Current Fund - Comparative Statement of Operations and Change in Fund Balance	9
A- 2	Current Fund - Statement of Revenues	10
A- 3	Current Fund - Statement of Expenditures	12
B	Trust Fund - Comparative Balance Sheet	20
C	General Capital Fund - Comparative Balance Sheet	22
C- 1	General Capital Fund - Statement of Fund Balance	23
D	Water-Sewer Utility Fund - Balance Sheet	24
D- 1	Water-Sewer Utility Operating Fund - Statement of Operations and Change in Fund Balance	26
D- 2	Water-Sewer Utility Capital Fund – Statement of Fund Balance	27
D- 3	Water-Sewer Utility Operating Fund - Statement of Revenues	28
D- 4	Water-Sewer Utility Operating Fund - Statement of Expenditures	29
E	Statement of Governmental Fixed Assets	30
	Notes to Financial Statements	31
PART II - SUPPLEMENTARY STATEMENTS		75
Current Fund		76
A- 4	Statement of Current Cash	77
A- 5	Statement of Change Funds	78
A- 6	Statement of Due from State of New Jersey for Senior Citizens and Veterans Deductions per Chapter 73, P.L. 1976	79
A- 7	Statement of Taxes Receivable and Analysis of Property Tax Levy	80
A- 8	Statement of Tax Title Liens	81
A- 9	Statement of Property Acquired for Taxes	81
A-10	Statement of Deferred Charges	82
A-11	Statement of Revenue Accounts Receivable	83
A-12	Statement of 2024 Appropriation Reserves	84
A-13	Statement of Encumbrances Payable	88
A-14	Statement of Accounts Payable	88
A-15	Statement of Prepaid Taxes	88
A-16	Statement of Tax Overpayments	89
A-17	Statement of Local District School Taxes Payable	89
A-18	Statement of County Taxes Payable	89
A-19	Statement of Special District Taxes	90
A-20	Statement of Municipal Open Space Taxes	90

TOWNSHIP OF MONROE
TABLE OF CONTENTS

PAGE

PART II - SUPPLEMENTARY STATEMENTS (CONT'D.)

Current Fund

A-21	Statement of Due to State of New Jersey	91
A-22	Statement of Reserve for Tax Appeals	91
A-23	Statement of Reserve for Union Education Fund	91
A-24	Statement of Reserve for Codification of Ordinances	92
A-25	Statement of Reserve for Energy Aggregation	92
A-26	Statement of Due to State and Federal Grant Fund	93
A-27	Statement of Due to/(from) General Capital Fund	93
A-28	Statement of Due to Water-Sewer Utility Capital Fund	93
A-29	Statement of Due to Affordable Housing Trust Fund	94
A-30	Statement of Due to Trust-Other Fund	94
A-31	Statement of Due from Water-Sewer Utility Operating Fund	94
A-32	Statement of Due from Library	95
A-33	Statement of Due from Current Fund - State and Federal Grant Fund	96
A-34	Statement of Due from General Capital Fund – State and Federal Grant Fund	96
A-35	Statement of Due from Trust-Other Fund – State and Federal Grant Fund	96
A-36	Statement of State and Federal Grants Receivable	97
A-37	Statement of State and Federal Grants - Appropriated	98
A-38	Statement of Unappropriated Reserves for State and Federal Grants	99
A-39	Statement of Due to Payroll Trust Fund	100

Trust Fund 101

B- 1	Statement of Trust Cash	102
B- 2	Statement of Due from General Capital Fund	105
B- 3	Statement of Reserve for Expenditures	105
B- 4	Statement of Due to State of New Jersey	106
B- 5	Statement Due from Community Development Block Grant	106
B- 6	Statement of Due from Current Fund	106
B- 7	Statement of Reserve for Various Trust Deposits	107
B- 8	Statement of Due to State and Federal Grant Fund	108
B- 9	Statement of Reserve for Community Development	108
B-10	Statement of Reserve for Tax Collector Trust	108
B-11	Statement of Due from Current Fund	109
B-12	Statement of Due from General Capital Fund	109
B-13	Statement of Reserve for Affordable Housing	110
B-14	Statement of Reserve for Unemployment	110
B-15	Statement of Payroll Deductions Payable	111
B-16	Statement of Due to Water-Sewer Utility Operating Fund	111
B-17	Statement of Due to Water-Sewer Utility Capital Fund	111
B-18	Statement of Developers' Escrow Funds	111
B-19	Statement of Reserve for Open Space	112
B-20	Statement of Due from Water-Sewer Utility Operating Fund	112
B-21	Statement of Due from Current Fund	112

TOWNSHIP OF MONROE
TABLE OF CONTENTS

		PAGE
PART II - SUPPLEMENTARY STATEMENTS (CONT'D.)		
General Capital Fund		113
C- 2	Statement of General Capital Cash	114
C- 3	Analysis of Capital Fund Cash and Investments	115
C- 4	Statement of Due from Developer	116
C- 5	Statement of Deferred Charges to Future Taxation - Funded	117
C- 6	Statement of Deferred Charges to Future Taxation - Unfunded	118
C- 7	Statement of Grants Receivable	119
C- 8	Statement of Improvement Authorizations	120
C- 9	Statement of Reserve for Capital Improvement Fund	121
C-10	Statement of Reserve for Roadway, Curb, and Sidewalk Improvements	122
C-11	Statement of Reserve for Debt Service	123
C-12	Statement of Bond Anticipation Notes	124
C-13	Statement of General Serial Bonds	125
C-14	Statement of Loans Payable	127
C-15	Statement of Due to Affordable Housing Trust Fund	128
C-16	Statement of Due from/(to) Current Fund	129
C-17	Statement of Due to State and Federal Grant Fund	129
C-18	Statement of Federal ESIP Investment Tax Credit Receivable	129
C-19	Statement of Due to Trust-Other Fund	130
C-20	Statement of Bonds & Notes Authorized but Not Issued	131
Water-Sewer Utility Fund		132
D- 5	Statement of Water-Sewer Utility Fund Cash	133
D- 6	Analysis of Cash Balance - Water-Sewer Utility Capital Fund	134
D- 7	Statement of Consumer Accounts Receivable - Water-Sewer Utility Operating Fund	135
D- 8	Statement of Accrued Interest Payable - Water-Sewer Utility Operating Fund	135
D- 9	Statement of Accounts Payable, Water-Sewer Overpayments and Various Reserves - Water-Sewer Utility Fund	136
D-10	Statement of 2024 Appropriation Reserves – Water-Sewer Utility Operating Fund	137
D-11	Statement of Fixed Capital - Water-Sewer Utility Capital Fund	138
D-12	Statement of Fixed Capital Authorized and Uncompleted – Water-Sewer Utility Capital Fund	139
D-13	Statement of Improvement Authorizations – Water-Sewer Utility Capital Fund	140
D-14	Statement of Capital Outlay Reserve – Water-Sewer Utility Capital Fund	141
D-15	Statement of Reserve for Bond Resolution - Water-Sewer Utility Capital Fund	141
D-16	Statement of Bond Anticipation Notes – Water-Sewer Utility Capital Fund	142
D-17	Statement of Water-Sewer Serial Bonds – Water-Sewer Utility Capital Fund	143
D-18	Statement of Water-Sewer NJEIT Loans – Water-Sewer Utility Capital Fund	144
D-19	Statement of Interfunds (Receivable) Payable– Water-Sewer Utility Fund	145
D-20	Statement of Reserve for Amortization – Water-Sewer Utility Capital Fund	146
D-21	Statement of Bonds and Notes Authorized but not Issued – Water-Sewer Utility Capital Fund	147

TOWNSHIP OF MONROE
TABLE OF CONTENTS

		PAGE
PART III – SINGLE AUDIT SECTION		148
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*		149
Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by NJ OMB Circular 25-12		151
Sch. A	Schedule of Expenditures of Federal Awards	N/A
Sch. B	Schedule of Expenditures of State Financial Assistance	154
Notes to Schedule of Expenditures of State Financial Assistance		155
Sch. C	Schedule of Findings and Questioned Costs – Year Ended December 31, 2025	157
PART IV - SUPPLEMENTARY DATA		159
Comparative Statement of Operations - Change in Fund Balance - Current Fund		160
Comparative Statement of Operations - Change in Fund Balance - Water-Sewer Operating Utility Fund		161
Comparative Statement of Tax Rate Information		162
Comparison of Tax Levies and Collection Currently		163
Delinquent Taxes and Tax Title Liens		163
Property Acquired by Tax Title Lien Liquidation		163
Comparison of Water and Sewer Utility Levies and Collections		163
Comparative Statement of Fund Balances		164
PART V - GENERAL COMMENTS AND RECOMMENDATIONS		165
Officials in Office and Surety Bond Coverages		166
General Comments		167
Recommendations		169
Acknowledgment		169

TOWNSHIP OF MONROE

MIDDLESEX COUNTY

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2025 AND 2024

Independent Auditors' Report

**Honorable Mayor and Members
of the Township Council
Township of Monroe
Middlesex County, New Jersey**

Report on the Audit of the Regulatory Basis Financial Statements

Opinions on Regulatory Basis Financial Statements

We have audited the regulatory basis financial statements of the various funds and the governmental fixed assets of the Township of Monroe, County of Middlesex, New Jersey, (the "Township") which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of operations and changes in fund balance and the statements of changes in fund balance for the years then ended, the statements of revenues and statements of expenditures for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements present fairly, in all material respects, the regulatory basis balance sheets of the Township as of December 31, 2025 and 2024, and the regulatory basis statements of operations and changes in fund balance and the regulatory basis statements of changes in fund balance for the years then ended, the regulatory basis statements of revenues and the regulatory basis statements of expenditures for the year ended December 31, 2025 and the related notes to the financial statements, in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division") 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 Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2025 and 2024, or its revenues, expenditures and changes in fund balance thereof for the years then ended.

Basis for Opinions

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division (regulatory basis), which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Township'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.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, requirements prescribed by the Division, and *Government Auditing Standards* 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 GAAS, requirements prescribed by the Division, and *Government 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 Township's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The information included in Part II – Supplementary Information Required by the Division, Part IV – Supplementary Data, and Part V – Roster and General Comments and Recommendations, as listed in the table of contents, is presented for purposes of additional analysis as required by the Division and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Supplementary Information as Required by NJ OMB Circular 25-12

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Township's basic financial statements. The accompanying schedule of expenditures of state financial assistance as required by the audit requirements of NJ OMB Circular 25-12 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid,* and related notes to the schedule of state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of 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 schedule of expenditures of state financial assistance, and related notes are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 27, 2026 on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
July 27, 2026

Gary Higgins

Gary W. Higgins, CPA
Registered Municipal Accountant, No. 405

FINANCIAL STATEMENTS – REGULATORY BASIS

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
ASSETS AND DEFERRED CHARGES			
Cash - Treasurer	A-4	$ 19,010,483	$ 34,323,339
Cash - Change Fund	A-5	900	900
Due from the State of New Jersey - Senior			
Citizens' and Veterans Deductions	A-6	296,527	140,754
		19,307,910	34,464,993
Receivables With Offsetting Reserves:			
Taxes Receivable	A-7	1,263,271	1,339,669
Tax Title Liens Receivable	A-8	440,524	510,330
Property Acquired for Taxes			
(At Assessed Valuation)	A-9	1,569,800	1,569,800
Due From Library	A-32	128,496	268
Due from Water-Sewer Utility Operating Fund			172
Due from General Capital Fund	A-27	1,699	
Revenue Accounts Receivable			30,629
		3,403,790	3,450,868
Deferred Charges:			
Emergency Authorization (N.J.S.A. 40A:4-46)	A-10	225,000	
Total Current Fund		22,936,700	37,915,861
State and Federal Grant Fund:			
Grants Receivable	A-36	45,303	52,406
Due from General Capital Fund			20,380
Due from Trust-Other Fund	A-35	191,192	161,278
Due from Current Fund	A-33	304,368	127,344
Total State and Federal Grant Fund		540,863	361,408
Total		$ 23,477,563	$ 38,277,269

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - CURRENT FUND
AS OF DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund			
Appropriation Reserves	A-3,A-12	$ 3,885,371	$ 5,647,354
Reserve for Encumbrances	A-3,A-13	1,271,951	1,268,001
Prepaid Taxes	A-15	2,236,751	2,005,322
County Taxes Payable	A-18	437,378	834,180
Accounts Payable	A-14	240,771	
Due to State of New Jersey	A-21	31,557	22,416
Tax Overpayments	A-16	674	39,638
Reserve for Union Education Fund	A-23	36,000	36,000
Reserve for Codification of Ordinances	A-24	10,787	10,787
Reserve for Energy Aggregation	A-25	373	373
Reserve for Tax Appeals			9,983
Due to State and Federal Grant Fund	A-26	304,368	127,344
Due to General Capital Fund			3,814,172
Due to Water-Sewer Utility Capital Fund			19,923
Due to Trust-Other Fund	A-30	5,593	
Due to Payroll Trust Fund	A-39	14,350	
Due to Affordable Housing Trust Fund			6,328,740
		8,475,924	20,164,233
Reserve for Receivables	Reserve	3,403,790	3,450,868
Fund Balance	A-1	11,056,986	14,300,760
Total Current Fund		22,936,700	37,915,861
State and Federal Grant Fund:			
Reserve for State and Federal Grants:			
Appropriated	A-37	477,834	189,853
Unappropriated	A-38	44,565	166,183
Reserve for Encumbrances	A-37	18,464	5,372
Total State and Federal Grant Fund		540,863	361,408
Total		$ 23,477,563	$ 38,277,269

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY BASIS - CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-1, A-2	$ 10,995,000	$ 10,995,000
Miscellaneous Revenues Anticipated	A-2	14,250,009	13,784,052
Receipts from Delinquent Taxes	A-2	1,262,172	1,212,038
Receipts from Current Taxes	A-2, A-7	255,703,350	247,434,571
Non-Budget Revenue	A-2	429,314	597,685
Other Credits to Income:			
Unexpended Balances of Approp. Reserves	A-12	2,565,733	2,233,077
Self Insurance Fund Liquidated			482,139
Accounts Payable Cancelled			294,819
Prior Year Sr. Cit. Deductions Allowed			7,459
Reserve for Interfunds and Receivable Liquidated	A	172	87
Total Revenues and Other Income Realized		285,205,750	277,040,927
EXPENDITURES AND OTHER CHARGES			
Budget Appropriations:			
Operating:			
Salaries and Wages	A-3	29,987,595	29,318,578
Other Expenses	A-3	26,594,135	25,139,464
Municipal Debt Service	A-3	7,536,514	7,119,566
Capital Improvements	A-3	325,000	100,000
Deferred Charges and Statutory Expend.-Mun.	A-3	8,169,015	7,878,962
County Tax	A-18	53,389,690	51,826,633
Local District School Taxes	A-17	133,613,858	128,264,974
Special District Taxes	A-19	16,304,219	15,595,927
Municipal Open Space Taxes	A-20	1,305,736	1,293,953
Prior Year Sr. Cit. & Vet. Deductions Disallowed			10,241
Refund Tax Appeals	A-4	323,835	369,960
Refund Prior Year Revenues			112,272
Reserve for Interfunds and Receivable Advanced	A	129,927	172
Total Expenditures		277,679,524	267,030,702
Excess in Revenues		7,526,226	10,010,225
Adjustments to Income Before Fund Balance:			
Expenditures Included Above Which are by Statute			
Deferred Charges to Budgets of Succeeding Years			
Emergency Authorization	A-10	225,000	
Statutory Excess to Fund Balance		7,751,226	10,010,225
FUND BALANCE			
Balance - January 1	A	14,300,760	15,285,535
		22,051,986	25,295,760
Decreased by:			
Utilization as Anticipated Revenue	A-1, A-2	10,995,000	10,995,000
Balance - December 31	A	$ 11,056,986	$ 14,300,760

See Notes to Financial Statements

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

	Reference	Anticipated 2025 Budget	Appropriated N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Fund Balance Anticipated	A-1	$ 10,995,000		$ 10,995,000	
Miscellaneous Revenues:					
Licenses:					
Alcoholic Beverages	A-11	30,000		37,632	$ 7,632
Fees and Permits	A-11	321,001		381,365	60,364
Fines and Costs:	A-11				
Municipal Court	A-11	300,000		479,949	179,949
Interest and Costs on Taxes	A-11	330,000		348,135	18,135
Interest on Investments and Deposits	A-11	1,600,000		1,057,089	(542,911)
Energy Receipts Taxes	A-11	2,290,494		2,290,494	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):					
Uniform Construction Code Fees	A-11	1,943,000		2,660,323	717,323
Public and Private Revenues Offset with Approps.:					
Body Armor Grant	A-26	4,997		4,997	
Distracted Driving Crackdown Grant	A-26	12,250		12,250	
Recycling Tonnage Grant	A-26	130,576		130,576	
Alcohol Education Rehab Fund Grant	A-26	1,168		1,168	
National Opioid Settlement	A-26	160,018		160,018	
Drive Sober or Get Pulled Over Grant	A-26		$ 14,000	14,000	
Click It or Ticket Grant	A-26		7,000	7,000	
Drunk Driving Enforcement Grant	A-26		15,056	15,056	
Recycling Enhancement Grant	A-26		10,000	10,000	
Clean Communities Grant	A-26		132,976	132,976	
NJ BPU - Community Energy Planning Grant	A-26		10,000	10,000	
Middlesex County - 250th Anniversary of the American Revolution	A-26		7,000	7,000	
NJ DEP - It Pays to Plug In 2022	A-26		24,000	24,000	
Middlesex County - County Project Support Grant	A-26		5,000	5,000	
Additional Revenues Offset with Appropriations:					
Ambulance Fees	A-11	2,750,000		2,687,848	(62,152)
Other Special Items:					
Utility Operating Surplus of the Prior Year	A-11	2,400,000		2,400,000	
Franchise Tax-Cable Companies	A-11	373,133		373,133	
General Capital Fund - Fund Balance	A-11	1,000,000		1,000,000	
Total Miscellaneous Revenues	A-1	13,646,637	225,032	14,250,009	378,340
Receipts from Delinquent Taxes	A-2	1,200,000		1,262,172	62,172
Subtotal General Revenues		25,841,637	225,032	26,507,181	440,512
Amount to be Raised by Taxes for Support of Municipal Budget:					
Local Tax for Municipal Purposes Including Reserve for Uncollected Taxes	A-2	45,545,138		50,233,532	4,688,394
Minimum Library Tax	A-2	5,056,315		5,056,315	
Total Amount to be Raised by Taxes for Support of Municipal Budget	A-2	50,601,453		55,289,847	4,688,394
Budget Totals		76,443,090	225,032	81,797,028	5,128,906
Non-Budget Revenues	A-2, A-4			429,314	429,314
		$ 76,443,090	$ 225,032	$ 82,226,342	$ 5,558,220
	Reference	A-3	A-3	A-1	

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See Notes to Financial Statements

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

	Reference				
ANALYSIS OF REALIZED REVENUES					
Allocation of Current Tax Collections:					
2025 Collections	A-7	$	253,103,322		
Prepaid Taxes Applied	A-7		2,005,322		
State Share of Sr. Citizens and Veterans Deductions Allowed	A-7		594,706		
				$	255,703,350
Allocated to:					
Local School Tax	A-17		133,613,858		
County Taxes	A-18		48,371,579		
County Open Space Taxes	A-18		4,580,733		
Added County Taxes	A-18		437,378		
Municipal Open Space Tax	A-20		1,305,736		
Special District Taxes	A-19		16,304,219		
					204,613,503
					51,089,847
Add: Reserve for Uncollected Taxes	A-3				4,200,000
Amount for Support of Municipal Budget	A-2			$	55,289,847
Allocation of Delinquent Tax Collections:					
Collections	A-7			$	1,262,172
Analysis of Non-Budget Revenues					
Hotel Occupancy Tax				$	127,502
Administrative Fee - Senior Citizen/Veteran Reimbursement					8,904
Cell Tower Rentals					34,788
Facility Rentals					7,600
Restitution Municipal Court					2,830
Prior Year Voided Checks					67,770
Miscellaneous Refunds/Reimbursements					179,920
	A-2, A-4			$	429,314

See Notes to Financial Statements

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

	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Cancelled
OPERATIONS WITHIN "CAPS"						
GENERAL GOVERNMENT:						
Office of the Mayor						
Salaries and Wages	$ 15,606	$ 15,606	$ 15,606			
Other Expenses	10,050	10,050	4,220	$ 321	$ 5,509	
Township Council						
Salaries and Wages	32,524	32,524	32,524			
Other Expenses	19,850	19,850	16,192		3,658	
Office of the Township Clerk						
Salaries and Wages	366,308	336,308	322,527		13,781	
Other Expenses	74,000	74,000	37,319	2,898	33,783	
Elections						
Salaries and Wages	3,604	3,604	3,604			
Other Expenses	50,000	50,000	40,733		9,267	
Office of the Business Administrator						
Salaries and Wages	333,621	333,621	308,939		24,682	
Other Expenses	21,200	21,200	8,992	2,651	9,557	
Human Resources						
Salaries and Wages	221,415	221,415	214,226		7,189	
Other Expenses	85,650	85,650	36,637	22,507	26,506	
Transportation						
Salaries and Wages	792,456	772,456	755,327		17,129	
Other Expenses	140,800	140,800	119,558	1,499	19,743	
Citizens Review Board						
Salaries and Wages	1,694	1,694	1,694			
Insurance						
General Liability	726,445	1,047,445	925,096	8,837	113,512	
Workers Compensation	326,243	326,243	279,068		47,175	
Employee Group Health	6,748,013	6,723,013	6,497,444	15,468	210,101	
Health Benefit Waiver	350,000	325,000	277,298		47,702	
Public Information and Public Advocacy						
Salaries and Wages	149,274	149,274	146,906		2,368	
Other Expenses	72,200	72,200	59,758	2,453	9,989	
Division of Recreation						
Salaries and Wages	1,321,834	1,278,334	1,267,912		10,422	
Other Expenses	283,900	283,900	216,534	11,974	55,392	

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

			Expended			Unexpended
	2025 Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
Division of Parks						
Salaries and Wages	$ 307,373	$ 307,373	$ 258,119		$ 49,254	
Other Expenses	157,925	157,925	121,264	$ 6,857	29,804	
Division of Treasury						
Salaries and Wages	427,892	427,892	394,084		33,808	
Other Expenses:						
Annual Audit	41,500	41,500		41,500		
Special Accounting	77,000	77,000	53,580	6,000	17,420	
Miscellaneous Other Expenses	28,900	18,900	731	576	17,593	
Data Processing						
Salaries and Wages	284,418	284,418	268,486		15,932	
Other Expenses:	295,000	304,000	243,737	58,507	1,756	
Division of Revenue Collection						
Salaries and Wages	326,274	326,274	308,932		17,342	
Other Expenses:						
Tax Sale Costs	10,500	10,500	3,570	169	6,761	
Tax Lien Foreclosure	600	600			600	
Miscellaneous Other Expense	25,500	25,500	15,016	4,893	5,591	
Division of Assessment						
Salaries and Wages	423,513	403,513	374,907		28,606	
Other Expenses	76,200	64,700	31,757	4,832	28,111	
Division of Ambulance Services						
Salaries and Wages	2,919,038	2,919,038	2,750,516		168,522	
Other Expenses	71,050	71,050	16,813	11,719	42,518	
Police						
Salaries and Wages	12,931,371	13,006,371	12,704,830		301,541	
Other Expenses	823,850	713,850	541,458	60,062	112,330	
Emergency Management Services						
Salaries and Wages	37,942	37,942	37,942			
Other Expenses	21,200	11,200			11,200	
Office of the Township Engineer						
Other Expenses:						
Miscellaneous Other Expense	354,320	384,320	334,876	44,444	5,000	
Division of Streets and Roads						
Salaries and Wages	2,541,663	2,626,663	2,592,718		33,945	
Other Expenses	467,125	399,700	265,126	19,904	114,670	

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

	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Cancelled
Vehicle Maintenance						
Salaries and Wages	$ 354,585	$ 354,585	$ 343,527		$ 11,058	
Other Expenses	648,300	648,300	545,741	$ 23,817	78,742	
Solid Waste and Recycling						
Other Expenses	52,000	52,000	46,022	1,938	4,040	
Landfill						
Other Expenses	170,000	170,000	134,896	4,597	30,507	
Buildings and Grounds						
Salaries and Wages	1,011,805	1,031,805	1,002,238		29,567	
Other Expenses	830,500	830,500	757,648	38,666	34,186	
Community Services Act						
Other Expenses	1,573,559	1,523,984	408,382	371,653	743,949	
Office of the Township Attorney						
Other Expenses	562,900	423,900	127,656	225,323	70,921	
Municipal Prosecutor						
Salaries and Wages	91,000	97,000	97,000			
Other Expenses	3,000	3,000	2,400	400	200	
Health Advisory Board						
Salaries and Wages	3,003	3,003	3,003			
Other Expenses	500	500			500	
Economic Development Commission						
Salaries and Wages	3,177	3,177	3,177			
Other Expenses	15,000	5,000			5,000	
Municipal Court						
Salaries and Wages	488,096	488,096	483,277		4,819	
Other Expenses	18,100	18,100	8,079	2,442	7,579	
Public Defender						
Salaries and Wages	35,633	35,633	29,633		6,000	
Animal Control						
Salaries and Wages	224,042	219,042	215,956		3,086	
Other Expenses	129,175	99,175	25,412	8,114	65,649	
Environmental Protection						
Other Expenses	1,000	1,000			1,000	
Building Demolition						
Other Expenses	300	300			300	

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

	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Cancelled
Municipal Land Use Law (NJSA 40:55D-1)						
Zoning Board of Adjustment						
Salaries and Wages	$ 179,612	$ 179,612	$ 177,094		$ 2,518	
Other Expenses	51,500	51,500	31,329	$ 3,939	16,232	
Planning Board						
Salaries and Wages	9,792	9,792	9,792			
Other Expenses	74,250	74,250	70,601	2,752	897	
Division of Planning						
Salaries and Wages	136,099	126,099	105,625		20,474	
Other Expenses	61,500	61,500	46,172	5,058	10,270	
Shade Tree Commission						
Salaries and Wages	8,910	8,910	8,910			
Other Expenses	6,310	6,310	(22,100)	11,473	16,937	
Cultural Arts Commission						
Salaries and Wages	20,000					
Other Expenses	85,650	85,650	64,492	9,852	11,306	
Environmental & Con. Comm Commission						
Salaries and Wages	4,288	4,288	4,288			
Other Expenses	5,725	5,725	1,022		4,703	
Historic Preservation Commission						
Salaries and Wages	4,288	4,288	4,288			
Other Expenses	8,300	8,300	3,317	722	4,261	
Senior Services						
Salaries and Wages	674,120	674,120	638,599		35,521	
Other Expenses	184,000	184,000	142,941	988	40,071	
Recreation and Youth Advisory Board						
Salaries and Wages	3,843	3,843	3,843			
Other Expenses	7,450	7,450	2,904		4,546	
Human Relations Commission						
Salaries and Wages	3,003	3,003	3,003			
Other Expenses	2,050	2,050	384	771	895	
Open Space and Farmland Preservation Commission						
Salaries and Wages	3,087	3,087	3,087			
Other Expenses	750	750			750	
Celebration of Public Events						
Other Expenses	70,000	70,000	64,037	728	5,235	

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

	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Cancelled
UNIFORM CONSTRUCTION CODE - APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4.17):						
Uniform Construction Code						
Salaries & Wages	$ 1,507,610	$ 1,507,610	$ 1,469,185		$ 38,425	
Other Expenses	86,600	86,600	62,870	$ 2,012	21,718	
Accumulated Absences	2,000	7,000	7,000			
Central Mailing	70,000	30,000	27,608	82	2,310	
Utilities	1,907,000	1,907,000	1,497,955	185,172	223,873	
Total Operations Within "CAPS"	46,190,253	46,065,253	41,568,869	1,228,570	3,267,814	
DETAIL:						
Salaries and Wages	28,205,813	27,963,895	27,103,838		860,057	
Other Expenses	17,984,440	18,101,358	14,465,031	1,228,570	2,407,757	
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"						
STATUTORY EXPENDITURES:						
Contribution to:						
Public Employees' Retirement System	2,381,310	2,381,310	2,381,310			
Social Security System (O.A.S.I.)	2,108,886	2,233,886	2,229,061		4,825	
Police & Firemen's Retirement System	3,473,819	3,473,819	3,473,819			
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et. seq.)	30,000	30,000			30,000	
Defined Contribution Retirement Plan	50,000	50,000	34,281		15,719	
Total Def. Charges and Statutory Expend. Municipal Within "CAPS"	8,044,015	8,169,015	8,118,471		50,544	
Total General Appropriations for Municipal Purposes Within "CAPS"	54,234,268	54,234,268	49,687,340	1,228,570	3,318,358	

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

			Expended			Unexpended
	2025 Budget	Budget After Modification	Paid or Charged	Encumbered	Reserved	Balance Cancelled
OPERATIONS EXCLUDED FROM "CAPS"						
911 System						
Salaries and Wages	$ 214,752	$ 214,752	$ 211,368		$ 3,384	
Other Expenses	32,100	32,100	17,632		14,468	
Maintenance of Free Public Library	5,056,315	5,056,315	5,056,315			
NJPDES Stormwater Permit [N.J.S.A. 40A:4-45.3(cc)]:						
Division of Streets and Roads - Salaries and Wages	272,919	272,919	261,335		11,584	
Division of Streets and Roads - Other Expenses	232,757	232,757	176,688	$ 3,100	52,969	
Vehicle Maintenance - Salaries and Wages	8,416	8,416	8,416			
Vehicle Maintenance - Other Expenses	7,000	7,000	7,000			
Solid Waste and Recycling - Other Expenses	70,000	70,000	69,392	608		
Recycling Tax	7,500	7,500	4,815	185	2,500	
Insurance:						
General Liability	197,538	197,538	197,538			
Employee Group Health	180,369	180,369	180,369			
Worker's Compensation	22,735	22,735	22,735			
SHARED SERVICE AGREEMENTS:						
Shared Service (Fire Districts and Board)						
Other Expenses	65,000	65,000	65,000			
Shared Service (Recycling)						
Other Expenses	768,263	768,263	726,029	8,971	33,263	
Shared Service (County Health)						
Other Expenses	107,163	107,163	107,163			
ADDITIONAL APPROPRIATIONS OFFSET BY REVENUES:						
Ambulance Services						
Salaries and Wages	1,527,613	1,527,613	1,527,613			
Other Expenses	1,203,239	1,203,239	723,877	30,517	448,845	

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

	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Cancelled
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES						
Body Armor Grant	$ 4,997	$ 4,997	$ 4,997			
Distracted Driving Crackdown Grant	12,250	12,250	12,250			
SFSP Fire District Payment	8,757	8,757	8,757			
Recycling Tonnage Grant	130,576	130,576	130,576			
Alcohol Education Rehab Fund Grant	1,168	1,168	1,168			
National Opioid Settlement	160,018	160,018	160,018			
Drive Sober or Get Pulled Over Grant		14,000	14,000			
Click It or Ticket Grant		7,000	7,000			
Drunk Driving Enforcement Grant		15,056	15,056			
Recycling Enhancement Grant		10,000	10,000			
Clean Communities Grant		132,976	132,976			
NJ BPU - Community Energy Planning Grant		10,000	10,000			
Middlesex County - 250th Anniversary of the American Revolution		7,000	7,000			
NJ DEP - It Pays to Plug In 2022		24,000	24,000			
Middlesex County - County Project Support Grant		5,000	5,000			
Total Operations Excluded from "CAPS"	10,291,445	10,516,477	9,906,083	$ 43,381	$ 567,013	
DETAIL:						
Salaries and Wages	2,023,700	2,023,700	2,008,732		14,968	
Other Expenses	8,267,745	8,492,777	7,897,351	43,381	552,045	
CAPITAL IMPROVEMENTS - EXCLUDED FROM "CAPS"						
Capital Improvement Fund	100,000	325,000	325,000			
Total Capital Improvements Excl. from "CAPS"	100,000	325,000	325,000			
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"						
Payment of Bond Principal	5,027,419	5,027,419	5,027,419			
Interest on Bonds	2,043,282	2,043,282	1,962,420			$ 80,862
Interest on Notes	538,586	538,586	538,586			
Green Trust Loan Program Principal and Interest	8,090	8,090	8,089			1
Total Municipal Debt Service - Excl. from "CAPS"	7,617,377	7,617,377	7,536,514			80,863

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

	Reference	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Expended: Reserved	Unexpended Balance Cancelled
Total General Appropriations for Municipal Purposes Excluded from "CAPS"		$ 18,008,822	$ 18,458,854	$ 17,767,597	$ 43,381	$ 567,013	$ 80,863
Subtotal General Appropriations		72,243,090	72,693,122	67,454,937	1,271,951	3,885,371	80,863
Reserve for Uncollected Taxes		4,200,000	4,200,000	4,200,000			
Total General Appropriations		$ 76,443,090	$ 76,893,122	$ 71,654,937	$ 1,271,951	$ 3,885,371	$ 80,863
	Reference				A	A	
Adopted Budget	A-2		$ 76,443,090				
Emergency Authorization 40A:4-46	A-10		225,000				
Approp. by N.J.S.A. 40A:4-87	A-2		225,032				
			$ 76,893,122				
Disbursed	A-4			$ 66,920,896			
Reserve for Uncollected Taxes	A-2			4,200,000			
Due to State and Federal Grant Fund	A-26			534,041			
				$ 71,654,937			

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS -
TRUST FUNDS
DECEMBER 31, 2025 AND 2024

ASSETS	Reference	2025	2024
Animal Control Fund:			
Cash - Treasurer	B-1	$ 21,672	$ 9,495
Trust-Other Trust Fund:			
Cash and Investments	B-1	4,576,622	4,949,814
Due From Current Fund	B-6	5,593	
Due From General Capital Fund	B-2	284,311	
Due From Community Development Block Grant			284,311
		4,866,526	5,234,125
Affordable Housing Trust Fund:			
Cash - Treasurer	B-1	7,437,176	2,379,175
Due from General Capital Fund	B-12	66,221	69,971
Due from Current Fund			6,328,740
		7,503,397	8,777,886
Unemployment Trust Fund:			
Cash - Treasurer	B-1	239,311	369,880
Payroll Trust Fund:			
Cash - Treasurer	B-1	1,716,885	621,529
Due from Water-Sewer Utility Operating Fund	B-20	81,712	82,669
Due from Current Fund	B-21	14,350	
		1,812,947	704,198
Developers' Escrow Trust Fund:			
Cash - General Trust	B-1	9,935,221	10,255,243
Cash - Water-Sewer Trust	B-1	4,223,081	3,858,519
		14,158,302	14,113,762
Open Space Trust Fund:			
Cash - Treasurer	B-1	889,153	1,053,847
Total		$ 29,491,308	$ 30,263,193

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS -
TRUST FUNDS
DECEMBER 31, 2025 AND 2024

LIABILITIES AND RESERVES	Reference	2025	2024
Animal Control Fund:			
Reserve for Animal Control Expenditures	B-3	$ 21,592	$ 9,306
Due to State of New Jersey - License Fees	B-4	80	189
		21,672	9,495
Trust-Other Trust Fund:			
Reserve for Community Development	B-9	2,720	145,496
Due to State and Federal Grant Fund	B-8	191,192	161,278
Reserve for Tax Collectors Trust	B-10	853,392	1,054,611
Reserve for Various Deposits	B-7	3,819,222	3,872,740
		4,866,526	5,234,125
Affordable Housing Trust Fund:			
Reserve for Affordable Housing	B-13	7,503,397	8,777,886
Unemployment Trust Fund:			
Reserve for Unemployment	B-14	239,311	369,880
Payroll Trust Fund:			
Payroll Deductions Payable	B-15	1,812,947	704,198
Developers' Escrow Trust Fund:			
Due to Water-Sewer Utility Operating Fund	B-16	128,384	114,848
Due to Water-Sewer Utility Capital Fund	B-17	1,963	1,963
Developers' Escrow Funds-Utility	B-18	4,092,734	3,741,708
Developers' Escrow Funds	B-18	9,935,221	10,255,243
		14,158,302	14,113,762
Open Space Trust Fund:			
Reserve for Open Space	B-19	889,153	1,053,847
Total		$ 29,491,308	$ 30,263,193

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS - GENERAL CAPITAL FUND
DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
ASSETS			
Cash - Treasurer	C-2,C-3	$ 18,349,926	$ 8,671,722
Due from Developer	C-4	111,847	111,847
Grants Receivable	C-7	2,186,891	6,005,151
Federal ESIP Investment Tax Credit Receivable	C-18	3,445,235	
Due from Current Fund			3,814,172
Deferred Charges to Future Taxation:			
Funded	C-5	62,920,000	58,308,009
Unfunded	C-6	42,349,198	30,165,198
Total		$ 129,363,097	$ 107,076,099
LIABILITIES, RESERVES AND FUND BALANCE			
Green Trust Loan Program			$ 8,009
General Serial Bonds	C-13	$ 62,920,000	58,300,000
Bond Anticipation Notes	C-12	24,309,500	14,100,000
Encumbrances Payable	C-8	7,022,336	11,917,379
Improvement Authorizations:			
Funded	C-8	12,296,242	8,755,204
Unfunded	C-8	18,213,157	12,341,493
Due to Current Fund	C-16	1,699	
Due to State and Federal Grant Fund			20,380
Due to Affordable Housing Trust Fund	C-15	66,221	69,971
Due to Trust-Other Fund	C-19	284,311	
Capital Improvement Fund	C-9	5,800	115,500
Reserve for Roadway, Curb, and Sidewalk Improvements	C-10	150,448	133,083
Reserve for Debt Service	C-11	131,870	60,000
Reserve for Federal ESIP Investment Tax Credit Receivable	C-18	3,445,235	
Fund Balance	C-1	516,278	1,255,080
Total		$ 129,363,097	$ 107,076,099
Bonds and notes authorized but not issued (Exhibit C-20)		$ 18,215,898	$ 16,065,198

See Notes to Financial Statements

Exhibit C-1

TOWNSHIP OF MONROE
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCE - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR YEARS ENDED DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
Balance, January 1	C	$ 1,255,080	$ 279,946
Increased by:			
Premium on Bonds and Bond Anticipation Notes	C-2	261,198	473,915
Refunds/Reimbursements			52,812
Cancelled Funded Improvement Authorizations			1,626,703
		1,516,278	2,433,376
Decreased by:			
Grant Receivable Cancelled			898,350
Appropriated to Budget Revenue	C-2	1,000,000	279,946
		1,000,000	1,178,296
Balance, December 31	C	$ 516,278	$ 1,255,080

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS -
WATER-SEWER UTILITY FUND
DECEMBER 31, 2025 AND 2024

ASSETS	Reference	2025	2024
Operating Fund:			
Cash - Treasurer	D-5	$ 10,133,903	$ 10,193,980
Due from Developers Escrow Fund	D-19	128,384	114,848
		10,262,287	10,308,828
Receivables with Full Reserves:			
Consumer Accounts Receivable	D-7	1,678,931	1,121,428
Total Operating Fund		11,941,218	11,430,256
Capital Fund:			
Cash - Treasurer	D-5, D-6	9,931,156	16,593,704
Due from Current Fund			19,923
Due from Water-Sewer Utility Operating Fund	D-19	1,127,451	419,116
Due from Developers Escrow Fund	D-19	1,963	1,963
Fixed Capital	D-11	148,161,493	148,161,493
Fixed Capital Authorized and Uncompleted	D-12	84,382,725	75,862,725
Total Capital Fund		243,604,788	241,058,924
Total		$ 255,546,006	$ 252,489,180

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS -
WATER-SEWER UTILITY FUND
DECEMBER 31, 2025 AND 2024

LIABILITIES, RESERVES AND FUND BALANCES	Reference	2025	2024
Operating Fund:			
Liabilities:			
Appropriation Reserves	D-4, D-10	$ 1,289,162	$ 1,324,841
Encumbrances Payable	D-4, D-10	950,428	897,985
Accounts Payable	D-9	540,313	396,356
Water-Sewer Overpayments	D-9	44,501	34,207
Various Reserves	D-9	154,277	157,777
Due to Payroll Trust Fund	D-19	81,712	82,669
Due to Water-Sewer Utility Capital Fund	D-19	1,127,451	419,116
Due to Current Fund			172
Accrued Interest Payable	D-8	630,027	641,997
		4,817,871	3,955,120
Reserve for Receivables	Reserve	1,678,931	1,121,428
Fund Balance	D-1	5,444,416	6,353,708
Total Operating Fund		11,941,218	11,430,256
Capital Fund:			
Serial Bonds Payable	D-17	42,085,000	44,570,000
Bond Anticipation Note Payable	D-16	13,300,000	10,650,000
Loans Payable - NJEIT	D-18	348,585	502,555
Encumbrances Payable	D-13	7,032,581	9,770,760
Accounts Payable	D-9	24,108	24,108
Improvement Authorizations:			
Funded	D-13	1,497,360	2,380,300
Unfunded	D-13	14,077,676	10,102,820
Reserve for:			
Capital Outlay	D-14	48,385	48,385
Retainage Payable	D-9	42,059	42,059
PFAS Settlement	D-9	1,474,353	
Amortization	D-20	163,122,865	160,483,895
Developers' Contribution	D-15	405,400	
Fund Balance	D-2	146,416	2,484,042
Total Capital Fund		243,604,788	241,058,924
Total		$ 255,546,006	$ 252,489,180
Bonds and Notes Authorized But Not Issued	D-21	$ 13,687,768	$ 7,941,500

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS - WATER-SEWER UTILITY OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

REVENUES AND OTHER INCOME REALIZED	Reference	2025	2024
Fund Balance Utilized	D-3	$ 426,419	$ 426,419
Utility Service Charges	D-3	19,639,956	19,262,914
Miscellaneous Revenues	D-3	691,527	807,009
Water-Sewer Utility Capital Fund Balance	D-3	2,400,000	1,035,663
Reserve for Debt Service			561,022
Other Credits to Income:			
Bond Indenture Reserve			2,291,000
Unexpend. Balance of Appropriation Reserves	D-10	1,379,499	1,924,004
Total Revenues and Other Income Realized		24,537,401	26,308,031
EXPENDITURES			
Budget and Emergency Appropiations:			
Operating	D-4	16,917,890	15,349,230
Capital Improvements	D-4	75,000	75,000
Debt Service	D-4	4,612,782	4,330,479
Deferred Charges and Statutory Expenditures	D-4	1,014,602	1,035,768
Refund of Prior Year Revenues			2,558
Total Expenditures		22,620,274	20,793,035
Excess in Revenues		1,917,127	5,514,996
FUND BALANCE			
Balance - January 1,	D	6,353,708	2,565,131
		8,270,835	8,080,127
Decreased by:			
Utilized as Anticipated Revenue	D-1	426,419	426,419
Appropriated in Current Fund Budget	D-19, A-2	2,400,000	1,300,000
Balance - December 31,	D	$ 5,444,416	$ 6,353,708

See Notes to Financial Statements

TOWNSHIP OF MONROE
COMPARATIVE STATEMENTS OF FUND BALANCE - REGULATORY BASIS -
WATER-SEWER UTILITY CAPITAL FUND
FOR YEARS ENDED DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
Balance, January 1	D	$ 2,484,042	$ 1,035,663
Increased by:			
Premium on Bonds and Bond Anticipation Notes	D-5	62,374	109,042
Cancelled Funded Improvement Authorizations			1,357,028
Cancelled Reserve for Bond Resolution			1,017,972
		2,546,416	3,519,705
Decreased by:			
Appropriated as Budget Revenue	D-3, D-19	2,400,000	1,035,663
Balance, December 31	D	$ 146,416	$ 2,484,042

See Notes to Financial Statements

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

	Reference	2025 Budget	Realized	Excess (Deficit)
Operating Surplus Anticipated	D-1	$ 426,419	$ 426,419	
Water-Sewer Utility Service Charges	D-1, D-3	19,131,931	19,639,956	$ 508,025
Miscellaneous Revenues	D-1, D-3	704,212	691,527	(12,685)
Water-Sewer Utility Capital Fund Balance	D-1, D-2	2,400,000	2,400,000	
		$ 22,662,562	$ 23,157,902	$ 495,340
	Reference	D-4	D-1	

Analysis of Realized Revenues:

Water-Sewer Utility Service Charges:			
Service Charges- Residential and Commercial			$ 13,405,286
Service Charges- Schools, Hotels, Municipal , Institution			311,702
Service Charges- Interlocal			965,570
Service Charges- Fire Protection (Public and Private)			1,481,060
Service Charges- Other			1,302,305
Service Charges- Connection Fees			696,489
Service Charges- Review and Inspection			133,847
Service Charges- Cell Tower Lease			1,343,697
	Reference	D-3, D-5, D-7	$ 19,639,956
Miscellaneous Revenues:			
Interest on Investments and Deposits			$ 613,282
Miscellaneous			78,245
	Reference	D-3, D-5	$ 691,527

See Notes to Financial Statements

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

	2025 Budget	Budget After Modification	Expended: Paid or Charged	Expended: Encumbered	Reserved	Unexpended Balance Cancelled
Operating:						
Salaries and Wages	$ 4,652,744	$ 4,652,744	$ 4,316,159		$ 336,585	
Other Expenses	12,140,146	12,265,146	10,505,097	$ 936,981	823,068	
Capital Improvements:						
Capital Outlay	200,000	75,000	35,591	13,447	25,962	
Debt Service:						
Payment of Bond Principal	2,485,000	2,485,000	2,485,000			
Interest on Bonds	1,527,450	1,527,450	1,504,002			$ 23,448
Interest on Notes	475,000	475,000	464,122			10,878
NJEIT Loans	167,620	167,620	159,658			7,962
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	618,993	618,993	618,993			
Social Security System (O.A.S.I.)	385,609	385,609	292,062		93,547	
Unemployment Compensation Insurance (N.J.S.A. 43:21-3 et seq.)	10,000	10,000			10,000	
	$ 22,662,562	$ 22,662,562	$ 20,380,684	$ 950,428	$ 1,289,162	$ 42,288
Reference	D-3	D-3		D	D	

Reference		
D-5	Cash Disbursed	$ 18,402,478
D-8	Accrued Interest on Bonds, Notes and Loans	1,978,206
		$ 20,380,684

See Notes to Financial Statements

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Exhibit E

TOWNSHIP OF MONROE
STATEMENT OF GOVERNMENTAL FIXED ASSETS
REGULATORY BASIS
DECEMBER 31, 2025 AND 2024

	2025	2024
General Fixed Assets:		
Land	$ 3,769,000	$ 3,769,000
Land Improvements	4,495,604	4,495,604
Buildings	24,010,898	24,010,898
Machinery and Equipment	25,350,116	24,210,200
Total General Fixed Assets	$ 57,625,618	$ 56,485,702
Investment in General Fixed Assets	$ 57,625,618	$ 56,485,702

See Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A Reporting Entity

The Township is managed under the Faulkner Act form of government authorized under NJSA: 40:69A-31 et. seq. Voters elect the Township Council of five (5) members to staggered, four-year terms. The Mayor is the chief executive and is directly elected to a four-year term. The Township Council is the legislative body of the municipality. The Mayor appoints department heads with Council approval. By ordinance, the business administrator supervises administration of departments, subject to the Mayor's direction.

The Governmental Accounting Standards Board (GASB) requires the financial reporting entity to include both the primary government and component units. Component units are legally separate organizations for which the Township is financially accountable. The Township is financially accountable for an organization if the Township appoints a voting majority of the organization's governing board and (1) the Township is able to significantly influence the programs or services performed or provided by the organization; or (2) the Township is legally entitled to or can otherwise access the organization's resources; the Township is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Township is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Township in that the Township approves the budget, the issuance of debt or the levying of taxes. The Township is not includable in any other reporting entity as a component unit.

Except as noted below, the financial statements of the Township of Monroe include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Township of Monroe, as required by N.J.S.A. 40A: 5-5. Accordingly, the financial statements-regulatory basis of the Township of Monroe, do not include the operations of the local school board, municipal library and the local fire districts and companies and the first aid squads.

B. Description of Regulatory Basis of Accounting

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

The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with GAAP. The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

The accounting policies of the Township of Monroe conform to the accounting principles applicable to municipalities that have been prescribed by the Division. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township of Monroe accounts for its financial transactions through the following separate funds:

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

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

General Capital Fund - resources, including Federal and State Grants in aid of construction, and expenditures for the acquisition of general capital facilities, other than those acquired through the Current Fund, including the status of bonds and notes authorized for said purposes.

Water-Sewer Utility Fund - resources and expenditures for the operations and acquisition of capital facilities of the municipally owned Water-Sewer Utility.

Governmental Fixed Assets - the Governmental Fixed Asset System is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available or any other reasonable basis, provided such basis is adequately disclosed in the financial statements. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

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

Reclassifications – Certain reclassifications may have been made to the December 31, 2024 balances to conform to the December 31, 2025 presentation.

Financial Statements – Regulatory Basis

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

D. Basis of Accounting and Measurement Focus

The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. GASB's Codification of Governmental Accounting and Financial Reporting Standards and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles (GAAP) for state and local governments. GAAP provides for the issuance of entity-wide financial statements along with the presentation of separate fund financial statements that differ from the organization of funds prescribed under the regulatory basis of accounting utilized by the Township. The resultant presentation of financial position and results of operations in the form of financial statements is not intended to present the basic financial statement presentation required by GAAP.

As indicated above, the basis of accounting utilized by New Jersey municipalities is as prescribed by the Division of Local Government Services. The basis of accounting for operating funds is generally a modified cash basis for revenue recognition and a modified accrual basis for expenditures. The operating funds utilize a "current financial resources" measurement focus. The accounting principles and practices prescribed for municipalities by the Division differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units. The most significant is the reporting of entity-wide financial statements, which are not presented in the accounting principles prescribed by the Division. The other more significant differences are as follows:

Revenues – Revenues are recorded as received in cash except for statutory reimbursements and grant funds that are due from other governmental units. State and Federal grants, entitlements and shared revenues received for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes and utility consumer charges are recorded with offsetting reserves within the Current Fund and Water-Sewer Utility Fund, respectively. Other amounts that are due to the Township, which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable, with the exception of utility consumer charges, which should be recognized in the period they are earned and become measurable.

Expenditures - For purposes of financial reporting, expenditures are recorded as "paid or charged" or "appropriation reserves". Paid or charged refers to the Township "budgetary" basis of accounting. Generally, these expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the encumbrance accounting system. Reserves for un-liquidated encumbrances at the close of the year are reported as a cash liability. Encumbrances do not constitute expenditures under GAAP. Appropriation reserves refer to unexpended appropriation balances at the close of the year. Appropriation reserves are automatically created and recorded as a cash liability, except for amounts which may be cancelled by the governing body. Appropriation reserves are available until lapsed at the close of the succeeding year to meet specific claims, commitments, or contracts incurred and not recorded in the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Generally, unexpended balances of budget appropriations are not recorded as expenditures under GAAP.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurement Focus (Continued)

Cash, Cash Equivalents and Investments – Cash includes amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government. The carrying amount approximates fair value because of the short term maturity of those investments. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires all investments be reported at fair value.

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. Although the expenditure method of accounting for purchases of supplies is in accordance with GAAP, the cost of inventory on hand at the close of the year should be reported on the balance sheet with an offsetting reserve for conformity with GAAP.

Property Tax Revenues/Receivables - Real property taxes are assessed locally, based upon the assessed value of the property. The tax bill includes a levy for Municipal, County, Fire District 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. A penalty of up to 6% of the delinquency may be imposed on a taxpayer with a delinquency in excess of $10,000 who fails to pay that delinquency prior to the end of the fiscal year in which the charges become delinquent.

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 December 31, of each fiscal year. County taxes are paid quarterly on February 15, May 15, August 15 and November 15, to the County by the Township. When unpaid taxes or any municipal lien, or part thereof, on real property, remains in arrears on April first 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 standard tax sale. The Township also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11th day of the eleventh month in the fiscal year when the taxes or lien became in arrears, the collector in the municipality shall, subject to the provisions of the New Jersey Statutes, enforce the lien by placing property on an accelerated tax sale, provided that the sale is conducted and completed no earlier than in the last month of the fiscal year. The Township may institute annual in rem tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property. 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 tax 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 (i.e., when they are both levied and available), reduced by an allowance for doubtful accounts.

Sale of Municipal Assets - Cash proceeds from the sale of Township owned property may be realized as revenue or reserved until utilized as an item of revenue in a subsequent year budget. Year-end balances of reserved proceeds are reported as a cash liability in the Current Fund. GAAP requires that revenue be recognized in the accounting period that the terms of the sales contracts become legally enforceable.

Miscellaneous Revenues/Receivables – Miscellaneous revenues are recognized on a cash basis. Receivables for the miscellaneous items that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Township's Current Fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual (i.e., when they are both measurable and available).

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurement Focus (Continued)

Compensated Absences – Expenditures relating to obligations for unused vested vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for future payment of compensated absences. GAAP requires that the liabilities for compensated absences be recorded for leave that has not been used when the leave is attributable to services already rendered and the leave is more likely than not to be used for time off or otherwise paid in cash. Compensated absences liabilities are not recorded on the balance sheet.

Property Acquired for Taxes - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the governmental fixed asset account group at the lower of cost or fair market value.

Grant and Similar Award Revenues/Receivables – Federal and State grants, entitlements or shared revenues received for purposes normally financed through the Current Fund are recognized when anticipated in the Township's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

Deferred Charges – Certain expenditures and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures and certain other items generally to be recognized when incurred, if measurable. Funded and unfunded debt authorizations for general capital projects are also recorded as deferred charges and represent permanent long-term debt issues outstanding (funded) and temporary debt issues outstanding or unissued debt authorizations (unfunded), respectively. GAAP does not permit the recording of deferred charges for funded and unfunded debt authorizations.

Tax Appeals and Other Contingent Losses – Losses arising from tax appeals and other contingent losses are recognized at the time a decision is rendered by an administrative or judicial body; however, municipalities may establish reserves transferred from tax collections or by budget appropriation for future payments of tax appeal losses. GAAP requires such amounts to be recorded when it is probable that a loss has been incurred and the amount of such loss can be reasonably estimated.

Fixed Assets - Property and equipment purchased by the Current and the General Capital Funds are recorded as expenditures at the time of purchase and are not capitalized. Property and equipment purchased by the Water-Sewer Utility Fund are recorded in their capital accounts at cost and are adjusted for dispositions and abandonments. Contributions in aid of construction are not capitalized. The balances in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the Water-Sewer Utility Capital Fund represent charges to operations for the costs of acquisitions of property, equipment and improvements, and costs funded from sources including bonded debt of the utility. The utility does not record depreciation on fixed assets. GAAP does not require the establishment of a reserve for amortization for utility fixed assets but does require the recognition of depreciation of these assets as an operating expense of the utility.

Governmental Fixed Assets – New Jersey Administrative Code 5:30-5.6 established a mandate for fixed asset accounting by municipalities, effective December 31, 1985. Fixed assets used in governmental operations are accounted for in the Governmental Fixed Assets. Public domain (“infrastructure”) general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets, sidewalks and drainage systems are not capitalized. All fixed assets have been valued at cost or estimated historical cost if the actual cost is not available, except for land and buildings at January 1, 1996, which have been valued at the assessed value.

Long-term debt - The Township’s long-term debt is stated at face value. The debt is not traded, and it is not practicable to determine its fair value without incurring excessive cost. Additional information pertinent to the Township’s long-term debt is disclosed in Note 3 to the financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurement Focus (Continued)

Net Pension Liability and Related Deferred Outflows of Resources and Deferred Inflows of Resources and Pension Expense - The requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71*, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB No. 68* require governmental entities to record their distributive shares of net pension liability, deferred outflows of resources, deferred inflow of resources and total pension related expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of the liabilities, deferrals and expenses, but do require the disclosure of these amounts. The audited financial information related to pensions is released annually by the State's Division of Pensions and Benefits and is required to be included as note disclosures in the financial statements. Pursuant to N.J.A.C. 5:30-6.1c2, municipalities may use the most recent available audited GASB 68 financial information published by the New Jersey Department of the Treasury, Division of Pensions and Benefits. As of the date of audit, the 2025 Public Employees' Retirement System Report and the 2025 Police and Firemen's Retirement System Report were the most recent reports available and therefore information for that year was disclosed accordingly. Refer to Note 8 to the Financial Statements for these disclosures.

Other Post-Employment Benefits Other Than Pensions – The requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)* that is provided by other entities require governmental entities to record in their financial statements a share of the other governments net OPEB liability, deferred outflow of resources, deferred inflow of resources and total OPEB expense. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these liabilities, deferrals and expenses, but do require the disclosure of the amounts. Pursuant to N.J.A.C. 5:30-6.1c2, municipalities may use the most recent available audited GASB 75 financial information for "Other Post-Employment Benefits Other Than Pensions". As of the date of audit, the 2024 Report was the most recent report available and therefore information for that year was disclosed accordingly. Since the Township does not follow GAAP, the GASB did not result in a change in the Township's assets, liabilities and contribution requirements. However, it did result in additional note disclosures as required by the GASB. Refer to Note 9 to the Financial Statements for the disclosures.

Lease Receivable/Deferred Inflows of Resources - The requirements of GASB Statement No. 87, *Leases* requires the lessor to recognize a lease receivable and deferred inflows of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these receivables and deferred inflow of resources, but do require the disclosure of these amounts. Refer to Note 16.

Lease Payable/Lease Asset - The requirements of GASB Statement No. 87, *Leases* requires the lessee to recognize a lease liability and a lease asset at the commencement of the lease term, unless the lease is short-term or it transfers ownership of the underlying asset. The lease liability should be measured at the present value of payments expected to be made during the lease term (less any incentives). The lease asset should be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Accounting principles applicable to municipalities, which have been prescribed by the Division, do not require the recording of these payables and deferred outflow of resources, but do require the disclosure of these amounts. Management has determined the impact of the Statement on the financial statements was not material.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurement Focus (Continued)

Recently Issued and Adopted Accounting Principles

During the year ended December 31, 2025, the Township adopted one new GASB statement.

The GASB Statement No. 102, *"Certain Risk Disclosures"*, provides guidance on disclosures within government financial statements on risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Under this statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024. Management has reviewed the Statement and determined it did not have an impact on the financial statements.

Accounting standards that the Township is currently reviewing for applicability and potential impact on the financial statements include:

The GASB Statement No. 103, *"Financial Reporting Model Improvements"*, has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing the government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

The GASB issued Statement No. 104, "*Disclosure of Certain Capital Assets"* in September 2024. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets including lease assets, intangible right-to-use assets, subscription assets, other intangible assets and assets held for sale. The requirements of this Statement are effective for periods beginning after June 15, 2025, and all reporting periods thereafter.

The GASB issued Statement No. 105, "*Subsequent Events*" in December 2025. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter. Management has not yet determined the impact on this Statement on the financial statements.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Township believes will most impact its financial statements. The Township will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurement Focus (Continued)

Water-Sewer Utility Fund – Effective February 1, 2009, pursuant to N.J.S.A. 40A:5A-20, the adoption of local ordinances and resolutions and the approval of the Local Finance Board, Department of Community Affairs, State of New Jersey, the Monroe Township Municipal Utilities Authority (MUA) was dissolved and its operations were absorbed by the Township of Monroe. The activity of the utility operations are recorded and reported within the Water-Sewer Utility Fund section of the Township's financial statements. The MUA, the previous entity, operated as a separate authority and reported its financial statements in accordance with accounting principles generally accepted in the United States.

Upon this transition, the Township Water-Sewer Utility Fund reports its financial statements for the period from February 1, 2009 through December 31, 2009, under the OCBOA form of accounting as promulgated by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The primary differences between these accounting principles are as described above. In accordance with the establishment of the Water-Sewer Utility Fund, the Township converted the balance sheet reported by the MUA under the GAAP basis of accounting at January 31, 2009, to a balance sheet prepared by the Township as the Water-Sewer Utility Fund under the Township's OCBOA basis of accounting as of February 1, 2009.

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. 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. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

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

Trust Funds
General Capital Fund
Water-Sewer Utility Capital Fund

The governing body is required to introduce and approve the annual budget no later than February 10, of the fiscal year. The budget is required to be adopted no 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 expense) and includes information on the previous year. The legal level of control for appropriations is exercised at the individual line-item level for all operating budgets adopted. The governing body of the municipality may authorize emergency appropriations and the inclusion of certain special items of revenue to the budget after its adoption and determination of the tax rate. 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 and 2024, the Township Council increased the original current fund budget by $450,032 and $176,823, respectively. The 2025 increase was funded by an Emergency Authorization of $225,000 and additional grants and aid allotted to the Township of $225,032. The 2024 increase was funded by additional grants and aid allotted to the Township.

Additionally, the governing body approved budget transfers during 2025 in the Water-Sewer Utility Operating Fund Budget.

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION

The Local Bond Law, Chapter 40A:2 et seq, governs the issuance of bonds to finance municipal capital expenditures. The Township's debt is summarized as follows.

A. Summary of Municipal Debt for Capital Projects

	2025	2024
Issued:		
General:		
Serial Bonds	$ 62,920,000	$ 58,300,000
Bond Anticipation Notes	24,309,500	14,100,000
Green Acres Trust Loans		8,009
Water - Sewer Utility:		
Serial Bonds	42,085,000	44,570,000
NJEIT Loans	348,585	502,555
Bond Anticipation Notes	13,300,000	10,650,000
Total Issued	142,963,085	128,130,564
Net Issued	142,963,085	128,130,564
Authorized But Not Issued:		
General:		
Bonds and Notes	18,215,898	16,065,198
Water - Sewer Utility:		
Bonds and Notes	13,687,768	7,941,500
Total Authorized But Not Issued	31,903,666	24,006,698
Total Bonds and Notes Issued and Authorized but not Issued	$ 174,866,751	$ 152,137,262

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

A. Summary of Municipal Debt for Capital Projects (Continued)

Summarized below are the Township's individual bond, note and loan issues which the Township has pledged its full faith and credit towards the repayment of and which were outstanding at December 31, 2025 and 2024.

	2025	2024
General Debt:		
Serial Bonds and Bond Anticipation Notes:		
$16,220,000, General Obligation Bonds - 2019 serial bond issued 2019 with final maturity 2034, remaining interest rates at 3.00% to 5.00%	$ 10,810,000	$ 11,855,000
$9,295,000, General Obligation Bonds - 2021 serial bond issued 2021 with final maturity 2034, remaining interest rate at 2.00%	7,425,000	7,930,000
$25,290,000, General Obligation Refunding Bonds - 2021 serial bond issued 2021 with final maturity 2033, remaining interest rates at 4.00% to 5.00%	14,130,000	17,245,000
$21,270,000, General Improvement Bonds - 2024 serial bond issued 2024 with final maturity 2038, remaining interest rates at 4.00% to 5.00%	20,410,000	21,270,000
$10,145,000, Energy Savings Obligation Refunding Bonds - 2025 serial bond issued 2025 with final maturity 2046, remaining interest rates at 4.00% to 5.00%	10,145,000	
$14,100,000, General Capital Bond Anticipation Notes - 2024 issued 6/3/24, mature on 6/2/25, interest 4.25%		14,100,000
$21,800,000, General Capital Bond Anticipation Notes - 2025 issued 5/30/25, mature on 5/29/26, interest 3.5%	21,800,000	
$2,509,500, General Capital Bond Anticipation Notes - 2025 issued 10/23/25, mature on 5/29/26, interest 4.00%	2,509,500	
Subtotal - Bonds and Bond Anticipation Notes	87,229,500	72,400,000
Loans:		
$265,600.16, N.J. Green Trust Loan issued 1/11/05 with final maturity in 2025 interest 2.000%		8,009
Subtotal - Loans	-	8,009
Subtotal - General Debt	$ 87,229,500	$ 72,408,009

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

A. Summary of Municipal Debt for Capital Projects (Continued)

Summarized below are the Township's individual bond and loan issues which were outstanding at December 31, 2025 and 2024.

	2025	2024
Water-Sewer Utility Debt:		
Serial Bonds, Bond Anticipation Notes and Loans:		
$30,000,000, Water-Sewer Capital Revenue Bonds serial bond issued 2015 with final maturity 2039, remaining interest rates at 3.00% to 3.500%	$ 20,620,000	$ 21,705,000
$4,750,000, Water-Sewer Revenue Refunding Bonds serial bond issued 2016 with final maturity 2026, interest rate at 4.000%	550,000	1,080,000
$7,310,000, Water-Sewer Capital Revenue Bonds serial bond issued 2019 with final maturity 2038, remaining interest rates at 3.00% to 5.00%	5,315,000	5,705,000
$3,015,000, Water-Sewer Capital Revenue Bonds serial bond issued 2021 with final maturity 2036, interest rate at 2.00%	2,530,000	2,655,000
$13,425,000, Water-Sewer Utility Bonds serial bond issued 2024 with final maturity 2036, remaining interest rates at 4.00% to 5.00%	13,070,000	13,425,000
$10,650,000, Water-Sewer Bond Anticipation Notes - 2024 issued 6/3/24, mature on 6/2/25, interest 4.25%		10,650,000
$13,300,000, Water-Sewer Bond Anticipation Notes - 2025 issued 5/30/25, mature on 5/29/26, interest 3.50%	13,300,000	
$1,060,000, NJ Environmental Infrastructure Trust Loan issued 2012 with final maturity 8/1/28 remaining interest rates at 3.00% to 5.00%	265,000	345,000
$1,183,520, NJ Environmental Infrastructure Trust Loan issued 2012 with final maturity 2/1/27 remaining interest rates at 0.000%	83,585	157,555
Subtotal - Water-Sewer Utility Debt	55,733,585	55,722,555
Total Outstanding Debt	$ 142,963,085	$ 128,130,564

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

B. 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:

2025	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 80,850,000	$ 80,850,000	
Water - Sewer Utility Debt	69,421,353	69,421,353	
General Debt	105,445,398	26,229,343	$ 79,216,055
	$ 255,716,751	$ 176,500,696	$ 79,216,055

Net Debt $ 79,216,055 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $ 15,011,222,822.00 = 0.528%

2024	Gross Debt	Deductions	Net Debt
Local School District Debt	$ 80,715,000	$ 80,715,000	
Water - Sewer Utility Debt	63,664,055	63,664,055	
General Debt	88,473,207	21,326,246	$ 67,146,961
	$ 232,852,262	$ 165,705,301	$ 67,146,961

Net Debt $ 67,146,961 Divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended $ 13,553,158,321.33 = 0.495%

The Township's Borrowing Power Under N.J.S.A. 40A:2-6 as Amended, at December 31, was as follows:

	2025	2024
3 1/2% of Equalized Valuation Basis Municipal	$ 525,392,799	$ 474,360,541
Net Debt	79,216,055	67,146,961
Remaining Borrowing Power	$ 446,176,744	$ 407,213,580

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

B. Summary of Statutory Debt Condition – Annual Debt Statement (Continued)

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

The calculation of "Self-Liquidating Purpose" for the Water-Sewer Utility Fund per N.J.S.A. 40A:2-45 is as follows:

	2025	2024
Cash Receipts From Fees, Utility Rents or Other Charges for the year	$ 23,157,902	$ 22,093,027
Deductions:		
Operating and Maintenance Costs	17,932,492	16,384,998
Debt Service	4,612,782	4,330,479
Total Deductions	22,545,274	20,715,477
Excess in Revenue	$ 612,628	$ 1,377,550

The differences between the excess revenues for debt statement purposes and the statutory cash basis for the Water-Sewer Utility Fund is as follows:

		2025	2024
Excess in Revenues - Cash Basis (D-1)		$ 1,917,127	$ 5,514,996
Add:	Capital Improvements	75,000	75,000
	Other Deductions		2,558
		1,992,127	5,592,554
Less:	Unexpend. Balance of Approp. Reserves	1,379,499	1,924,004
	Bond Indenture Reserve Cancelled		2,291,000
Excess in Revenue		$ 612,628	$ 1,377,550

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

C. Schedule of Annual Debt Service for Principal and Interest for the Bonded Debt Issued and Outstanding at December 31, 2025:

Calendar	General		Water - Sewer Utility		
Year	Principal	Interest	Principal	Interest	Total
2026	$ 5,705,000	$ 2,129,250	$ 2,550,000	$ 1,469,850	$ 11,854,100
2027	9,230,000	2,343,550	2,515,000	1,374,150	15,462,700
2028	4,985,000	1,944,850	2,540,000	1,289,700	10,759,550
2029	5,150,000	1,746,400	2,550,000	1,204,000	10,650,400
2030	5,280,000	1,527,300	2,565,000	1,117,800	10,490,100
2031-2035	22,445,000	4,446,400	13,070,000	4,316,625	44,278,025
2036-2040	6,980,000	1,270,800	10,200,000	2,144,875	20,595,675
2041-2045	2,535,000	439,400	3,275,000	966,800	7,216,200
2046-2049	610,000	24,400	2,820,000	282,000	3,736,400
Total	$ 62,920,000	$ 15,872,350	$ 42,085,000	$ 14,165,800	$ 135,043,150

The details of the Township financings are contained within the supplementary schedules section included within this report.

D. Loan Agreements

New Jersey Green Trust Loan

The Township has contracted for the funding of Ballfield Improvements through the N.J. Green Trust Loan Program in the amount of $265,600. During the year ended December 31, 2025, the Township made the final principal loan payment in the amount of $8,009.

The payment schedules for the respective loan agreements are set forth in the General Capital section of this report.

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

E. Loan Agreements

Department of Environmental Protection Environmental Infrastructure Loans

The Township has contracted with the State of New Jersey, Department of Environmental Protection to fund a portion of the costs incurred for improvements to wells 17 and 19. Total final loan amount was $2,612,985 which included $522,595 of Principal Forgiveness. Information relating to these loans is as follows:

	Loan #1	Loan #2
Drawn Down Date	11/21/2016	11/21/2016
Final Loan Amount	$1,060,000.00	1,183,520.00
Interest Rates	Various	0.00%
Due Dates	Aug. 1 & Feb. 1	Feb. 1 & Aug. 1
Number of Payments	19	19
Final Payment Date	08/01/28	02/01/27

Pursuant to the provisions of N.J.S.A. 40A:2-1 et seq. the combined outstanding principal of these loans has been included in the calculation of the Township's statutory debt condition within the Water-Sewer Utility.

Schedule of Annual Debt Service for Principal and Interest for the NJEIT Debt Issued and Outstanding at December 31, 2025:

Calendar	Fund Loan	Trust Loan		
Year	Principal	Principal	Interest	Total
2026	$ 73,970	$ 85,000	$ 9,650	$ 168,620
2027	9,615	90,000	5,400	105,015
2028		90,000	2,700	92,700
Total	$ 83,585	$ 265,000	$ 17,750	$ 366,335

The details of the Township financings are contained within the supplementary schedules section included within this report.

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

F. Changes in Long-Term Municipal Debt

The Township's long-term capital debt activity for the years ended December 31, 2025 and 2024 were as follows:

	Balance, January 1, 2025	Additions	Reductions	Balance, December 31, 2025	Due Within One Year
2025					
General Capital Fund					
Serial Bonds Payable	$ 58,300,000	$ 10,145,000	$ 5,525,000	$ 62,920,000	$ 5,705,000
Intergovernmental Loans Payable	8,009	-	8,009	-	-
General Capital Fund Long-Term Liabilities	$ 58,308,009	$ 10,145,000	$ 5,533,009	$ 62,920,000	$ 5,705,000
Water-Sewer Utility Capital Fund					
Serial Bonds Payable	$ 44,570,000	$ -	$ 2,485,000	$ 42,085,000	$ 2,550,000
Intergovernmental Loans Payable	502,555	-	153,970	348,585	158,970
Water-Sewer Utility Capital Fund Long-Term Liabilities	$ 45,072,555	$ -	$ 2,638,970	$ 42,433,585	$ 2,708,970

	Balance, January 1, 2024	Additions	Reductions	Balance, December 31, 2024	Due Within One Year
2024					
General Capital Fund					
Serial Bonds Payable	$ 41,575,000	$ 21,270,000	$ 4,545,000	$ 58,300,000	$ 5,525,000
Intergovernmental Loans Payable	23,790	-	15,781	8,009	8,009
General Capital Fund Long-Term Liabilities	$ 41,598,790	21,270,000	$ 4,560,781	$ 58,308,009	$ 5,533,009
Water-Sewer Utility Capital Fund					
Serial Bonds Payable	$ 33,195,000	$ 13,425,000	$ 2,050,000	$ 44,570,000	$ 2,485,000
Intergovernmental Loans Payable	651,525	-	148,970	502,555	153,970
Water-Sewer Utility Capital Fund Long-Term Liabilities	$ 33,846,525	$ 13,425,000	$ 2,198,970	$ 45,072,555	$ 2,638,970

Note 3: DEBT, DEBT SERVICE AND STATUTORY DEBT CONDITION (Continued)

G. Short-Term Municipal Debt

The Township's short-term debt activity for the years ended December 31, 2025 and 2024 was as follows:

2025	Balance January 1, 2025	Additions	Reductions	Balance December 31, 2025
Bond Anticipation Notes				
General Capital Fund	$ 14,100,000	$ 24,309,500	$ 14,100,000	$ 24,309,500
Water-Sewer Utility Capital Fund	10,650,000	13,300,000	10,650,000	13,300,000
Total	$ 24,750,000	$ 37,609,500	$ 24,750,000	$ 37,609,500

2024	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024
Bond Anticipation Notes				
General Capital Fund	$ 18,425,000	$ 14,100,000	$ 18,425,000	$ 14,100,000
Water-Sewer Utility Capital Fund	13,900,000	10,650,000	13,900,000	10,650,000
Total	$ 32,325,000	$ 24,750,000	$ 32,325,000	$ 24,750,000

Bond Anticipation Notes

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by State Local Bond Law NJSA 40A:2 et. seq. The amounts issued for general governmental activities are accounted for in the General Capital Fund. The amounts issued for the water-sewer utility activities are accounted for in the Water-Sewer Utility Capital Fund.

State law requires that notes are to be issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year. All bond anticipation notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year following the date of the original notes. In addition, any note renewed beyond the third anniversary date of the original note, requires one legally payable installment to be paid.

Note 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, which were appropriated and included as anticipated revenue for the succeeding years were as follows:

	Fund Balance Dec. 31, 2025	Utilized in Succeeding Budget
Current Fund	$ 11,056,986	$ 9,000,000
Water-Sewer Utility Fund	5,444,416	645,000

	Fund Balance Dec. 31, 2024	Utilized in Succeeding Budget
Current Fund	$ 14,300,760	$ 10,995,000
Water-Sewer Utility Fund	6,353,708	426,419

Note 5: DEPOSITS AND INVESTMENTS

The Township considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as cash and cash equivalents.

A. Cash Deposits

The Township's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Township is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or $200 million for all deposits not covered by the FDIC or NCUSIF.

Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to $250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of $250,000 for each failed brokerage firm. At December 31, 2025 and 2024, the book value of the Township's deposits were $86,465,489 and $93,281,147 and bank and brokerage firm balances of the Township's deposits amounted to $87,678,440 and $93,326,732, respectively. The Township's deposits which are displayed on the various fund balance sheets as "cash" are categorized as

	Bank Balance	
Depository Account	2025	2024
Insured	$ 87,678,440	$ 93,326,732
Change Funds (On-Hand)	900	900
Total	$ 87,679,340	$ 93,327,632

Note 5: DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk. As of December 31, 2025 and 2024, none of the Township's bank balances were exposed to custodial credit risk.

B. Investments

The Township is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 40A:5-15.1. Investments include bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the Township or bonds or other obligations of the school districts which are a part of the Township or school districts located within the Township, Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school district, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law, " (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investments in the Department of the Treasury for investment by local units; Local Government investment pools, deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with NJSA 40A:5-15.1 (8a-8e).

Interest Rate Risk – The Township does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – State law limits investments as noted above (N.J.S.A. 40A:5-15.1 and NJAC 5:30-14.19). The Township does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The Township places no limit in the amount the Township may invest in any one issuer.

As of December 31, 2025 and 2024, the Township had no outstanding investments.

Interest earned in the General Capital Fund, Animal Control Fund and certain Other Trust Funds are assigned to the Current Fund in accordance with the regulatory basis of accounting. Interest earned in the Water-Sewer Utility Capital Fund is assigned to the Water-Sewer Utility Operating Fund in accordance with the regulatory basis of accounting.

Note 6: TAXES AND UTILITY CHARGES AND FEES RECEIVABLE

Receivables at December 31, 2025 and 2024 consisted of the following:

	Current	Water-Sewer Utility	Total
2025			
Taxes Receivable	$ 1,263,271		$ 1,263,271
Tax Title Liens	440,524		440,524
Utility Charges and Fees		$ 1,678,931	1,678,931
	$ 1,703,795	$ 1,678,931	$ 3,382,726

In 2025, the Township collected $1,262,172 and $1,121,428 from delinquent taxes and utility charges and fees, which represented 75.1% and 100.0%, respectively of the prior year delinquent taxes and tax title liens receivable balances.

	Current	Water-Sewer Utility	Total
2024			
Taxes Receivable	$ 1,339,669		$ 1,339,669
Tax Title Liens	510,330		510,330
Utility Charges and Fees		$ 1,121,428	1,121,428
	$ 1,849,999	$ 1,121,428	$ 2,971,427

In 2024, the Township collected $1,212,038 and $1,931,970 from delinquent taxes and utility charges and fees, which represented 68.1% and 100.0%, respectively of the prior year delinquent taxes and tax title liens receivable balances.

Note 7: FIXED ASSETS

A. General Fixed Assets

The following is a summary of changes in the general fixed assets account group for the years ended December 31, 2025 and 2024.

	Balance Jan. 1, 2025	Increase	Decrease	Balance Dec. 31, 2025
Land	$ 3,769,000			$ 3,769,000
Land Improvements	4,495,604			4,495,604
Buildings	24,010,898			24,010,898
Machinery & equipment	24,210,200	$ 1,139,916		25,350,116
	$ 56,485,702	$ 1,139,916	$ -	$ 57,625,618

	Balance Jan. 1, 2024	Increase	Decrease	Balance Dec. 31, 2024
Land	$ 3,769,000			$ 3,769,000
Land Improvements	4,495,604			4,495,604
Buildings	24,003,548	$ 7,350		24,010,898
Machinery & equipment	23,442,826	767,374		24,210,200
	$ 55,710,978	$ 774,724	$ -	$ 56,485,702

B. Utility Fund Fixed Assets

The following is a summary of changes in the utility fund fixed assets for the years ended December 31, 2025 and 2024.

Water-Sewer Capital Fund	Balance Jan. 1, 2025	Increase	Decrease	Balance Dec. 31, 2025
Land	$ 1,088,666			$ 1,088,666
Building	1,274,312			1,274,312
Machinery & equipment	3,427,706			3,427,706
Vehicles	579,473			579,473
Infrastructure	141,791,336			141,791,336
	$ 148,161,493	$ -	$ -	$ 148,161,493

Water-Sewer Capital Fund	Balance Jan. 1, 2024	Increase	Decrease	Balance Dec. 31, 2024
Land	$ 1,088,666			$ 1,088,666
Building	1,274,312			1,274,312
Machinery & equipment	3,427,706			3,427,706
Vehicles	579,473			579,473
Infrastructure	141,567,375	$ 223,961		141,791,336
	$ 147,937,532	$ 223,961	$ -	$ 148,161,493

Note 8: EMPLOYEE RETIREMENT SYSTEMS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees which includes those Township employees who are eligible for pension coverage.

Police and Firemen's Retirement System (PFRS) – established in July 1944, under the provisions of N.J.S.A. 43:16A to provide coverage to substantially all full time county and municipal police or firemen and State firemen appointed after December 31, 1944. Membership is mandatory for such employees. PFRS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PFRS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 43:16A. PFRS provides retirement benefits 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.

The following represents the membership tiers for PFRS:

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

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

Public Employees' Retirement System (PERS) – established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full-time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost-sharing multi-employer defined benefit pension plan with a special funding situation. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

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, if applicable, vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Township employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS and do not earn the minimum salary required or do not work the minimum required hours but earn a base salary of at least $5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The state established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local governmental employers do not appropriate funds to SACT.

The cost of living increase for PFRS and PERS are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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 each of the above systems, funds, and trust. The financial reports may be accessed 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 retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental 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 pension trust funds. 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 Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial report may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290, or at www.state.nj/treasury/doinvest.

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2025 was $12.4 billion. The collective net pension liability of the participating employers for local PFRS at June 30, 2025 was $12.1 billion.

Actuarial Methods and Assumptions

In the July 1, 2024 PERS and July 1, 2024 PFRS 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 pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. As defined, the various retirement systems require employee contributions for 2025 and 2024 based on 10.0% for PFRS, 7.50% for PERS and 5.50% for DCRP of employee's annual pensionable compensation.

For the years ended December 31, 2025, 2024 and 2023 for PFRS and PERS, which are cost sharing multi-employer defined benefit pension plans, employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All contributions made by the Township for 2025, 2024 and 2023 were equal to the required contributions.

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

During the years ended December 31, 2025, 2024 and 2023, the Township was required to contribute for normal cost pension contributions, accrued liability pension contributions, and non-contributory life insurance premiums the following amounts which equaled the required contributions for each respective year:

Year Ended December 31	PFRS	PERS	DCRP
2025	$ 3,473,819	$ 3,300,772	$ 35,382
2024	3,194,403	3,375,612	35,486
2023	3,094,750	3,082,380	35,191

For the years ended December 31, 2025, 2024 and 2023 the Township had no required contributions for long-term disability insurance premiums for PERS.

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

The regulatory basis of accounting requires participating employers in PERS and PFRS to disclose in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, (GASB Statement No. 68)* their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS and PFRS during the fiscal year ended June 30, 2025. Employer allocation percentages have been rounded for presentation purposes.

At December 31, 2025, the Township reported a liability of $29,611,771 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The Township's proportionate share of the net pension liability was based on the ratio of the Township's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2025, the Township's proportionate share was 0.2407725318 percent, which was a decrease of 0.0018002133 percent from its proportionate share measured as of June 30, 2024 of 0.2425727451 percent.

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS)

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

For the year ended December 31, 2025, the pension system has determined the Township's pension expense to be $1,297,480 for PERS based on the actuarial valuations which is less than the actual reported contribution reported in the Township's 2025 financial statements of $3,300,772. At December 31, 2025, the Township's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Township's financial statements are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 844,287	$ 31,644
Change in assumptions	4,676	341,154
Net difference between projected and actual earnings on pension plan investments		2,469,231
Changes in proportion and differences between Township contributions and proportionate share of contributions	776,295	1,124,813
Township contributions subsequent to the measurement date	3,309,517	-
Total	$ 4,934,775	$ 3,966,842

$3,309,517 of deferred outflows of resources resulting from the Township's contribution subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense (benefit) on the GAAP basis as follows:

Year ending	Amount
2026	$ 687,053
2027	(1,228,214)
2028	(1,209,182)
2029	(586,762)
2030	(4,479)
Total	$ (2,341,584)

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Actuarial Assumptions

The Township's total pension liability reported for the year ended December 31, 2025 was based on the June 30, 2025 measurement date as determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2025. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

June 30, 2025	
Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases	3.25%-7.75% Based on years of service
Investment rate of return	7.00%
Mortality Table	Pub - 2016

Assumptions for mortality improvements are based on Society of Actuaries Scale MP - 2021.

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

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2025, as reported for the year ended December 31, 2025 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.55%
Non-U.S. Developed Markets Equity	12.75%	8.77%
International Small Cap Equity	1.25%	8.77%
Emerging Markets Equity	5.50%	10.30%
Private Equity	13.00%	12.00%
Real Estate	8.00%	10.78%
Real Assets	3.00%	7.90%
High Yield	4.50%	6.63%
Private Credit	8.00%	9.00%
Investment Grade Credit	7.00%	5.47%
Cash Equivalents	2.00%	3.61%
U.S. Treasuries	4.00%	3.61%
Risk Management Strategies	3.00%	7.26%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

Calendar Year	Measurement Date	Discount Rate
2025	June 30, 2025	7.00%

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return (Continued)

The following table represents the crossover period, if applicable, for the PERS defined benefit plan:

	2025
Period of Projected Benefit Payments for which the Following Rates were Applied:	
Long-Term Expected Rate of Return	All Periods

Sensitivity of Net Pension Liability

The following presents the Township's proportionate share of the PERS net pension liability as of December 31, 2025 calculated using the discount rate of 7.00%, as well as what the Township's proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% or 1-percentage-point higher 8.00% than the current rate:

2025	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PERS	$ 40,536,753	$ 29,611,771	$ 20,300,787

The sensitivity analysis was based on the proportionate share of the Township's net pension liability at December 31, 2025. A sensitivity analysis specific to the Township's net pension liability was not provided by the pension system.

Special Funding Situation – PERS

Under N.J.S.A. 43:15A-15, the Township is responsible for their own PERS 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 365, P.L. 2001, and Chapter 133, P.L. 2001. The amounts contributed on behalf of the Township by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Township's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PERS under this legislation.

At December 31, 2025, the State's proportionate share of the net pension liability attributable to the Township for the PERS special funding situation is $0. For the year ended December 31, 2025, the pension system has determined the State's proportionate share of the pension expense attributable to the Township for the PERS special funding situation is $101,743, which is equal to the actual contribution the State made on behalf of the Township of $101,743. At December 31, 2025 (measurement date June 30, 2025) the State's share of the PERS net pension liability attributable to the Township was 0.2407725318 percent. The State's proportionate share attributable to the Township was developed based on actual contributions made to PERS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Township's financial statements.

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

Police and Firemen's Retirement System (PFRS)

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

At December 31, 2025, the Township reported a liability of $25,314,628 for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The Township's proportionate share of the net pension liability was based on the ratio of the Township's contributions to the pension plan relative to the total contributions of all participating governmental entities during the measurement period. As of the measurement date of June 30, 2025, the Township's proportionate share was 0.25241344 percent, which was an increase of 0.00127694 percent from its proportionate share measured as of June 30, 2024 of 0.25113650 percent.

For the year ended December 31, 2025, the pension system has determined the Township pension expense to be $2,387,720 for PFRS based on the actuarial valuations which is less than the actual contribution reported in the Township's financial statements of $3,473,819. At December 31, 2025, the Township's deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Township's financial statements are from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,073,941	$ 481,126
Change in assumptions	1,266,232	320,026
Net difference between projected and actual earnings on pension plan investments		1,240,100
Changes in proportion and differences between Township contributions and proportionate share of contributions	1,684,445	114,034
Township contributions subsequent to the measurement date	3,606,443	
Total	$ 8,631,061	$ 2,155,286

$3,606,443 of deferred outflows of resources resulting from the Township's contribution subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense on the GAAP basis as follows:

Year ending	Amount
2026	$ 1,784,129
2027	156,350
2028	149,847
2029	359,693
2030	419,313
Total	$ 2,869,332

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Actuarial Assumptions

The Township's total pension liability reported for the year ended December 31, 2025 was based on the June 30, 2025 measurement date as determined by an actuarial valuation as of July 1, 2024, which was rolled forward to June 30, 2025. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

Inflation Rate:	
Price	2.50%
Wage	3.00%
Salary Increases:	
All future years	4.00%-17.50%
	Based on years of service
Investment Rate of Return	7.00%
Mortality Rate Table	Pub - 2016

Assumptions for mortality improvements are based on Society of Actuaries Scale MP - 2021.

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

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2025, as reported for the year ended December 31, 2025 is summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large-Cap Equity	24.00%	6.90%
U.S. Small/Mid Cap Equity	4.00%	7.40%
Non-U.S. Developed Large Cap Equity	9.50%	6.70%
Non-U.S. Developed Small Cap Equity	2.00%	7.50%
Emerging Markets Large Cap Equity	6.00%	9.60%
Emerging Markets Small Cap Equity	1.50%	9.60%
U.S. Treasury Bond	7.00%	4.10%
U.S. Corporate Bond	5.00%	5.90%
U.S. Mortgage-Backed Securities	5.00%	4.40%
Global Multisector Fixed Income	6.00%	6.50%
Cash	2.00%	3.40%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Debt/Credit	8.00%	9.10%
Private Equity	10.00%	10.10%
	100.00%	

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2025 was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of 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 Net Pension Liability

The following presents the Township's proportionate share of the PFRS net pension liability as of December 31, 2025 calculated using the discount rate of 7.00%, as well as what the Township's proportionate share of the PFRS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 6.00% and 1-percentage-point higher 8.00% than the current rate:

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
PFRS	$ 36,826,342	$ 25,314,628	$ 15,710,231

The sensitivity analysis was based on the proportionate share of the Township's net pension liability at December 31, 2025. A sensitivity analysis specific to the Township's net pension liability was not provided by the pension system.

Special Funding Situation – PFRS

Under N.J.S.A. 43:16A-15, the Township is responsible for their own PFRS 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 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the Township by the State under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Accordingly, the Township's proportionate share percentage of the net pension liability, deferred outflows and inflows determined under GASB Statement No. 68 is zero percent and the State's proportionate share is 100% for PFRS under this legislation.

At December 31, 2025, the State's proportionate share of the net pension liability attributable to the Township for the PFRS special funding situation is $5,138,802. For the year ended December 31, 2025, the pension system has determined the State's proportionate share of the pension expense attributable to the Township for the PFRS special funding situation is $609,099 which is equal to the actual contribution the State made on behalf of the Township of $609,099. At December 31, 2025 (measurement date June 30, 2025) the State's share of the PFRS net pension liability attributable to the Township was 0.25241344 percent, which was an increase of 0.00127694 percent from its proportionate share measured as of December 31, 2024 (measurement date June 30, 2024) of 0.25113650 percent. The State's proportionate share attributable to the Township was developed based on actual contributions made to PFRS allocated to employers based upon covered payroll. These on-behalf contributions have not been reported on the Township's financial statements.

Note 8: EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Pension Plan Fiduciary Net Position

Detailed information about the PFRS pension 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.

DEFINED CONTRIBUTION RETIREMENT PLAN

The Defined Contribution Retirement Plan (DCRP) is a multiple employer defined contribution plan as defined in GASB Statement No. 68. The Plan is administered by The New Jersey Division of Pensions and Benefits (Division). The more significant aspects of the DCRP are as follows:

Plan Membership and Contributing Employers- Enrollment in the DCRP is required for state or local officials, elected or appointed on or after July 1, 2007; employees enrolled in PFRS or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PFRS or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least $5,000 annually; and employees otherwise eligible to enroll in PFRS or PERS after May 21, 2010, who do not work the minimum number of hours per week required for tier 4 or tier 5 enrollment, but who earn salary of at least $5,000 annually.

Contribution Requirement and Benefit Provisions - State and local government employers contribute 3% of the employees' base salary. Active members contribute 5.5% of base salary.

Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable.

A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Total DCRP covered payroll for 2025 was $1,169,718. Covered payroll refers to all compensation paid by the Township to active employees covered by the Plan. Employee contributions to the DCRP for the year ended December 31, 2025 were $64,334 and employer contributions were $35,382.

Total DCRP covered payroll for 2024 was $1,190,675. Covered payroll refers to all compensation paid by the Township to active employees covered by the Plan. Employee contributions to the DCRP for the year ended December 31, 2024 were $65,487 and employer contributions were $35,486.

Note 9: OTHER POST EMPLOYMENT BENEFITS

The Township provides medical, prescription drug and Medicare Part B reimbursement to retirees and their covered dependents, in accordance with applicable resolutions and collective bargaining agreements. The Township maintains a single-employer, defined benefit health plan with benefits provided through insurance carriers and by third party claims administrators. All active employees who retire from the Township and meet the eligibility criteria receive these benefits.

The Township currently funds the costs to provide postemployment benefits on a pay-as-you-go basis. The Township establishes and has the power to amend benefits and contribution obligations, subject to collective bargaining agreements.

The Township's annual post-employment benefit (OPEB) cost (expense) is calculated based on amounts actuarially determined in accordance with the parameters of GASB Statement 75.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health-care cost trend. Amounts determined regarding the funded status of the plan and the annual contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Employees covered by benefit terms

At December 31, 2024, the following employees were covered by the benefit terms:

Active employees	298
Retirees and surviving spouses	117
	415

Note 9: OTHER POST EMPLOYMENT BENEFITS (Continued)

Summary of Post-Retirement Welfare (Health) Benefits

A. Eligibility
Post-retirement medical benefits are provided to bargained and non-bargained employees who:
- Retired with 25 or more years of service in the Public Employees' Retirement System (PERS) or the Police and Firemen's Retirement System (PFRS) and have at least 15 years of service of service with the Township for members of the bargaining groups PBA/SOA and non-bargained groups, or at least 25 years of service with the Township for other bargaining groups;
- Retire under an approved disability retirement through PERS or PFRS.

B. Health Benefits
The Township provides major medical and hospitalization benefits through the Horizon Blue Cross Blue Shield Direct Access or OMNIA plans.

The Township provides prescription drug coverage through the Horizon Blue Cross Blue Shield Direct Access or OMNIA plans with co-payments of $5/$25/$50 (generic/preferred/non-preferred) with coverage to certain grandfathered retires with $5/$15 or $2/$4 co-pays.

C. Dental and Vision
The Township does not provide dental or vision benefits to retirees.

D. Survivor Medical Benefits
In the event of the death of an active employee with 25 or more years of service, medical and prescription drug coverage is provided for the lifetime of the surviving spouse and to age 26 for dependents.

E. Contributions
The Township does not require current retirees, dependents, and survivors to contribute toward the cost of the postretirement medical and prescription drug coverage. The Township pays 100% of the premiums.

Employees of the PBA/SOA bargaining groups who retire after satisfying the eligibility requirements who have at least 15 years of pensionable service as of December 31, 2014, shall not contribute to the cost of medical premiums. All other employees who retire after satisfying the eligibility requirements who have at least 20 years of pensionable service as of December 31, 2014, shall not contribute to the cost of medical premiums.

Any employee who retires after satisfying the eligibility requirements, and does not meet the December 31, 2014 provision, must contribute toward the cost of medical premiums. The retiree contributions are based on a percentage of the postretirement healthcare cost. The contribution percentages vary based on healthcare coverage tier and amount of PERS and PFRS pension amounts, pursuant to the requirements of P.L. 2011 C. 78 (Chapter 78).

Note 9: OTHER POST EMPLOYMENT BENEFITS (Continued)

Summary of Post-Retirement Welfare (Health) Benefits (Continued)

F. Medicare
The Township reimburses Medicare Part B premium charges for retirees and their dependents who met the eligibility rules in Section A above. Any Medicare Part D subsidy for which the Township may be eligible is not considered in this valuation. The accounting treatment for the Retiree Drug Subsidy is defined under GASB Technical Bulletin No. 2006-1, as amended.

G. Death Benefits
There are no death benefits paid to retirees by the Township.

Change in the Total OPEB Liability

	2025
Balance - beginning of year	$ 211,156,699
Changes for the year:	
Service cost	6,620,064
Interest cost	8,797,519
Benefit payments	(4,302,608)
Actuarial assumption changes	(28,839,439)
Actuarial demographic (gain) or loss	-
Net changes	(17,724,464)
Balance - end of year	$ 193,432,235

Note 9: OTHER POST EMPLOYMENT BENEFITS (Continued)

Changes in plan fiduciary net position during year

	2025
Balance - beginning of year	$ -
Changes for the year:	
Employer contributions	4,302,608
Benefit payments	(4,302,608)
Net changes	-
Balance - end of year	$ -
Net OPEB Liability at end of year	$ 193,432,235
Plan fiduciary net position as a percentage of the total OPEB liability	0%
Covered-employee payroll	$ 30,261,140.31
Total OPEB liability as a percentage of covered-employee payroll	639.21%

Total employer contributions for the retiree plan were for benefit payments and there were no fiduciary plan assets at the beginning or end of the year.

Benefit assumptions are based upon blended plan rates to produce annual composite rates. The monthly per capita claims cost for post-65 Medicare Part B premium reimbursements is $185.00. Salary increases are scheduled at 3% per year. Retiree contributions assumes the cost for current Premium Free retirees and their dependents is 100% paid by the Township Administration prior to the application of Chapter 78. Direct Bill retirees and their dependents pay 100% of the costs to continue medical coverage.

In accordance with Local Finance Notice 2007-15 issued by the New Jersey Department of Community Affairs, the Township demographic and health care assumptions utilized are consistent with the assumptions used by the New Jersey Division of Pensions and Benefits and the State Health Benefits Plan as reported in their July 1, 2020 Actuarial Valuation to value the GASB obligations.

Changes since prior valuation – The discount rate was increased from 4.08% to 4.83% to reflect current market rates.

The assumptions for the plan used the “20-Bond GO Index” to establish a discount rate of 3.50% at December 31, 2017, 4.10% at December 31, 2018, 2.75% at December 31, 2019, 2.15% at December 31, 2020, 2.05% at December 31, 2021, 3.65% at December 31, 2022, 3.26% at December 31,2023, 4.08% at December 31, 2024, and 4.83% at December 31, 2025. Inflation is assumed at 2.50% per year.

Note 9: OTHER POST EMPLOYMENT BENEFITS (Continued)

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

The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 3.83%	Current Rate 4.83%	1% Increase 5.83%
Total OPEB liability	$233,225,315	$193,432,235	$162,674,791

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

The following represents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	$158,218,036	$193,432,235	$240,534,902

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

At December 31, 2025, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual demographic experience	$ 4,960,055	$ 3,083,626
Change in assumptions	24,496,663	74,650,595
Total	$ 29,456,718	$ 77,734,221

Note 9: OTHER POST EMPLOYMENT BENEFITS (Continued)

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

Year ended December 31,		
2026	$	(5,907,888)
2027		(8,562,869)
2028		(15,265,286)
2029		(3,309,232)
2030		(3,309,232)
Thereafter		(11,922,996)
Total	$	(48,277,503)

The actuarial cost method used to determine the GASB 75 plan's cost is the Entry Age Normal Cost Method. Under the entry age normal cost method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The Service Cost is the portion of this actuarial present value allocated to a valuation year. The Total Pension Liability is the portion of this actuarial present value not provided for at the valuation date by the actuarial present value of future service costs. The plan is currently unfunded.

Note 10: OTHER LONG-TERM LIABILITIES

A. Compensated Absences

The Township has permitted employees to accrue unused sick pay, which may be taken as time off or paid at a later date at an agreed upon rate. It is estimated that the cost of such unpaid sick and vacation pay would approximate $3,674,532 and $3,357,934 for 2025 and 2024, respectively. This amount represents the current value of all accumulations and is not intended to portray amounts that would be recorded under GAAP. Expenditures for payment of accrued sick and vacation benefits are recorded in the period in which payments are made as part of the current year's operating budget appropriations. As of December 31, 2025 and 2024, the Township reserved $30,698 and $2,818, respectively in the Trust-Other Fund for compensated absences.

Note 11: RISK MANAGEMENT

The Township is exposed to various risks of loss related to general liability, automobile coverage, damage and destruction of assets; errors and omissions; injuries to employees; natural disasters; workers. The Township has obtained insurance coverage to guard against these events which will provide minimum exposure to the Township should they occur.

The Township of Monroe is a member of the Garden State Municipal Joint Insurance Fund (GSMJIF). The joint insurance fund is both an insured and self-administered group of municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and worker's compensation. The Fund is a risk-sharing public entity pools. The GSMJIF funds coverage amounts are on file with the Township.

Note 11: RISK MANAGEMENT (Continued)

The relationship between the Township and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Township is contractually obligated to make all annual and supplementary contributions to the insurance fund, to report claims on a timely basis, to 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 fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which the municipality was a member.

The fund provides 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.

Complete financial statements of the fund can be obtained by contacting the respective fund's Treasurer.

There has been no significant reduction in insurance coverage from the previous year.

See Note 15 to Financial Statements with respect to the Township's previous participation with Middlesex County Joint Insurance Fund (MCJIF).

New Jersey Unemployment Compensation Insurance – The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State. The following is a summary of Township contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Township's unemployment compensation trust fund for the current and previous two years:

Year Ended December 31	Opening Balance	Increases	Decreases	Ending Balance
2025	$ 369,880	$ 9,482	$ 140,051	$ 239,311
2024	447,270	18,384	95,774	369,880
2023	488,965	15,040	56,735	447,270

Note 12: DEFERRED COMPENSATION

The Township has instituted a Deferred Compensation Plan pursuant to section 457 of the Internal Revenue Code and P.L. 1977, C. 381; P.L. 1978, C. 39; P.L. 1980, C. 78; and P.L. 1997, C. 116 of the Statutes of New Jersey. The Plan is an arrangement whereby a public employer may establish a plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations. The Township has engaged a private contractor to administer the plan.

Note 13: INTERFUNDS

The following interfund balances were on the balance sheets of the respective funds at December 31, 2025:

2025

Fund	Interfund Receivables	Interfund Payables
Current Fund	$ 1,699	$ 324,311
Grant Fund	495,560	
Trust-Other Fund	289,904	191,192
Affordable Housing Trust Fund	66,221	
Payroll Trust Fund	96,062	
Developers' Escrow Fund		130,347
General Capital Fund		352,231
Water-Sewer Utility Operating Fund	128,384	1,209,163
Water-Sewer Utility Capital Fund	1,129,414	-
	$ 2,207,244	$ 2,207,244

The following interfund balances were on the balance sheets of the respective funds at December 31, 2024:

2024

Fund	Interfund Receivables	Interfund Payables
Current Fund	$ 172	$ 10,290,179
Grant Fund	309,002	
Trust-Other Fund		161,278
Affordable Housing Trust Fund	6,398,711	
Payroll Trust Fund	82,669	
Developers' Escrow Fund		116,811
General Capital Fund	3,814,172	90,351
Water-Sewer Utility Operating Fund	114,848	501,957
Water-Sewer Utility Capital Fund	441,002	-
	$ 11,160,576	$ 11,160,576

Note 14: FEDERAL ARBITRAGE REGULATIONS

The Township is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At December 31, 2025 and 2024, the Township has not estimated its estimated arbitrage earnings due to the IRS, if any.

Note 15: CONTINGENT LIABILITIES

The Township 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 Township's Attorney, the potential claims against the Township not covered by insurance policies would not materially affect the financial condition of the Township.

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2025 and 2024. Amounts claimed have not yet been determined. The Township is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the Township does not recognize a liability, if any, until these cases have been adjudicated. The Township expects such amounts, if any, could be material. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance. As of December 31, 2025 and 2024, the Township reserved $0 and $9,983, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court.

Federal and State Awards - The Township 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 Township 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 Township believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Township.

Other - Supplemental Insurance Assessments - Effective December 31, 2018, the Township exited the Middlesex County Joint Insurance Fund (MCJIF). During 2022, the Township was advised that its final supplemental assessment is $1,298,593.68. The terms of the payment of the supplemental assessment are stated as follows: the Township to pay first 10% and an additional 15% by March 31, 2023, and the remaining balance to be paid in seven annual installments starting no later than March 31, 2024. The Township paid the first 10% and an additional 15% in 2023 under protest. During 2025 and 2024, the Township has paid the required installment. As of December 31, 2025, the unpaid balance is $713,720.

Note 16: LEASE OBLIGATIONS - LESSOR RECEIVABLES

Lessor Revenues/Leases Receivable

In addition, the Township has entered into certain leases, for which they are the lessor, for the use of Township owned real property. The leases are due to the Township in installments as outlined in each individual lease agreement. The Township recognizes the revenues on an annual basis based upon cash received. The following table represents the future lease payments throughout the term of the leases.

Year Ended December 31	Amount
2026	$ 650,594
2027	650,594
2028	618,135
2029	594,950
2030	514,496
2031-2035	1,158,361
2036-2040	459,727
2041-2043	186,954
	$ 4,833,811

Note 17: SUBSEQUENT EVENTS

The Township has evaluated subsequent events occurring after December 31, 2025 through the date the financial statements were available to be issued. Based on this evaluation, the Township has determined the following subsequent events have occurred which requires disclosure in the financial statements.

Debt Issued

The Township issued Bond Anticipation Notes, Series 2026 in the amount of $58,675,000, consisting of $36,830,000 Bond Anticipation Notes and $21,845,000 Water-Sewer Utility Bond Anticipation Notes. The Notes bear an interest rate of 3.75%, with a net interest cost of 2.613%. The Notes are dated May 28, 2026, with a maturity date of May 27, 2027.

The Township has authorized bonds and/or notes to date as follows:

Purpose	Debt Authorized
Various Capital Improvements	$ 2,556,000
Total	$ 2,556,000

TOWNSHIP OF MONROE

MIDDLESEX COUNTY

PART II

SUPPLEMENTARY INFORMATION
REQUIRED BY THE DIVISION

YEAR ENDED DECEMBER 31, 2025

CURRENT FUND

TOWNSHIP OF MONROE
STATEMENT OF CURRENT CASH

		Current Fund	
Balance, January 1, 2025		$	34,323,339
Increased by Cash Receipts			
Miscellaneous Revenue Not Anticipated	$ 429,314		
Due NJ Sr. Citizens and Veterans Deductions	438,933		
Taxes Receivable	254,365,494		
Revenue Accounts Receivable	13,715,968		
Prepaid Taxes	2,236,751		
Tax Overpayments	42,229		
Due to State of New Jersey	164,314		
Due to State and Federal Grant Fund	409,992		
Due Trust-Other Fund	5,593		
Due Payroll Trust Fund	14,350		
Due Water-Sewer Utility Operating Fund	172		
Due from Library	4,733,296		
			276,556,406
			310,879,745
Decreased by Disbursements			
Refund State Tax Appeals	323,835		
Budget Appropriations	66,920,896		
Appropriation Reserves	4,108,851		
Tax Overpayments	81,193		
School Taxes Payable	133,613,858		
County Taxes Payable	53,786,492		
Special District Taxes Payable	16,304,219		
Municipal Open Space Taxes Payable	1,305,736		
Due to State of New Jersey	155,173		
Tax Appeals	333,818		
Due to General Capital Fund	3,815,871		
Due to Water-Sewer Utility Capital Fund	19,923		
Due to Affordable Housing Trust Fund	6,328,740		
Due to State and Federal Grant Fund	232,968		
Due from Library	4,861,524		
			291,869,262
Balance, December 31, 2025		$	19,010,483

EXHIBIT A-5

TOWNSHIP OF MONROE
STATEMENT OF CHANGE FUNDS

Department		Balance, December 31, 2025 and 2024
Tax Collector	$	300
Township Clerk		300
Municipal Court		300
	$	900

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Balance, January 1, 2025		$ 140,754
Increased by:		
Allowable Deductions per Tax Billings:		
Senior Citizen	$ 46,000	
Veteran	380,500	
2025 Sr. Citizens and Vet. Deductions		
Allowed by Collector	172,344	
		598,844
		739,598
Decreased by:		
Collected	438,933	
2025 Sr. Citizens and Vet. Deductions		
Disallowed by Collector	4,138	
		443,071
Balance, December 31, 2025		$ 296,527

Analysis of Sr. Citizens & Veterans
Deductions Allowed - 2025

Per Tax Billings	$ 426,500
Allowed (Disallowed) by Tax Collector (Net)	168,206
	$ 594,706

TOWNSHIP OF MONROE
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance, January 1, 2025	2025 Levy	Added	Senior Citizens' and Veterans' Deductions Disallowed	Collected by Cash 2024	Collected by Cash 2025	Senior Citizens' and Veterans' Deductions Allowed	Transfer to Tax Title Liens	Cancelled	Balance, December 31, 2025
Arrears	$ 67,273								$ 58,123	$ 9,150
2023	29,642					$ 29,642				
2024	1,242,754					1,232,530			10,224	
	1,339,669	-	-	-	-	1,262,172	-	-	68,347	9,150
2025	-	$ 256,955,663	$ 75,690	$ 4,138	$ 2,005,322	253,103,322	$ 598,844	$ 29,536	44,346	1,254,121
	$ 1,339,669	$ 256,955,663	$ 75,690	$ 4,138	$ 2,005,322	$ 254,365,494	$ 598,844	$ 29,536	$ 112,693	$ 1,263,271

Analysis of 2025 Property Tax Levy

Tax Yield			
General Purpose Tax		$ 254,944,451	
Added Taxes (54:4-63.1 et seq.)		2,011,212	
			$ 256,955,663
Tax Levy			
Local District School Tax (Abstract)		$ 133,613,858	
County Taxes	$ 48,371,579		
County Open Space Taxes	4,580,733		
Due County for Added Taxes	437,378		
		53,389,690	
Special District Taxes		16,304,219	
Municipal Open Space Tax		1,305,736	
Local Tax for Municipal Purposes	45,545,138		
Minimum Library Tax	5,056,315		
Additional Tax Levied	1,740,707		
		52,342,160	
			$ 256,955,663

EXHIBIT A-8

TOWNSHIP OF MONROE
STATEMENT OF TAX TITLE LIENS

Balance, January 1, 2025		$ 510,330
Increased by:		
Transfers from 2024 Taxes Receivable	$ 29,536	
Other Charges	1,167	
		30,703
		541,033
Decreased by:		
Cancelled to Reserve		100,509
Balance, December 31, 2025		$ 440,524

EXHIBIT A-9

STATEMENT OF PROPERTY ACQUIRED FOR TAXES

Balance, December 31, 2025 and 2024	$ 1,569,800

Exhibit A-10

TOWNSHIP OF MONROE
STATEMENT OF DEFERRED CHARGES

Purpose	Balance January 1, 2025	Added in 2025	Balance December 31, 2025
Emergency Authorization (40A:4-46)	$ -	$ 225,000	$ 225,000
	$ -	$ 225,000	$ 225,000

TOWNSHIP OF MONROE
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance January 1, 2025	Accrued in 2025	Collected	Balance December 31, 2025
Licenses:				
Alcoholic Beverages		$ 37,632	$ 37,632	
Fees and Permits		381,365	381,365	
Fines and Costs:				
Municipal Court	$ 30,629	449,320	479,949	
Interest and Costs on Taxes		348,135	348,135	
Interest on Investments and Deposits		1,057,089	1,057,089	
Energy Receipts Taxes		2,290,494	2,290,494	
Dedicated Uniform Construction Code Fees Offset with Appropriations (N.J.S.A. 40A:4-36 and N.J.A.C. 5:23-4.17):				
Uniform Construction Code Fees		2,660,323	2,660,323	
Additional Revenues Offset with Appropriations:				
Ambulance Fees		2,687,848	2,687,848	
Other Special Items:				
Utility Operating Surplus of the Prior Year		2,400,000	2,400,000	
Franchise Tax-Cable Companies		373,133	373,133	
General Capital Fund - Fund Balance		1,000,000	1,000,000	
	$ 30,629	$ 13,685,339	$ 13,715,968	$ -

TOWNSHIP OF MONROE
STATEMENT OF 2024 APPROPRIATION RESERVES

	Balance December 31, 2024	Encumbrances December 31, 2024	Balance After Transfers	Paid or Charged	Balance Lapsed
Office of the Mayor					
Other expenses	$ 4,597	$ 566	$ 5,163	$ 566	$ 4,597
Township Council					
Other expenses	3,983	100	4,083		4,083
Office of the Township Clerk					
Salaries and wages	30,774		21,774	19,018	2,756
Other expenses	39,409	1,793	20,402	4,847	15,555
Elections					
Salaries and Wages	1,364		1,364		1,364
Other expenses	10,302		302		302
Division of Administration					
Salaries and wages	24,082		24,082	23,306	776
Other expenses	10,712	1,275	11,987	1,255	10,732
Human Resources					
Salaries and wages	14,303		14,303	12,799	1,504
Other expenses	60,381	3,661	64,042	14,326	49,716
Transportation					
Salaries and wages	58,244		48,244	30,515	17,729
Other expenses	5,172	2,405	7,577	2,230	5,347
Insurance					
General Liability	5,954		110,954		110,954
Workers Compensation	85,001		85,001		85,001
Employee Group Health	349,646	77,379	177,025	107,079	69,946
Health Benefit Waiver	55,767		55,767		55,767
Office of Information and Public Advocacy					
Salaries and wages	7,432		7,432	6,861	571
Other expenses	10,858	302	11,160	302	10,858
Division of Recreation					
Salaries and wages	50,514		41,214	32,981	8,233
Other expenses	42,379	27,589	53,768	27,647	26,121
Division of Parks					
Salaries and wages	53,899		53,899	24,471	29,428
Other expenses	21,442	7,465	28,907	9,966	18,941
Division of Treasury					
Salaries and wages	68,467		38,467	37,203	1,264
Other expenses:					
Other expenses	16,888	1,153	10,041	3,605	6,436
Annual audit		41,500	41,500	41,500	-
Special accounting services	26,822	15,812	42,634	18,450	24,184
Data processing					
Salaries and wages	57,361		22,361	13,269	9,092
Other expenses	9,706	67,790	77,496	62,986	14,510
Division of Revenue Collection					
Salaries and wages	22,119		22,119	12,631	9,488
Other expenses:					
Tax sale costs	6,469		1,469		1,469
Tax lien foreclosure	600		600		600
Miscellaneous other expenses	7,334	1,470	8,804	2,553	6,251

TOWNSHIP OF MONROE
STATEMENT OF 2024 APPROPRIATION RESERVES

	Balance December 31, 2024	Encumbrances December 31, 2024	Balance After Transfers	Paid or Charged	Balance Lapsed
Division of Assessments					
Salaries and wages	$ 20,895		$ 20,895	$ 19,219	$ 1,676
Other expenses	11,889	$ 2,497	8,386	2,781	5,605
Division of Ambulance Services					
Salaries and wages	398,694		323,694	190,524	133,170
Other expenses	57,844		57,844	406	57,438
Police					
Salaries and wages	641,503		641,503	554,320	87,183
Other expenses	172,127	73,277	165,404	106,564	58,840
Emergency Management Services					
Other expenses	19,693		9,693		9,693
Department of Engineering:					
Office of the Township Engineer					
Other expenses:					
Miscellaneous other expenses		44,366	44,366	44,322	44
Department of Public Works:					
Division of Streets and Roads					
Salaries and wages	185,311		140,311	127,205	13,106
Other expenses	130,716	20,669	531,385	463,894	67,491
Vehicle Maintenance					
Salaries and wages	40,437		40,437	19,929	20,508
Other expenses	102,873	11,120	63,993	62,170	1,823
Solid Waste and Recycling					
Other expenses	21,564	381	21,945	1,659	20,286
Landfill					
Other expenses	34,000	481	34,481	19,722	14,759
Buildings and Grounds					
Salaries and wages	51,509		56,509	56,354	155
Other expenses	49,474	19,992	69,466	42,662	26,804
Community Services Act					
Other expenses	975,356	528,944	1,504,300	1,061,517	442,783
Department of Law:					
Office of the Township Attorney					
Other expenses	74,318	114,534	174,852	150,859	23,993
Municipal Prosecutor					
Other expenses	200	1,200	1,400	1,200	200
Health Advisory Board					
Other expenses	405		405		405
Economic Development Commission					
Other expenses	5,000	10,000	15,000	10,000	5,000
Municipal Court					
Salaries and wages	13,830		16,630	16,538	92
Other expenses	8,096	754	8,850	1,259	7,591
Department of Health and Welfare:					
Animal Control					
Salaries and wages	9,538		9,538	8,424	1,114
Other expenses	27,846	6,943	24,789	11,482	13,307

TOWNSHIP OF MONROE
STATEMENT OF 2024 APPROPRIATION RESERVES

	Balance December 31, 2024	Encumbrances December 31, 2024	Balance After Transfers	Paid or Charged	Balance Lapsed
Environmental Protection					
Other expenses	$ 1,000		$ 1,000		$ 1,000
Building Demolition					
Other expenses	300		300		300
Other Township Agencies:					
Municipal Land Use Law					
(N.J.S.A. 40:55D-1)					
Zoning Board of Adjustment					
Salaries and wages	7,195		7,195	$ 7,195	
Other expenses	22,660	$ 6,378	19,038	7,373	11,665
Planning Board					
Other expenses	17,203	2,734	19,937	2,065	17,872
Division of Planning					
Salaries and wages	22,097		22,097	15,492	6,605
Other expenses	10,091	10,348	20,439	10,784	9,655
Shade Tree Commission					
Other expenses	3,392	3,690	7,082	3,480	3,602
Cultural Arts Commission					
Other expenses	11,379	1,320	12,699	1,320	11,379
Environmental and Conservation Commission (R.S. 40:56A-1)					
Other expenses	4,288		4,288	42	4,246
Historic Preservation Commission					
Other expenses	3,784	390	4,174	390	3,784
Senior Services					
Salaries and wages	33,258		33,258	28,072	5,186
Other expenses	18,050	9,183	27,233	8,469	18,764
Recreational and Youth Advisory Bd.					
Other expenses	3,048	354	3,402	354	3,048
Human Relations Commission					
Other expenses	984	599	1,583	457	1,126
Open Space and Farmland Preservation Commission					
Other expenses	750		750		750
Celebration of Public Events					
Other expenses	7,489	5,825	13,314	6,547	6,767
State Uniform Construction Code (N.J.S.A. 52:270-120D et seq.)					
Salaries and wages	107,542		107,542	66,857	40,685
Other expenses	23,492	38,390	61,882	37,225	24,657
Unclassified:					
Accumulated absences	2,000		186,000	100,000	86,000
Central mailing services	249	87	336	217	119
Utilities	379,320	27,429	406,749	306,487	100,262

TOWNSHIP OF MONROE
STATEMENT OF 2024 APPROPRIATION RESERVES

	Balance December 31, 2024	Encumbrances December 31, 2024	Balance After Transfers	Paid or Charged	Balance Lapsed
Contribution to:					
Social Security System (O.A.S.I.)	$ 87,602		$ 89,102	$ 88,620	$ 482
Defined Contribution Retirement Plan	15,644		15,644	1,180	14,464
Unemployment Compensation	30,000		30,000		30,000
9-1-1 System					
Other expenses	8,732	$ 715	9,447	1,089	8,358
NJPDES Stormawater Permit:					
Division of Streets and Roads					
Other expenses	20,449	4,571	25,020	591	24,429
Vehicle Maintenace - Other Expenses		27,880	27,880		27,880
Recycling Tax					
Other expenses	2,600	79	2,679	708	1,971
Shared Service Agreements					
Shared Service (Recycling)					
Other expenses	100,000	1,152	126,152	122,239	3,913
Shared Service (Health)					
Other expenses	1		1		1
Ambulance Services					
Other expenses	487,656	41,459	529,115	48,993	480,122
Total General Appropriations	$ 5,647,354	$ 1,268,001	$ 6,915,355	$ 4,349,622	$ 2,565,733

Appropriation Reserves	$ 5,647,354
Encumbrances Payable	1,268,001
	$ 6,915,355

Cash Disbursements	$ 4,108,851
Transferred to Accounts Payable	240,771
	$ 4,349,622

EXHIBIT A-13

TOWNSHIP OF MONROE
STATEMENT OF ENCUMBRANCES PAYABLE

Balance, January 1, 2025	$ 1,268,001
Increased by:	
Charges to 2025 Budget Appropriations	1,271,951
	2,539,952
Decreased by:	
Transferred to 2024 Appropriation Reserves	1,268,001
Balance, December 31, 2025	$ 1,271,951

EXHIBIT A-14

STATEMENT OF ACCOUNTS PAYABLE

Increased by:	
Transferred from 2024 Appropriation Reserves	$ 240,771
Balance, December 31, 2025	$ 240,771

EXHIBIT A-15

STATEMENT OF PREPAID TAXES

Balance, January 1, 2025	$ 2,005,322
Increased by:	
Cash Receipts	2,236,751
	4,242,073
Decreased by:	
Applied to 2025 Taxes Receivable	2,005,322
Balance, December 31, 2025	$ 2,236,751

EXHIBIT A-16

TOWNSHIP OF MONROE
STATEMENT OF TAX OVERPAYMENTS

Balance, January 1, 2025	$ 39,638
Increased by:	
Cash Receipts	42,229
	81,867
Decreased by:	
Payment	81,193
Balance, December 31, 2025	$ 674

EXHIBIT A-17

STATEMENT OF LOCAL DISTRICT SCHOOL TAXES PAYABLE

Increased by:	
Levy - 2025 (Abstract)	$ 133,613,858
Decreased by:	
Payment	$ 133,613,858

EXHIBIT A-18

STATEMENT OF COUNTY TAXES PAYABLE

Balance, January 1, 2025		$ 834,180
Increased by:		
Levy - 2025 (Abstract)		
General County Tax (Abstract)	$ 48,371,579	
County Open Space Preservation (Abstract)	4,580,733	
Added County Taxes	437,378	
		53,389,690
		54,223,870
Decreased by:		
Payment		53,786,492
Balance, December 31, 2025		$ 437,378

EXHIBIT A-19

TOWNSHIP OF MONROE
STATEMENT OF SPECIAL DISTRICT TAXES

Increased by:	
Levy - 2025 (Abstract)	$ 16,304,219
Decreased by:	
Payments	$ 16,304,219

EXHIBIT A-20

STATEMENT OF MUNICIPAL OPEN SPACE TAXES

Increased by:	
Levy - 2025 (Abstract)	$ 1,305,736
Decreased by:	
Payments	$ 1,305,736

EXHIBIT A-21

TOWNSHIP OF MONROE
STATEMENT OF DUE TO STATE OF NEW JERSEY

Balance, January 1, 2025	$	22,416
Increased by:		
Cash Receipts		164,314
		186,730
Decreased by:		
Cash Disbursements		155,173
Balance, December 31, 2025	$	31,557

Analysis of Balance - December 31, 2025

Marriage/Civil Union License	$	1,450
Construction Code Fees		30,107
	$	31,557

EXHIBIT A-22

STATEMENT OF RESERVE FOR TAX APPEALS

Balance, January 1, 2025	$	9,983
Increased by:		
Charge to Operations		323,835
		333,818
Decreased by:		
County and State Board Judgements Paid	$	333,818

EXHIBIT A-23

STATEMENT OF RESERVE FOR UNION EDUCATION FUND

Balance, December 31, 2025 and 2024	$	36,000

EXHIBIT A-24

TOWNSHIP OF MONROE
STATEMENT OF RESERVE FOR CODIFICATION OF ORDINANCES

Balance, December 31, 2025 and 2024	$ 10,787

EXHIBIT A-25

STATEMENT OF RESERVE FOR ENERGY AGGREGATION

Balance, December 31, 2025 and 2024	$ 373

EXHIBIT A-26

TOWNSHIP OF MONROE
STATEMENT OF DUE TO STATE AND FEDERAL GRANT FUND

Balance, January 1, 2025		$ 127,344
Increased by:		
State and Federal Grants Appropriated	$ 534,041	
Cash Receipts - Grants Receivable	374,961	
Cash Receipts - Grants Unappropriated	14,651	
Cash Receipts - Due State and Federal Grant Fund	20,380	
		944,033
		1,071,377
Decreased by:		
State and Federal Grants Anticpated as Revenue	534,041	
Cash Disbursements - Grants Appropriated	232,968	
		767,009
Balance, December 31, 2025		$ 304,368

EXHIBIT A-27

STATEMENT OF DUE TO/(FROM) GENERAL CAPITAL FUND

Balance, January 1, 2025 (Due to)	$ 3,814,172
Decreased by:	
Cash Disbursements	3,815,871
Balance, December 31, 2025 (Due from)	$ (1,699)

EXHIBIT A-28

STATEMENT OF DUE TO WATER-SEWER UTILITY CAPITAL FUND

Balance, January 1, 2025	$ 19,923
Decreased by:	
Cash Disbursements	$ 19,923

EXHIBIT A-29

TOWNSHIP OF MONROE
STATEMENT OF DUE TO AFFORDABLE HOUSING TRUST FUND

Balance, January 1, 2025	$ 6,328,740
Decreased by:	
Cash Disbursements	$ 6,328,740

EXHIBIT A-30

STATEMENT OF DUE TO TRUST-OTHER FUND

Increased by:	
Cash Receipts	$ 5,593
Balance, December 31, 2025	$ 5,593

EXHIBIT A-31

STATEMENT OF DUE FROM WATER-SEWER UITLITY OPERATING FUND

Balance, January 1, 2025	$ 172
Decreased by:	
Cash Receipts	$ 172

EXHIBIT A-32

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM LIBRARY

Balance, January 1, 2025	$	268
Increased by:		
Cash Disbursements		4,861,524
		4,861,792
Decreased by:		
Cash Receipts		4,733,296
Balance,December 31, 2025	$	128,496

EXHIBIT A-33

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM CURRENT FUND
STATE AND FEDERAL GRANT FUND

Balance, January 1, 2025		$ 127,344
Increased by:		
State and Federal Grants Appropriated	$ 534,041	
Cash Receipts - Grants Receivable	374,961	
Cash Receipts - Grants Unappropriated	14,651	
Cash receipts - Due State and Federal Grant Fund	20,380	
		944,033
		1,071,377
Decreased by:		
State and Federal Grants Anticpated as Revenue	534,041	
Cash Disbursements - Grants Appropriated	232,968	
		767,009
Balance, December 31, 2025		$ 304,368

EXHIBIT A-34

STATEMENT OF DUE FROM GENERAL CAPITAL FUND
STATE AND FEDERAL GRANT FUND

Balance, January 1, 2025	$ 20,380
Decreased by:	
Cash Receipts	$ 20,380

EXHIBIT A-35

STATEMENT OF DUE FROM TRUST-OTHER TRUST FUND
STATE AND FEDERAL GRANT FUND

Balance, January 1, 2025	$ 161,278
Increased by:	
Received by Trust-Other Trust Fund	29,914
Balance, December 31, 2025	$ 191,192

TOWNSHIP OF MONROE
STATEMENT OF STATE AND FEDERAL GRANTS RECEIVABLE
STATE AND FEDERAL GRANT FUND

GRANT	Balance January 1. 2025	Budget Revenue Realized	Chapter 159	Collected	Balance December 31, 2025
2016					
Sustainable NJ Small Grant	$ 2,000				$ 2,000
2020					
USDOJ Bulletproof Vest Partnership Program	2,314				2,314
2021					
Drive Sober or Get Pulled Over	415				415
Middlesex County Area Senior Outreach	354				354
SFY21 Body Worn Camera Grant	20,380			20,380	
2022					
Sustainable NJ Small Grant	2,000				2,000
Distracted Driving Grant	1,936				1,936
Middlesex County Cultural Arts	937				937
2023					
Cultural Arts Grant	4,250				4,250
Drive Sober or Get Pulled Over	630				630
2024					
Distracted Driving Crackdown Grant	70				70
Click It or Ticket Grant	70				70
Recycling Enhancement Grant	8,000				8,000
Cultural Arts Grant	4,050			1,012	3,038
Diwali Festival of Lights Grant	5,000			1,250	3,750
2025					
Body Armor Grant		4,997		4,997	
Distracted Driving Crackdown Grant		12,250		11,760	490
Recycling Tonnage Grant		130,576		130,576	
Alcohol Education Rehab. Fund		1,168		1,168	
National Opioids Settlement		160,018		160,018	
Click It or Ticket Grant			7,000	7,000	
Recycling Enhancement Grant			10,000	9,998	2
Drunk Driving Enforcement Fund			15,056	10,759	4,297
Clean Communities Program			132,976	132,976	
Drive Sober or Get Pulled Over (Summer)			7,000	7,000	
NJ BPU - Community Energy Planning Grant			10,000	7,500	2,500
Middlesex County - 250th Anniversary of the American Revolution			7,000		7,000
NJ DEP - It Pays to Plug In 2022			24,000	24,000	
Middlesex County - County Project Support Grant			5,000	3,750	1,250
Drive Sober or Get Pulled Over (Labor Day)			7,000	7,000	
	$ 52,406	$ 309,009	$ 225,032	$ 541,144	$ 45,303

Cash Receipts	$ 374,961
Transferred from State and Federal Grants Unappropriated	166,183
	$ 541,144

TOWNSHIP OF MONROE
STATEMENT OF STATE AND FEDERAL GRANTS - APPROPRIATED
STATE AND FEDERAL GRANT FUND

5501.64

GRANT	Balance January 1, 2025	Encumbered January 1, 2025	Transferred from 2025 Budget	Chapter 159	Paid or Charged	Transfers (From)/To	Encumbered December 31, 2025	Balance December 31, 2025
Municipal Court Alcohol Education Rehabilitation Fund	$ 4,938		$ 1,168		$ 2,000			$ 4,106
Drive Sober or Get Pulled Over	2,702			$ 14,000	15,862			840
Drunk Driving Enforcement Grant				15,056	8,381	$ (2,753)		3,922
Body Armor Replacement Fund	12,903		4,997					17,900
USDOJ Bulletproof Vest Partnership Progam	728							728
Distracted Driving Crackdown Grant	5,495		12,250		11,690	2,753		8,808
Click It or Ticket Grant	70			7,000	6,930			140
Clean Communities	85,722	$ 4,772		132,976	83,647		$ 3,176	136,647
Recycling Tonnage Grant	28,524		130,576		94,175		3,530	61,395
Recycling Enhancement Grant	8,000			10,000	2,106		7,892	8,002
Emergency Management Assistance Grant	10,582	600			8,177			3,005
Middlesex County Recycling Enhancement Grant	5,608							5,608
Middlesex County Cultural Arts	3,000							3,000
Sustainable New Jersey - Small Grant	4,931						366	4,565
Stormwater Assistance Grant	15,000							15,000
Diwali Festival of Lights Grant	1,650							1,650
National Opioid Settlement			160,018				3,500	156,518
Community Energy Planning Grant				10,000				10,000
250th Anniversary of American Revolution Grant				7,000				7,000
It Pays to Plug In 2022 Grant				24,000				24,000
Arts Institute County Project Support Grant	-	-	-	5,000	-	-	-	5,000
	$ 189,853	$ 5,372	$ 309,009	$ 225,032	$ 232,968	$ -	$ 18,464	$ 477,834

Exhibit A-38

TOWNSHIP OF MONROE
STATEMENT OF UNAPPROPRIATED RESERVES FOR STATE AND FEDERAL GRANTS
STATE AND FEDERAL GRANT FUND

GRANTS	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
Alcohol Education Rehab. Fund	$ 1,168		$ 1,168	
Body Armor Grant	4,997		4,997	
National Opioids Settlement	160,018	$ 44,565	160,018	$ 44,565
	$ 166,183	$ 44,565	$ 166,183	$ 44,565
Cash Receipts		$ 14,651		
Due from Trust-Other Trust Fund		29,914		
		$ 44,565		

EXHIBIT A-39

TOWNSHIP OF MONROE
STATEMENT OF DUE TO PAYROLL TRUST FUND

Increased by:		
Cash Receipts	$	14,350
Balance, December 31, 2025	$	14,350

TRUST FUND

TOWNSHIP OF MONROE
STATEMENT OF TRUST CASH

	Animal Control Trust Fund		Trust-Other Fund		Affordable Housing Trust Fund	
Balance, January 1, 2025		$ 9,495		$ 4,949,814		$ 2,379,175
Increased by Receipts:						
State of New Jersey Dog License Fees Collected	$ 3,207					
Animal Control Fees	27,528					
Tax Collector Trust Receipts			$ 2,334,264			
Receipts from Current Fund					$ 8,411,665	
Receipts from State and Federal Grant Fund			29,914			
Receipts from General Capital Fund					69,971	
Affordable Housing Receipts					997,838	
Various Trust Deposits			1,839,149			
		30,735		4,203,327		9,479,474
		40,230		9,153,141		11,858,649
Decreased by Disbursements:						
Expenditures Under R.S. 4:19-15.11	15,242					
Due to State of New Jersey	3,316					
Payments to General Capital						
Payments to Current Fund						
Payments to Recreation Utility Operating Fund						
Tax Collector Trust Disbursements			2,535,483			
Affordable Housing Disbursements					2,338,548	
Various Trust Deposits			1,892,667			
Community Development Disbursements			142,776			
Disbursements to Current Fund			5,593		2,082,925	
		18,558		4,576,519		4,421,473
Balance, December 31, 2025		$ 21,672		$ 4,576,622		$ 7,437,176

TOWNSHIP OF MONROE
STATEMENT OF TRUST CASH

		Unemployment Trust Fund		Payroll Trust Fund		Developers Escrow Trust Fund
Balance, January 1, 2025		$ 369,880		$ 621,529		$ 14,113,762
Increased by Receipts:						
Reserve for Unemployment Claims	$ 9,482					
Payroll Deduction Deposits			$ 30,790,160			
Developers' Escrow Deposits					$ 2,392,624	
Receipts from Water-Sewer Utility Operating Fund			957		13,536	
		9,482		30,791,117		2,406,160
		379,362		31,412,646		16,519,922
Decreased by Disbursements:						
Reserve for Unemployment Claims	140,051					
Disbursements to Current Fund			14,350			
Payroll Deduction Disbursements			29,681,411			
Developers' Escrow Disbursements					2,361,620	
		140,051		29,695,761		2,361,620
Balance, December 31, 2025		$ 239,311		$ 1,716,885		$ 14,158,302

TOWNSHIP OF MONROE
STATEMENT OF TRUST CASH

		Open Space Trust Fund
Balance, January 1, 2025		$ 1,053,847
Increased by Receipts:		
Open Space Receipts	$ 1,572,484	
		1,572,484
		2,626,331
Decreased by Disbursements:		
Open Space Disbursements	1,737,178	
		1,737,178
Balance, December 31, 2025		$ 889,153

Exhibit B-2

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM GENERAL CAPITAL FUND
TRUST-OTHER FUND

Increased by:	
CDBG Cash Receipts Deposited in General Capital Fund	$ 284,311
Balance, December 31, 2024	$ 284,311

Exhibit B-3

STATEMENT OF RESERVE FOR EXPENDITURES
ANIMAL CONTROL FUND

Balance, January 1, 2025	$ 9,306
Increased by:	
Cash Receipts	27,528
	36,834
Decreased by:	
Cash Disbursements	15,242
Balance, December 31, 2025	$ 21,592

License Fees Collected	
2023	$ 20,205
2024	17,635
	$ 37,840

Memo to Auditor:
R.S.4:19-15.11 " there shall be transferred from such special account to the general funds of the municipality any amount then in such account which is in excess of the total amount paid into such special account during the last two fiscal years next preceeding"

Exhibit B-4

TOWNSHIP OF MONROE
STATEMENT OF DUE TO STATE OF NEW JERSEY
ANIMAL CONTROL FUND

Balance, January 1, 2025	$	189
Increased by:		
State Fees		3,207
		3,396
Decreased by:		
Payments to State of New Jersey		3,316
Balance, December 31, 2025	$	80

Exhibit B-5

STATEMENT DUE FROM COMMUNITY DEVELOPMENT BLOCK GRANT
OTHER TRUST FUND

Balance, January 1, 2025	$	284,311
Decreased by:		
Cash Receipts Deposited in General Capital Fund	$	284,311

Exhibit B-6

STATEMENT OF DUE FROM CURRENT FUND
OTHER TRUST FUND

Increased by:		
Cash Disbursements	$	5,593
Balance, December 31, 2025	$	5,593

TOWNSHIP OF MONROE
STATEMENT OF RESERVE FOR VARIOUS TRUST DEPOSITS
OTHER TRUST FUND

Account	Balance, January 1, 2025	Increases	Decreases	Balance December 31, 2025
Accumulated Absences	$ 2,818	$ 107,000	$ 79,120	$ 30,698
Animal Control Donations	225			225
Charlotte Eder Bequest	76,396		41,415	34,981
Cultural Arts Commission Donations	301			301
Detention Basin Escrows	1,256,996	7,489	49,884	1,214,601
Environmental Disturbance Fund	18,500			18,500
Historic Preservation Donations	810			810
LEAD Program Contributions	3,938			3,938
Mining Escrow	13,566			13,566
Miscellaneous Donations	489			489
MTUD Payoll Prior	14,391			14,391
Municipal Alliance Donations	273			273
Other Escrows	40,689	7,000		47,689
Parking Offense Adjudication Act	1,555	44		1,599
Police Donations	5,847	1,000		6,847
Police Forfeited Funds	21,136	705	3,332	18,509
Police Off-Duty Trust	1,149,696	777,931	770,107	1,157,520
Public Defender		3,140		3,140
Recreation Trips	46,090	281,208	275,175	52,123
Recycling Trust	65,208	78,412	39,643	103,977
Road Opening Deposits	77,634	14,687	6,792	85,529
Senior Center Facility Donation	100			100
Shade Tree Commission Donations	4,951			4,951
Shade Tree Replacement	937,431	36,300	182,204	791,527
Storm Recovery Fund	37,370	400,000	344,152	93,218
Street Vacation Escrow	11,757			11,757
Transportation Contribution	34			34
Senior Center Trust Trips/Activities	49,534	118,483	99,503	68,514
Cultural Arts Commission Donations	3,441		960	2,481
GSMJIF	520	5,750	380	5,890
John Christiano Donation	31,044			31,044
	$ 3,872,740	$ 1,839,149	$ 1,892,667	$ 3,819,222

Cash Disbursements		$ 1,892,667
Cash Receipts	$ 1,839,149	
	$ 1,839,149	$ 1,892,667

Exhibit B-8

TOWNSHIP OF MONROE
STATEMENT OF DUE TO STATE AND FEDERAL GRANT FUND
OTHER TRUST FUND

Balance, January 1, 2025	$ 161,278
Increased by:	
Cash Receipts	29,914
Balance, December 31, 2025	$ 191,192

Exhibit B-9

STATEMENT OF RESERVE FOR COMMUNITY DEVELOPMENT
OTHER TRUST FUND

Balance, January 1, 2025	$ 145,496
Decreased by:	
Cash Disbursements	142,776
Balance, December 31, 2025	$ 2,720

Exhibit B-10

STATEMENT OF RESERVE FOR TAX COLLECTOR TRUST
OTHER TRUST FUND

Balance, January 1, 2025	$ 1,054,611
Increased by:	
Cash Receipts	2,334,264
	3,388,875
Decreased by:	
Cash Disbursements	2,535,483
Balance, December 31, 2025	$ 853,392

Exhibit B-11

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM CURRENT FUND
AFFORDABLE HOUSING TRUST FUND

Balance, January 1, 2025	$ 6,328,740
Increased by:	
Cash Disbursements	2,082,925
	8,411,665
Decreased by:	
Cash Receipts	8,411,665
Balance, December 31, 2025	$ -

Exhibit B-12

STATEMENT OF DUE FROM GENERAL CAPITAL FUND
AFFORDABLE HOUSING TRUST FUND

Balance, January 1, 2025	$ 69,971
Increased by:	
Due from General Capital Fund	66,221
	136,192
Decreased by:	
Cash Receipts	69,971
Balance, December 31, 2025	$ 66,221

Exhibit B-13

STATEMENT OF RESERVE FOR AFFORDABLE HOUSING
AFFORDABLE HOUSING TRUST FUND

Balance, January 1, 2025		$ 8,777,886
Increased by:		
Due from General Capital Fund	$ 66,221	
Cash Receipts	997,838	
		1,064,059
		9,841,945
Decreased by:		
Cash Disbursements		2,338,548
Balance, December 31, 2025		$ 7,503,397

Exhibit B-14

STATEMENT OF RESERVE FOR UNEMPLOYMENT
UNEMPLOYMENT TRUST FUND

Balance, January 1, 2025	$ 369,880
Increased by:	
Cash Receipts	9,482
	379,362
Decreased by:	
Cash Disbursements	140,051
Balance, December 31, 2025	$ 239,311

Exhibit B-15

TOWNSHIP OF MONROE
STATEMENT OF PAYROLL DEDUCTIONS PAYABLE
PAYROLL TRUST FUND

Balance, January 1, 2025	$ 704,198
Increased by:	
Cash Receipts	30,790,160
	31,494,358
Decreased by:	
Cash Disbursements	29,681,411
Balance, December 31, 2025	$ 1,812,947

Exhibit B-16

STATEMENT OF DUE TO WATER-SEWER UTILITY OPERATING FUND
DEVELOPERS' ESCROW TRUST FUND

Balance, January 1, 2025	$ 114,848
Increased by:	
Cash Receipts	13,536
Balance, December 31, 2025	$ 128,384

Exhibit B-17

STATEMENT OF DUE TO WATER-SEWER UTILITY CAPITAL FUND
DEVELOPERS' ESCROW TRUST FUND

Balance, December 31, 2025 and 2024	$ 1,963

Exhibit B-18

STATEMENT OF DEVELOPERS' ECROW FUNDS
DEVELOPERS' ESCROW TRUST FUND

Balance, January 1, 2025	$ 13,996,951
Increased by:	
Cash Receipts	2,392,624
	16,389,575
Decreased by:	
Cash Disbursements	2,361,620
Balance, December 31, 2025	$ 14,027,955

Analysis of Balance - December 31, 2025

Developers' Escrow Funds - Water-Sewer Utility	$ 4,092,734
Developers' Escrow Funds	9,935,221
	$ 14,027,955

Exhibit B-19

STATEMENT OF RESERVE FOR OPEN SPACE
OPEN SPACE TRUST FUND

Balance, January 1, 2025	$	1,053,847
Increased by:		
Cash Receipts		1,572,484
		2,626,331
Decreased by:		
Cash Disbursements		1,737,178
Balance, December 31, 2025	$	889,153

Exhibit B-20

STATEMENT OF DUE FROM WATER-SEWER UTILITY OPERATING FUND
PAYROLL TRUST FUND

Balance, January 1, 2025	$	82,669
Decreased by:		
Cash Receipts		957
Balance, December 31, 2025	$	81,712

Exhibit B-21

STATEMENT OF DUE FROM CURRENT FUND
PAYROLL TRUST FUND

Increased by:		
Cash Disbursements	$	14,350
Balance, December 31, 2025	$	14,350

GENERAL CAPITAL FUND

Exhibit C-2

TOWNSHIP OF MONROE
STATEMENT OF GENERAL CAPITAL CASH
GENERAL CAPITAL FUND

Balance, January 1, 2025		$ 8,671,722
Increased by:		
Premium on Bond Anticipation Notes	$ 261,198	
Grants Receivable	3,818,260	
Grants Receipts - Deferred Charges - Unfunded	276,000	
Premium on Sale of Bonds - Deferred Charges - Unfunded	280,000	
Serial Bonds Issued	10,145,000	
Bond Anticipation Notes Issued	24,309,500	
Capital Improvement Fund - Budget Appropriation	325,000	
Open Space Fund - Fund Improvement Authorization	137,500	
Reserve for Debt Service	71,870	
Reserve for Roadway, Curb, and Sidewalk Improvements	17,365	
Cash Receipts from Other-Trust Fund	284,311	
Cash Receipts from Current Fund	3,815,871	
		43,741,875
		52,413,597
Decreased by:		
Improvement Authorizations	18,939,541	
Bond Anticipation Notes Redeemed	14,100,000	
Cash Disbursements to Affordable Housing Trust Fund	3,750	
Cash Disbursements to State and Federal Grant Fund	20,380	
General Capital Fund Balance - Anticipated as Revenue	1,000,000	
		34,063,671
Balance, December 31, 2025		$ 18,349,926

Exhibit C-3

TOWNSHIP OF MONROE
ANALYSIS OF GENERAL CAPITAL FUND CASH

	Balance December 31, 2025
Fund Balance	$ 516,278
Capital Improvement Fund	5,800
Reserve for Encumbrances	7,022,336
Reserve for Debt Service	131,870
Reserve for Roadway, Curb, and Sidewalk Improvements	150,448
Due to Affordable Housing Trust Fund	66,221
Due from Developer	(111,847)
Grants Receivable	(2,186,891)
Due to Current Fund	1,699
Due to Trust-Other Fund	284,311
Excess Note Cash	176,200
Improvement Authorizations:	
Improvements Authorizations - Funded (See Exhibit C-8)	12,296,242
Unexpended Proceeds of Bond Anticipation Notes (See Exhibit C-6)	3,404,156
Deferred Charges - Unfunded - Expenditures (See Exhibit C-6)	(3,406,897)
	$ 18,349,926

( ) Denotes Deficit

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM DEVELOPER

Balance, December 31, 2025 and 2024	$ 111,847

Exhibit C-5

TOWNSHIP OF MONROE
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

	Total	Serial Bonds	Green Trust Loans
Balance, January 1, 2025	$ 58,308,009	$ 58,300,000	$ 8,009
Increased by:			
Bonds Issued	10,145,000	10,145,000	-
	68,453,009	68,445,000	8,009
Decreased by:			
Obligations Paid	5,533,009	5,525,000	8,009
Balance, December 31, 2025	$ 62,920,000	$ 62,920,000	$ -

Exhibit C-6

TOWNSHIP OF MONROE
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Ord. No.	Improvement Description	Balance January 1, 2025	Authorized 2025	Bonds Issued	Funded By Grants	Balance December 31, 2025	Analysis of Balance: Excess Note Cash	Analysis of Balance: Bond Anticipation Notes	Analysis of Balance: Expenditures	Unexpended Balance of Improvement Authorizations
2002-17	Various 2002 Capital Improvements	$ 931				$ 931			$ 931	
2007-03	Various Improvements to James Monroe Park	158,500				158,500			156,501	$ 1,999
2011-17	Various 2011 Capital Improvements	22,000				22,000				22,000
2014-12	Various 2014 Capital Improvements	600				600				600
2015-10	Various 2015 Capital Improvements	95,200				95,200			67,082	28,118
2016-22	Various 2016 Capital Improvements	255,200				255,200			829	254,371
2017-14	Various 2017 Capital Improvements	176,600				176,600				176,600
2018-24	Various Capital Improvements	264,400				264,400				264,400
2019-08	Various Roadway, Sidewalk and Curb Improvements	300				300				300
2019-15	Schoolhouse Rd. Pedestrian/Roadway Improvements	262,800				262,800				262,800
2020-04	Various 2020 Capital Improvements	3,532				3,532				3,532
2020-17	Various 2020 Capital Improvements	125,000				125,000			92,841	32,159
2021-06	Various Capital Improvements	3,750				3,750			3,750	
2021-18	Various Capital Improvements	924,800				924,800		$ 900,000		24,800
2022-06	Various Capital Improvements	737,120				737,120		400,000	78,952	258,168
2022-07	Various Capital Improvements	723,700				723,700			583,321	140,379
2022-16	Open Space Improvements	83,700				83,700				83,700
2022-17	Various Capital Improvements	3,564,225				3,564,225		3,500,000		64,225
2023-07	Various Capital Improvements	2,766,000				2,766,000		2,766,000		
2023-08	Open Space Recreation Improvements	4,128,500			$ 76,000	4,052,500		1,000,000	409,877	2,642,623
2023-15	Acquisition of Property Open Space	2,323,800			200,000	2,123,800	$ (176,200)	2,300,000		
2023-20	Various Capital Improvements	2,131,400				2,131,400		1,200,000	729,767	201,633
2023-22	Improvements to Police Building and Expansion of Parking Lot	1,904,700				1,904,700		1,900,000		4,700
2024-04	Various Capital Improvements	2,396,640				2,396,640		2,034,000	310,287	52,353
2024-05	Improvements to Applegarth School	900				900			900	
2024-07	Signal Improvements at Old Bridge Englishtown Road and Mounts Mills Road	2,190,000				2,190,000		2,190,000		
2024-19	Facility Improvement on Township Open Space Property	1,397,600				1,397,600			117,931	1,279,669
2024-21	Various Capital Improvements	3,523,300				3,523,300		1,900,000	851,478	771,822
2025-04	Various Roadway, Sidewalk and Curb Improvements		$ 1,619,000			1,619,000		1,610,000	2,450	6,550
2025-05	Recreation Improvements on Open Space Property		238,000			238,000		100,000		138,000
2025-19	Acquis. Of North Disbrow Hill Road for Use as Open Space		2,509,500			2,509,500		2,509,500		
2025-22	Energy Savings Refunding Bond Ord. - Acquisition, Construction and Installation of Energy Conservation Improvements (ESIP)		11,500,000	$10,425,000		1,075,000				1,075,000
2025-23	Acquisition, Construction and Installation of Energy Conservation Improvements (ESIP)		4,380,000			4,380,000				4,380,000
2025-25	Various Capital Improvements	-	2,638,500	-	-	2,638,500	-	-	-	2,638,500
	Total	$ 30,165,198	$ 22,885,000	$10,425,000	$ 276,000	$ 42,349,198	$ (176,200)	$ 24,309,500	$ 3,406,897	$ 14,809,001

Bonds Issued	$10,145,000
Premium on Bonds	280,000
	$10,425,000

Local Recreation Grant	$ 76,000
DCA - Development Rights	200,000
	$ 276,000

Improvement Authorizations - Unfunded	$ 18,213,157
Less: Unspent Note Cash:	
Ordinance	
2021-18	338,909
2022-17	83,880
2023-07	147,488
2023-15	7,750
2023-22	248,527
2024-07	52,110
2025-05	15,992
2025-19	2,509,500
	3,404,156
	$ 14,809,001

Exhibit C-7

TOWNSHIP OF MONROE
STATEMENT OF GRANTS RECEIVABLE

	Balance January 1, 2025	Decreases	Balance December 31, 2025
County of Middlesex:			
Acquisition of Proprty for Use as Open Space (2024-006)	$ 2,000,000	$ 2,000,000	
Facility Improvement on Township Open Space Property (2024-019)	1,457,500	-	$ 1,457,500
	3,457,500	2,000,000	1,457,500
Department of Transportation:			
Schoolhouse Rd. Pedestrian/Roadway Improvements(2019-15)	258,395		258,395
Costco Drive (2020-03)	225,675	201,829	23,846
South Middlesex Pavement Preservation Project (2022-06A)	150,586		150,586
Spotswood Gravel Hill From Traffic Light to Benny Court (2022-06D)	81,870	81,870	
Various Capital Improvements (2024-004)	61,945		61,945
Various Capital Improvements (2024-021)	551,800	413,850	137,950
	1,330,271	697,549	632,722
Due From State Department of Community Affairs:			
Amend Ord. #2023-022, Improvements to the Police Building and the Expansion of the Parking Lot (2024-002)	625,000	625,000	
Acquisition of Property for Use as Open Space (2024-006)	425,000	425,000	-
	1,050,000	1,050,000	-
Community Development Block Grant:			
Various Capital Improvements (2024-004)	167,380	70,711	96,669
	$ 6,005,151	$ 3,818,260	$ 2,186,891

Exhibit C-8

TOWNSHIP OF MONROE
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Balance, January 1, 2025 Funded	Balance, January 1, 2025 Unfunded	2025 Authorizations	Encumbered January 1, 2025	Paid or Charged	Encumbered December 31, 2025	Balance, December 31, 2025 Funded	Balance, December 31, 2025 Unfunded
2005-35	Rehab. of Low and Moderate Income Housing				$ 1,522	$ 13	$ 1,509		
2000-26	Various 2000 Capital Improvements	$ 900,000				401,233	498,767		
2007-03	Various Improvements to James Monroe Park	4	$ 158,500			156,505			$ 1,999
2011-17	Various 2011 Capital Improvements	393	22,000					$ 393	22,000
2011-19	Property improvements to Dey Homestead				15,550	10,960	4,590		
2013-11	Various 2013 Capital Improvements				488		488		
2014-12	Various 2014 Capital improvements	10,704	600		6,109		6,109	10,704	600
2015-10	Various 2015 Capital Improvements	12,223	95,200		1,695	81,000			28,118
2015-15	MCIA Revenue Bonds Eqipement	6,660				6,192		468	
2015-21	Imp. to Soccer Complex/Tennis Courts	40,340			24,058		24,058	40,340	
2016-15	Imp. Pergola Ave./Spotswood-Gravel Hill Rd.	3,276						3,276	
2016-22	Various 2016 Capital Improvements		254,371		11,567		11,567		254,371
2017-14	Various 2017 Capital Improvements	85,001	176,600			10,301		74,700	176,600
2017-17	MCIA Reveunue Bonds Equipment	38,002						38,002	
2018-24	Various Capital Improvements	135,471	264,400		13,449	25,229	6,634	117,057	264,400
2019-08	Various Roadway, Sidewalk and Curb Imp.	108	300		703			811	300
2019-15	Pedestrian/Roadway Imp. Schoolhouse Rd.	28,045	262,800		54,333		54,333	28,045	262,800
2019-22	Various 2019 Capital Improvements	292,737			35,294	67,024	29,431	231,576	
2020-03	Pedestrian and Roadway Improvements	833,758			2,145	1,651		834,252	
2020-04	Various 2020 Capital Improvemnts	287,899	3,532			(12,501)		300,400	3,532
2020-17	Various 2020 Capital Improvements		114,718		34,704	33,109	84,154		32,159
2021-06	Various Capital Improvements				25,811	4,420	21,391		
2021-18	Various Capital Improvements		461,691		417,897	268,157	247,722		363,709
2022-06	Various Capital Improvements		263,363		142,336	147,531			258,168
2022-07	Various Capital Improvements	116,679	723,700			36,614	663,386		140,379
2022-16	Open Space Improvements	137,104	83,700		28,044		28,044	137,104	83,700
2022-17	Various Capital Improvements		224,448		1,576,652	1,271,048	381,947		148,105
2023-07	Various Capital Improvements		156,874		28,223	29,019	8,590		147,488
2023-08	Open Space Recreation Improvements		3,902,171		242,230	1,006,441	495,337		2,642,623
2023-15	Acquisition of Property Open Space		9,550		18,517	20,317			7,750
2023-20	Various Capital Improvements		864,568		520,073	489,476	693,532		201,633
2023-22/ 2024-02	Improvements to Police Building and Expansion of Parking Lot		284,368		1,867,064	1,591,033	307,172		253,227
2024-04	Various Capital Improvements		39,534		1,171,852	1,151,456	7,577		52,353
2024-06	The Acquisition of Property for Use as Open Space	4,300,000				4,300,000			
2024-05	Improvements to Applegarth School				4,355,115	2,893,611	1,461,504		
2024-07	Signal Improvements at Old Bidge Englishtown Road and Mounts Mills Road		56,181			4,071			52,110
2024-19	Facility Improvement on Township Open Space Property	1,526,800	1,397,600			20,470	176,863	1,447,398	1,279,669
2024-21	Various Capital Improvements		2,520,724		1,321,948	1,561,794	1,509,056		771,822
2025-04	Various Roadway, Sidewalk and Curb Improvements			$ 1,700,000		1,480,801	212,649		6,550
2025-05	Recreation Improvements on Open Space Property			250,000		65,204	30,804		153,992
2025-19	Acquis. Of North Disbrow Hill Road for Use as Open Space			2,635,000		2,227		123,273	2,509,500
2025-22	Energy Savings Refunding Bond Ord. - Acquisition, Construction and Installation of Energy Conservation Improvements (ESIP)			11,500,000		1,815,135		8,609,865	1,075,000
2025-23	Acquisition, Construction and Installation of Energy Conservation Improvements (ESIP)			4,600,000				220,000	4,380,000
2025-25	Various Capital Improvements	-	-	2,772,200	-	-	55,122	78,578	2,638,500
		$ 8,755,204	$ 12,341,493	$ 23,457,200	$ 11,917,379	$ 18,939,541	$ 7,022,336	$ 12,296,242	$ 18,213,157

Deferred Charges to Future Taxation - Unfunded	$ 22,885,000
Capital Improvement Fund	434,700
Open Space Trust Fund	137,500
	$ 23,457,200

Exhibit C-9

TOWNSHIP OF MONROE
STATEMENT OF RESERVE FOR CAPITAL IMPROVEMENT FUND

Balance, January 1, 2025	$	115,500
Increased by:		
2025 Budget Appropriation		325,000
		440,500
Decreased by:		
Appropriated to Finance Improvement Authorizations		434,700
Balance, December 31, 2025	$	5,800

TOWNSHIP OF MONROE
STATEMNT OF RESERVE FOR ROADWAY, CURB, AND SIDEWALK IMPROVEMENTS

Balance, January 1, 2025	$	133,083
Increased by:		
Cash Receipts		17,365
Balance, December 31, 2025	$	150,448

TOWNSHIP OF MONROE
STATEMNT OF RESERVE FOR DEBT SERVICE

Balance, January 1, 2025	$	60,000
Increased by:		
Cash Receipts		71,870
Balance, December 31, 2025	$	131,870

Exhibit C-12

TOWNSHIP OF MONROE
STATEMENT OF BOND ANTICIPATION NOTES

Ord. No.	Description	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
2021-18	Various Capital Improvements	6/3/2024	06/03/24	06/02/25	4.25%	$ 900,000		$ 900,000	
		6/3/2024	05/30/25	05/29/26	3.50%		$ 900,000		$ 900,000
2022-06	Various Capital Improvements	6/3/2024	06/03/24	06/02/25	4.25%	400,000		400,000	
		6/3/2024	05/30/25	05/29/26	3.50%		400,000		400,000
2022-17	Various Capital Improvements	6/3/2024	06/03/24	06/02/25	4.25%	3,500,000		3,500,000	
		6/3/2024	05/30/25	05/29/26	3.50%		3,500,000		3,500,000
2023-07	Various Capital Improvements	6/3/2024	06/03/24	06/02/25	4.25%	2,766,000		2,766,000	
		6/3/2024	05/30/25	05/29/26	3.50%		2,766,000		2,766,000
2023-08	Open Space Recreation Improvements	6/3/2024	06/03/24	06/02/25	4.25%	1,000,000		1,000,000	
		6/3/2024	05/30/25	05/29/26	3.50%		1,000,000		1,000,000
2023-15	Acquisition of Property Open Space	6/3/2024	06/03/24	06/02/25	4.25%	2,300,000		2,300,000	
		6/3/2024	05/30/25	05/29/26	3.50%		2,300,000		2,300,000
2023-20	Various Capital Improvements	6/3/2024	06/03/24	06/02/25	4.25%	1,200,000		1,200,000	
		6/3/2024	05/30/25	05/29/26	3.50%		1,200,000		1,200,000
2023-22	Improvements to Police Building and Expansion of Parking Lot	05/30/25	05/30/25	05/29/26	3.50%		1,900,000		1,900,000
2024-04	Various Capital Improvements	6/3/2024	06/03/24	06/02/25	4.25%	2,034,000		2,034,000	
		6/3/2024	05/30/25	05/29/26	3.50%		2,034,000		2,034,000
2024-07	Signal Improvements at Old Bidge Englishtown Road and Mounts Mills Road	05/30/25	05/30/25	05/29/26	3.50%		2,190,000		2,190,000
2024-21	Various Capital Improvements	05/30/25	05/30/25	05/29/26	3.50%		1,900,000		1,900,000
2025-04	Various Roadway, Sidewalk and Curb Improvements	05/30/25	05/30/25	05/29/26	3.50%		1,610,000		1,610,000
2025-05	Recreation Improvements on Open Space Property	05/30/25	05/30/25	05/29/26	3.50%		100,000		100,000
2025-19	Acquisition of North Disbrow Hill Road for Use as Open Space	10/23/25	10/23/25	05/29/26	4.00%	-	2,509,500	-	2,509,500
	Total					$ 14,100,000	$ 24,309,500	$ 14,100,000	$ 24,309,500

	Increases	Decreases
BANS Issued/Redeemed	$ 14,100,000	$ 14,100,000
Issued for Cash	10,209,500	-
	$ 24,309,500	$ 14,100,000

TOWNSHIP OF MONROE
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Amount	Interest Rate	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
General Obligation Bonds 2019	06/10/19	$ 16,220,000	06/01/26	$ 1,090,000	5.000%	$ 11,855,000		$ 1,045,000	$ 10,810,000
			06/01/27	1,115,000	4.000%				
			06/01/28	1,160,000	4.000%				
			06/01/29	1,185,000	4.000%				
			06/01/30	1,230,000	3.000%				
			06/01/31	1,250,000	3.000%				
			06/01/32	1,260,000	3.000%				
			06/01/33	1,260,000	3.000%				
			06/01/34	1,260,000	3.000%				
General Obligation Bonds 2021	06/07/21	9,295,000	06/01/26	550,000	2.000%	7,930,000		505,000	7,425,000
			06/01/27	670,000	2.000%				
			06/01/28	885,000	2.000%				
			06/01/29	885,000	2.000%				
			06/01/30	885,000	2.000%				
			06/01/31	885,000	2.000%				
			06/01/32	885,000	2.000%				
			06/01/33	890,000	2.000%				
			06/01/34	890,000	2.000%				
General Obligation Refunding Bonds 2021	10/20/21	25,290,000	01/15/26	3,130,000	4.000%	17,245,000		3,115,000	14,130,000
			01/15/27	3,155,000	4.000%				
			01/15/28	1,265,000	4.000%				
			01/15/29	1,275,000	5.000%				
			01/15/30	1,295,000	5.000%				
			01/15/31	1,315,000	5.000%				
			01/15/32	1,335,000	5.000%				
			01/15/33	1,360,000	5.000%				
General Improvement Bonds 2024	05/21/24	21,270,000	06/01/26	935,000	5.000%	21,270,000		860,000	20,410,000
			06/01/27	960,000	5.000%				
			06/01/28	1,525,000	5.000%				
			06/01/29	1,620,000	5.000%				
			06/01/30	1,665,000	5.000%				
			06/01/31	1,700,000	5.000%				
			06/01/32	1,715,000	5.000%				
			06/01/33	1,715,000	5.000%				
			06/01/34	1,715,000	5.000%				
			06/01/35	1,715,000	5.000%				
			06/01/36	1,715,000	4.000%				
			06/01/37	1,715,000	4.000%				
			06/01/38	1,715,000	4.000%				

TOWNSHIP OF MONROE
STATEMENT OF GENERAL SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding December 31, 2025 Date	Amount	Interest Rate	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
Energy Savings Obligation Refunding Bonds, Series 2025	12/23/25	$ 10,145,000	12/15/27	$ 3,330,000	5.000%		$ 10,145,000		$ 10,145,000
			12/15/28	150,000	5.000%				
			12/15/29	185,000	5.000%				
			12/15/30	205,000	5.000%				
			12/15/31	225,000	5.000%				
			12/15/32	240,000	5.000%				
			12/15/33	260,000	5.000%				
			12/15/34	275,000	4.000%				
			12/15/35	295,000	4.000%				
			12/15/36	320,000	4.000%				
			12/15/37	340,000	4.000%				
			12/15/38	365,000	4.000%				
			12/15/39	390,000	4.000%				
			12/15/40	420,000	4.000%				
			12/15/41	445,000	4.000%				
			12/15/42	470,000	4.000%				
			12/15/43	505,000	4.000%				
			12/15/44	540,000	4.000%				
			12/15/45	575,000	4.000%				
			12/15/46	610,000	4.000%	-	-	-	-
						$ 58,300,000	$ 10,145,000	$ 5,525,000	$ 62,920,000

Exhibit C-14

TOWNSHIP OF MONROE
STATEMENT OF LOANS PAYABLE

			Schedule of Maturities		Interest	Balance		Balance
	Date	Amount	Date	Amount	Rate	January 1, 2025	Decreases	December 31, 2025
Green Trust Loans								
Ballfield Improvements	01/11/05	$ 265,600				$ 8,009	$ 8,009	$ -
						$ 8,009	$ 8,009	$ -

TOWNSHIP OF MONROE
STATEMENT OF DUE TO AFFORDABLE HOUSING TRUST FUND

Balance, January 1, 2025	$	69,971
Decreased by:		
Cash Disbursements		3,750
Balance, December 31, 2025	$	66,221

Exhibit C-16

TOWNSHIP OF MONROE
STATEMENT OF DUE FROM/TO CURRENT FUND

Balance, January 1, 2025 (Due From)	$	3,814,172
Decreased by:		
Cash Receipts		3,815,871
Balance, December 31, 2025 (Due To)	$	(1,699)

Exhibit C-17

STATEMENT OF DUE TO STATE AND FEDERAL GRANT FUND

Balance, January 1, 2025	$	20,380
Decreased by:		
Cash Disbursements	$	20,380

Exhibit C-18

STATEMENT OF FEDERAL ESIP INVESTMENT TAX CREDIT RECEIVABLE

Increased by:		
ESIP Refunding Bonds - Investment Tax Credit	$	3,445,235
Balance, December 31, 2025	$	3,445,235

Analysis of Balance - December 31, 2025		Pledged to Reserve
Ord. No. 2025-23 Energy Savings Refunding Bonds	$	3,445,235

Exhibit C-19

TOWNSHIP OF MONROE
STATEMENT OF DUE TO TRUST-OTHER FUND

Increased by:		
Cash Receipts	$	284,311
Balance, December 31, 2025	$	284,311

TOWNSHIP OF MONROE
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ord. No.	Improvement Description	Balance January 1, 2025	Authorized 2025	Bonds Issued	Bond Anticipation Notes Issued	Funded By Grants	Balance December 31, 2025
2002-17	Various 2002 Capital Improvements	$ 931					$ 931
2007-03	Various Improvements to James Monroe Park	158,500					158,500
2011-17	Various 2011 Capital Imrovements	22,000					22,000
2014-12	Various 2014 Capital Improvements	600					600
2015-10	Various 2015 Capital Improvements	95,200					95,200
2016-22	Various 2016 Capital Improvements	255,200					255,200
2017-14	Various 2017 Capital Improvements	176,600					176,600
2018-24	Various Capital Improvements	264,400					264,400
2019-08	Various Roadway, Sidewalk and Curb Improvements	300					300
2019-15	Schoolhouse Rd. Pedestrian/Roadway Improvements	262,800					262,800
2020-04	Various 2020 Capital Improvements	3,532					3,532
2020-17	Various 2020 Capital Improvements	125,000					125,000
2021-06	Various Capital Improvements	3,750					3,750
2021-18	Various Capital Improvements	24,800					24,800
2022-06	Various Capital Improvements	337,120					337,120
2022-07	Various Capital Improvements	723,700					723,700
2022-16	Open Space Improvements	83,700					83,700
2022-17	Various Capital Improvements	64,225					64,225
2023-08	Open Space Recreation Improvements	3,128,500				$ 76,000	3,052,500
2023-15	Acquisition of Property Open Space	23,800				23,800	
2023-20	Various Capital Improvements	931,400					931,400
2023-22	Improvements to Police Building and Expansion of Parking Lot	1,904,700			$ 1,900,000		4,700
2024-04	Various Capital Improvements	362,640					362,640
2024-05	Improvements to Applegarth School	900					900
2024-07	Signal Improvements at Old Bidge Englishtown Road and Mounts Mills Road	2,190,000			2,190,000		
2024-19	Facility Improvement on Township Open Space Property	1,397,600					1,397,600
2024-21	Various Capital Improvements	3,523,300			1,900,000		1,623,300
2025-04	Various Roadway, Sidewalk and Curb Improvements		$ 1,619,000		1,610,000		9,000
2025-05	Recreation Improvements on Open Space Property		238,000		100,000		138,000
2025-19	Acquis. Of North Disbrow Hill Road for Use as Open Space		2,509,500		2,509,500		
2025-22	Energy Savings Refunding Bond Ord. - Acquisition, Construction and Installation of Energy Conservation Improvements (ESIP)		11,500,000	$ 10,425,000			1,075,000
2025-23	Acquisition, Construction and Installation of Energy Conservation Improvements (ESIP)		4,380,000				4,380,000
2025-25	Various Capital Improvements	-	2,638,500	-	-	-	2,638,500
		$ 16,065,198	$ 22,885,000	$ 10,425,000	$ 10,209,500	$ 99,800	$ 18,215,898

WATER-SEWER UTILITY FUND

TOWNSHIP OF MONROE
STATEMENT OF WATER-SEWER UTILITY FUND CASH
WATER-SEWER UTILITY FUND

	Operating Fund		Capital Fund	
Balance - January 1, 2025		$ 10,193,980		$ 16,593,704
Increased by Receipts:				
Water-Sewer Utility Service Charges	$ 19,639,956			
Miscellaneous Revenues	691,527			
Interfunds Receivable/Payable	3,365,037		$ 276,625	
Various Reserves	20,294		1,474,353	
Premium on Bonds and Bond Anticipation Notes - Fund Balance			62,374	
Developers' Contribution			406,000	
Bond Anticipation Notes Issued/Redeemed			13,300,000	
		23,716,814		15,519,352
		33,910,794		32,113,056
Decreased by Disbursements:				
Budget Expenditures	18,402,478			
Improvement Authorizations			8,166,263	
Appropriation Reserves	634,695			
Interfunds Receivable/Payable	2,671,367		3,365,037	
Various Reserves	13,500			
Accounts Payable/Overpayments	64,675			
Accrued Interest on Bonds, Notes and Loans	1,990,176			
Developers' Contribution			600	
Bond Anticipation Notes Redeemed			10,650,000	
		23,776,891		22,181,900
Balance - December 31, 2025		$ 10,133,903		$ 9,931,156

Exhibit D-6

TOWNSHIP OF MONROE
ANALYSIS OF WATER-SEWER UTILITY CAPITAL CASH
WATER-SEWER UTILITY CAPITAL FUND

		Balance January 1, 2025	Balance December 31, 2025
Reserve for Encumbrances		$ 9,770,760	$ 7,032,581
Retainage Payable		42,059	42,059
Accounts Payable		24,108	24,108
Reserve for Developers' Contribution			405,400
Reserve for PFAS Settlement			1,474,353
Capital Outlay		48,385	48,385
Due (from) Current Fund		(19,923)	
Due (from)/to Water/Sewer Operating Fund		(419,116)	(1,127,451)
Due (from) Trust Fund		(1,963)	(1,963)
Fund Balance		2,484,042	146,416
Excess Note Cash		123,732	
Improvement Authorizations			
2009-34	Various Water-Sewer Improvements	71,283	71,282
2010-06	Improvements to Well No.s 20,21 and 23	74,558	40,973
2011-18	Various Water-Sewer Improvements	425,715	(58,251)
2014-17	Various Water Sewer Improvements	1,315,252	1,144,223
2015-11	Various Water Sewer Improvements	93,341	(58,798)
2016-21	Various Water Sewer Improvements	819,841	143,554
2017-15	Various Water Sewer Improvements	1,916,106	1,814,568
2019-21	Various Water Sewer Improvements	493,492	240,882
2020-16	Various Water Sewer Improvements	187,138	(248,023)
2021-17	Upgrades to PS and Force Main	28,409	28,004
2022-15	Water Meters and Vehicles	(106,944)	(318,109)
2023-21	Acquis. of Equipment	90,372	7,097
2024-20	Various Improvements	(866,943)	(920,134)
Total		$ 16,593,704	$ 9,931,156

Exhibit D-7

TOWNSHIP OF MONROE
STATEMENT OF CONSUMER ACCOUNTS RECEIVABLE
WATER-SEWER UTILITY OPERATING FUND

Balance - January 1, 2025	$ 1,121,428
Increased by:	
Consumer Accounts Billed (Net)	20,197,459
	21,318,887
Decreased by:	
Collections	19,639,956
Balance - December 31, 2025	$ 1,678,931

Exhibit D-8

STATEMENT OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS
WATER-SEWER UTILITY OPERATING FUND

Balance - January 1, 2025	$ 641,997
Increased by:	
Charged to Budget	1,978,206
	2,620,203
Decreased by:	
Disbursed	1,990,176
Balance - December 31, 2025	$ 630,027

Analysis of Balance - December 31, 2025

Principal Outstanding December 31, 2025	Interest Rate	From	To	Period	Amount
Serial Bonds					
$ 5,315,000	3.00% to 5.00%	12/01/25	12/31/25	1 Month	$ 14,971
2,530,000	2.00%	12/01/25	12/31/25	1 Month	4,217
550,000	4.00%	08/01/25	12/31/25	5 Months	9,167
20,620,000	2.50% to 4.00%	08/01/25	12/31/25	5 Months	271,812
13,070,000	4.00% to 5.00%	12/01/25	12/31/25	1 Month	47,104
Serial Bonds Total					347,271
Interest on Notes					
13,300,000	3.50%	05/29/25	12/31/25	216 days	279,300
Interest on Loans					
265,000	3.00% to 5.00%	08/01/25	12/31/25	5 Months	3,456
Total					$ 630,027

TOWNSHIP OF MONROE
STATEMENT OF ACCOUNTS PAYABLE, WATER-SEWER OVERPAYMENTS AND VARIOUS RESERVES
WATER-SEWER UTILITY FUND

	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
Water- Sewer Utility Operating Fund:				
Accounts Payable	$ 396,356	$ 208,632	$ 64,675	$ 540,313
Water-Sewer Overpayments	34,207	10,294		44,501
Various Reserves:				
Refund Agreement - Old Bridge Township	26,100			26,100
Developer Deposits Payable	131,677	10,000	13,500	128,177
Subtotal - Various Reserves	157,777	10,000	13,500	154,277
	$ 588,340	$ 228,926	$ 78,175	$ 739,091
Cash - Various Reserves		$ 10,000	$ 13,500	
Cash - Accounts Payable			64,675	
Cash - Water-Sewer Overpayments		10,294		
Transfer from 2024 Appropriation Reserves		208,632		
		$ 228,926	$ 78,175	

	Balance January 1, 2025	Increases	Balance December 31, 2025
Water-Sewer Utility Capital Fund:			
Accounts Payable	$ 24,108		$ 24,108
Various Reserves:			
Contractor's Retainage	42,059		42,059
PFAS Settlement		$ 1,474,353	1,474,353
Subtotal - Various Reserves	42,059	1,474,353	1,516,412
	$ 66,167	$ 1,474,353	$ 1,540,520

TOWNSHIP OF MONROE
STATEMENT OF 2024 APPROPRIATION RESERVES
WATER-SEWER UTILITY OPERATING FUND

	Balance - December 31, 2024 Appropriation Reserves	Balance - December 31, 2024 Encumbrances	Balance After Transfers and Encumbrances	Paid or Charged	Balance Lapsed
Operating:					
Salaries and Wages	$ 300,760		$ 300,760	$ 158,782	$ 141,978
Other Expenses	858,349	$ 897,985	1,756,334	684,545	1,071,789
Capital Outlay	75,000		75,000		75,000
Social Security System (O.A.S.I.)	80,732		80,732		80,732
Unemployment Compensation Insurance	10,000		10,000		10,000
TOTAL GENERAL APPROPRIATIONS	$ 1,324,841	$ 897,985	$ 2,222,826	$ 843,327	$ 1,379,499

Cash Disbursements	$ 634,695
Accounts Payable	208,632
	$ 843,327

Exhibit D-11

TOWNSHIP OF MONROE
STATEMENT OF FIXED CAPITAL
WATER-SEWER UTILITY CAPITAL FUND

Description	Balance January 1, 2025	Balance December 31, 2025
Land	$ 1,088,666	$ 1,088,666
Building	1,274,312	1,274,312
Machinery and Equipment	3,427,706	3,427,706
Vehicles	579,473	579,473
Infrastructure	141,791,336	141,791,336
	$ 148,161,493	$ 148,161,493

TOWNSHIP OF MONROE
STATEMENT OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED
WATER-SEWER UTILITY CAPITAL FUND

Ord. No.	Improvement Description	Date	Balance January 1, 2025	Fixed Capital Authorized	Balance December 31, 2025
	General Improvements:				
2009-12	Computer Equipment, Software and Information Systems	05/04/09	$ 342,514		$ 342,514
2009-25	Various Water-Sewer Improvements	06/29/09	629,515		629,515
2009-34	Various Water-Sewer Improvements	11/30/09	2,800,000		2,800,000
2010-06	Improvements to Well No.s 20,21 and 23	05/03/10	8,306,000		8,306,000
2010-12	Various Water Sewer Improvements	08/02/10	1,121,957		1,121,957
2011-18	Various Water Sewer Improvements	08/02/10	2,344,500		2,344,500
2011-35	Imp to Wells No. 17 and 19	08/02/10	2,398,622		2,398,622
2012-15	Ashmall Pumping Station Improvements	07/02/12	1,093,229		1,093,229
2012-28	Various Water Sewer Improvements	08/27/12	1,209,960		1,209,960
2013-17	Various Water Sewer Improvements	09/09/13	3,694,414		3,694,414
2014-11	Various Water Sewer Improvements	07/07/14	3,455,000		3,455,000
2014-23	Acq. Of Water Allocation Rights	11/05/14	5,420,250		5,420,250
2015-11	Various Water Sewer Improvements	07/06/15	5,275,000		5,275,000
2015-24	Acq. Of Water Allocation Rights/Well 25 Improvements	12/28/15	5,670,253		5,670,253
2016-21	Various Water Sewer Improvements	07/06/16	4,035,000		4,035,000
2017-15	Various Water Sewer Improvements	07/05/17	6,105,000		6,105,000
2019-21	Various Water Sewer Improvements	06/24/19	1,130,000		1,130,000
2020-16	Various Water Sewer Improvements	09/02/20	7,625,000		7,625,000
2021-05	Well 25 Improvements	04/07/21	2,806,511		2,806,511
2021-17	Upgrades to PS 14 and Force Main	08/03/21	3,975,000		3,975,000
2022-15	Water-Meters and Vehicles	08/02/22	830,000		830,000
2023-21	Acquis. of Equipment	08/07/23	600,000		600,000
2024-20	Various Water Sewer Improvements	09/04/24	4,995,000		4,995,000
2025-26	Various Water Sewer Improvements	12/01/25		$ 8,520,000	8,520,000
			$ 75,862,725	$ 8,520,000	$ 84,382,725

TOWNSHIP OF MONROE
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS
WATER-SEWER UTILITY CAPITAL FUND

Ord. No.	Improvement Description	Ordinance Date	Ordinance Amount	Balance - January 1, 2025 Funded	Balance - January 1, 2025 Unfunded	Encumbrances Payable January 1, 2025	2025 Authorized	Paid or Charged	Encumbrances Payable December 31, 2025	Balance - December 31, 2025 Funded	Balance - December 31, 2025 Unfunded
	General Improvements:										
2009-34	Various Water-Sewer Improvements	11/30/09	$ 2,800,000	$ 71,283		$ 42,061		$ 41,373	$ 689	$ 71,282	
2010-06	Improvements to Well No.s 20,21 and 23	05/03/10	9,000,000	74,558		8,153		30,226	11,512	40,973	
2011-18	Various Water Sewer Improvements	06/07/11	2,344,500	425,715	$ 76,500	92,691		238,176	338,481		$ 18,249
2011-35	Imp to Wells No. 17 and 19	12/28/11	4,900,000			138		114	24		
2012-28	Various Water Sewer Improvements	08/27/12	1,470,000			114,872			114,872		
2013-17	Various Water Sewer Improvements	09/09/13	5,200,000			44,424			44,424		
2014-11	Various Water Sewer Improvements	07/07/14	3,455,000	1,315,252		10,010		30,944	150,095	1,144,223	
2014-23	Acq. Of Water Allocation Rights	11/05/14	5,500,000			133,152			133,152		
2015-11	Various Water Sewer Improvements	07/06/15	5,275,000		368,341	2,060,228		994,162	1,218,205		216,202
2015-24	Acq. of Water Allocation Rights/Well 25 Improvements	12/28/15	5,800,000			58,683		13,106	45,577		
2016-21	Various Water Sewer Improvements	07/06/16	4,035,000		1,454,841	924,724		1,228,537	372,474		778,554
2017-15	Various Water Sewer Improvements	07/05/17	6,105,000		2,371,106	634,966		326,106	410,398		2,269,568
2019-21	Various Water Sewer Improvements	06/24/19	1,130,000	493,492		66,437		287,453	31,594	240,882	
2020-16	Various Water Sewer Improvements	09/20/20	7,625,000		1,212,138	3,315,085		1,448,237	2,302,009		776,977
2021-17	Upgrades to PS 14 and Force Main	08/03/21	3,975,000		178,409	780,442		764,135	16,712		178,004
2022-15	Water-Meters and Vehicles	08/02/22	830,000		223,056	319,297		374,218	156,244		11,891
2023-21	Acquis. of Equipment	08/07/23	600,000		90,372	299,054		314,651	67,678		7,097
2024-20	Various Water Sewer Improvements	09/04/24	4,995,000		4,128,057	866,343		2,074,825	1,618,441		1,301,134
2025-26	Various Water Sewer Improvements	12/01/25	8,520,000				$ 8,520,000				8,520,000
				$ 2,380,300	$ 10,102,820	$ 9,770,760	$ 8,520,000	$ 8,166,263	$ 7,032,581	$ 1,497,360	$ 14,077,676

Exhibit D-14

TOWNSHIP OF MONROE
STATEMENT OF CAPITAL OUTLAY RESERVE
WATER-SEWER UTILITY CAPITAL FUND

	Balance January 1, 2025	Balance December 31, 2025
Reserve for Capital Outlay	$ 48,385	$ 48,385

Exhibit D-15

STATEMENT OF RESERVE FOR BOND RESOLUTION
WATER-SEWER UTILITY CAPITAL FUND

	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
Developers' Contribution	$ -	$ 406,000	$ 600	$ 405,400
	$ -	$ 406,000	$ 600	$ 405,400

Exhibit D-16

TOWNSHIP OF MONROE
STATEMENT OF WATER-SEWER UTILITY BOND ANTICIPATION NOTES
WATER-SEWER UTILITY CAPITAL FUND

Ord. No.	Description	Date of Ordinance	Date of Original Issue	Date of Issue	Date of Maturity	Interest Rate	Balance January 1, 2025	Increases	Decreases	Balance December 31, 2025
2015-11	Various Water-Sewer Improvements	07/06/15	06/03/24	05/30/25	05/29/26	3.50%		$ 2,000,000		$ 2,000,000
2015-11	Various Water-Sewer Improvements	07/06/15	06/03/24	06/03/24	06/02/25	4.25%	$ 2,000,000		$ 2,000,000	
2015-24	Various Water-Sewer Improvements	12/28/15	06/03/24	05/30/25	05/29/26	3.50%		126,268		126,268
2015-24	Various Water-Sewer Improvements	12/28/15	06/03/24	06/03/24	06/02/25	4.25%	250,000		250,000	
2016-21	Various Water-Sewer Improvements	07/06/16	06/03/24	05/30/25	05/29/26	3.50%		2,000,000		2,000,000
2016-21	Various Water-Sewer Improvements	07/06/16	06/03/24	06/03/24	06/02/25	4.25%	2,000,000		2,000,000	
2017-15	Various Water-Sewer Improvements	07/05/17	06/03/24	05/30/25	05/29/26	3.50%		2,200,000		2,200,000
2017-15	Various Water-Sewer Improvements	07/05/17	06/03/24	06/03/24	06/02/25	4.25%	2,200,000		2,200,000	
2020-16	Various Water-Sewer Improvements	09/02/20	06/03/24	05/30/25	05/29/26	3.50%		3,400,000		3,400,000
2020-16	Various Water-Sewer Improvements	09/02/20	06/03/24	06/03/24	06/02/25	4.25%	3,400,000		3,400,000	
2021-17	Various Water-Sewer Improvements	08/02/21	06/03/24	05/30/25	05/29/26	3.50%		200,000		200,000
2021-17	Various Water-Sewer Improvements	08/02/21	06/03/24	06/03/24	06/02/25	4.25%	200,000		200,000	
2023-21	Water Meters	08/07/23	06/03/24	05/30/25	05/29/26	3.50%		600,000		600,000
2023-21	Water Meters	08/07/23	06/03/24	06/03/24	06/02/25	4.25%	600,000		600,000	
2024-20	Various Water-Sewer Improvements	09/04/24	05/30/25	05/30/25	05/29/26	3.50%		2,773,732		2,773,732
							$ 10,650,000	$ 13,300,000	$ 10,650,000	$ 13,300,000

	Increases	Decreases
BANS Issued/Redeemed	$ 10,526,268	$ 10,526,268
Issued for Cash	2,773,732	
Excess Note Cash		123,732
	$ 13,300,000	$ 10,650,000

TOWNSHIP OF MONROE
STATEMENT OF WATER-SEWER SERIAL BONDS
WATER-SEWER UTILITY CAPITAL FUND

Description	Date of Issue	Amount oF Issue	December 31, 2025 Maturities of Bonds Date	Amount	Interest Rate	Balance January 1, 2025	Decreases	Balance December 31, 2025
2015 General Obligation Revenue Bonds	8/6/2015	$ 30,000,000	8/1/2026	$ 1,120,000	3.000%			
			8/1/2027	1,500,000	3.000%			
			8/1/2028	1,500,000	3.000%			
			8/1/2029	1,500,000	3.000%			
			8/1/2030	1,500,000	3.000%			
			8/1/2031	1,500,000	3.000%			
			8/1/2032	1,500,000	3.125%			
			8/1/2033	1,500,000	3.125%			
			8/1/2034	1,500,000	3.250%			
			8/1/2035	1,500,000	3.250%			
			8/1/2036	1,500,000	3.250%			
			8/1/2037	1,500,000	3.375%			
			8/1/2038	1,500,000	3.375%			
			8/1/2039	1,500,000	3.500%	$ 21,705,000	$ 1,085,000	$ 20,620,000
2016 Refunding Revenue Bonds	2/10/2016	4,750,000	2/1/2026	550,000	4.000%	1,080,000	530,000	550,000
2019 General Obligation Revenue Bonds	5/29/2019	7,310,000	6/1/2026	395,000	5.000%			
			6/1/2027	410,000	4.000%			
			6/1/2028	410,000	4.000%			
			6/1/2029	410,000	4.000%			
			6/1/2030	410,000	3.000%			
			6/1/2031	410,000	3.000%			
			6/1/2032	410,000	3.000%			
			6/1/2033	410,000	3.000%			
			6/1/2034	410,000	3.000%			
			6/1/2035	410,000	3.000%			
			6/1/2036	410,000	3.000%			
			6/1/2037	410,000	3.000%			
			6/1/2038	410,000	3.000%	5,705,000	390,000	5,315,000
2021 General Obligation Revenue Bonds	6/7/2021	3,015,000	6/1/2026	130,000	2.000%			
			6/1/2027	240,000	2.000%			
			6/1/2028	240,000	2.000%			
			6/1/2029	240,000	2.000%			
			6/1/2030	240,000	2.000%			
			6/1/2031	240,000	2.000%			
			6/1/2031	240,000	2.000%			
			6/1/2033	240,000	2.000%			
			6/1/2034	240,000	2.000%			
			6/1/2035	240,000	2.000%			
			6/1/2036	240,000	2.000%	2,655,000	125,000	2,530,000
2024 Water-Sewer Utility Bonds	5/21/2024	13,425,000	6/1/2026	355,000	5.000%			
			6/1/2027	365,000	5.000%			
			6/1/2028	390,000	5.000%			
			6/1/2029	400,000	5.000%			
			6/1/2030	415,000	5.000%			
			6/1/2031	435,000	5.000%			
			6/1/2031	445,000	5.000%			
			6/1/2033	460,000	5.000%			
			6/1/2034	485,000	5.000%			
			6/1/2035	495,000	5.000%			
			6/1/2036	505,000	4.000%			
			6/1/2037	530,000	4.000%			
			6/1/2038	545,000	4.000%			
			6/1/2039	565,000	4.000%			
			6/1/2040	585,000	4.000%			
			6/1/2041	610,000	4.000%			
			6/1/2042	625,000	4.000%			
			6/1/2043	655,000	4.000%			
			6/1/2044	680,000	4.000%			
			6/1/2045	705,000	4.000%			
			6/1/2046	705,000	4.000%			
			6/1/2047	705,000	4.000%			
			6/1/2048	705,000	4.000%			
			6/1/2049	705,000	4.000%	13,425,000	355,000	13,070,000
						$ 44,570,000	$ 2,485,000	$ 42,085,000

TOWNSHIP OF MONROE
STATEMENT OF WATER-SEWER NJEIT LOANS PAYABLE
WATER-SEWER-UTILITY CAPITAL FUND

DESCRIPTION	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES OF BONDS DATE	MATURITIES OF BONDS AMOUNT	INTEREST RATE	Balance January 1, 2025	Decreases	Balance December 31, 2025
NJ Environmental Infrastructure Trust Loan	5/3/2012	$ 1,060,000	8/1/2026	$ 85,000	5.000%			
			8/1/2027	90,000	3.000%			
			8/1/2028	90,000	3.000%	$ 345,000	$ 80,000	$ 265,000
NJ Environmental Infrastructure Trust Loan	5/3/2012	1,183,520	2/1/2026	24,657	0.000%			
			8/1/2026	49,313	0.000%			
			2/1/2027	9,615	0.000%	157,555	73,970	83,585
						$ 502,555	$ 153,970	$ 348,585

TOWNSHIP OF MONROE
STATEMENT OF INTERFUNDS (RECEIVABLE) PAYABLE
WATER-SEWER UTILITY FUND

	Balance January 1, 2025	Receipts	Disbursements	Increases/ Decreases	Balance December 31, 2025
Water-Sewer Utility Operating Fund:					
Due from Developers Escrow Fund	$ (114,848)		$ (13,536)		$ (128,384)
Due from Water-Sewer Utility Capital Fund	419,116	$ 3,365,037	(256,702)	$ (2,400,000)	1,127,451
Due to Payroll Trust Fund	82,669		(957)		81,712
Due to Current Fund Fund	172		(2,400,172)	2,400,000	
Total - Operating Fund	$ 387,109	$ 3,365,037	$ (2,671,367)	$ -	$ 1,080,779
Appropriated to Water-Sewer Budget Revenue:					
Water-Sewer Utility Capital Fund Balance				$ (2,400,000)	
Appropriated to Current Budget Revenue				2,400,000	
				$ -	

	Balance January 1, 2025	Receipts	Disbursements	Increases/ Decreases	Balance December 31, 2025
Water-Sewer Utility Capital Fund:					
Due from Developers Escrow Fund	$ (1,963)				$ (1,963)
Due from Current Fund	(19,923)	$ 19,923			
Due to/from Water-Sewer Utility Operating Fund	(419,116)	256,702	$ (3,365,037)	$ 2,400,000	(1,127,451)
Total - Capital Fund	$ (441,002)	$ 276,625	$ (3,365,037)	$ 2,400,000	$ (1,129,414)
Appropriated to Budget Revenue:					
Water-Sewer Utility Capital Fund Balance				$ 2,400,000	
				$ 2,400,000	

TOWNSHIP OF MONROE
STATEMENT OF RESERVE FOR AMORTIZATION
WATER-SEWER UTILITY CAPITAL FUND

Balance - January 1, 2025			$	160,483,895
Increased by:				
Paid by Budget Appropriations:				
Serial Bonds	$	2,485,000		
Loans		153,970		
				2,638,970
Balance - December 31, 2025			$	163,122,865

TOWNSHIP OF MONROE
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
WATER-SEWER-UTILITY CAPITAL FUND

Ord. No.	Date of Ord.	Improvement Description	Balance January 1, 2025	2025 Authorized	Notes Issued	Balance December 31, 2025
		General Improvements				
2011-18	06/07/11	Various Water Sewer Improvements	$ 76,500			$ 76,500
2015-11	07/06/15	Various Water Sewer Improvements	275,000			275,000
2016-21	07/06/16	Various Water Sewer Improvements	635,000			635,000
2017-15	07/05/17	Various Water Sewer Improvements	455,000			455,000
2020-16	09/02/20	Various Water Sewer Improvements	1,025,000			1,025,000
2021-17	08/03/21	Various Water Sewer Improvements	150,000			150,000
2022-15	08/02/22	Various Water Sewer Improvements	330,000			330,000
2024-20	09/04/24	Various Water Sewer Improvements	4,995,000		$ 2,773,732	2,221,268
2025-26	12/01/25	Various Water Sewer Improvements		$ 8,520,000		8,520,000
			$ 7,941,500	$ 8,520,000	$ 2,773,732	$ 13,687,768

TOWNSHIP OF MONROE

MIDDLESEX COUNTY

PART III

GOVERNMENT AUDITING STANDARDS AND SINGLE AUDIT SECTION

YEAR ENDED DECEMBER 31, 2025

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 Auditors' Report

Honorable Mayor and Members
of the Township Council
Township of Monroe
Middlesex County, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey ("Division"), the regulatory basis financial statements of the Township of Monroe ("Township") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated July 27, 2026 in which we expressed an unmodified opinion on the regulatory basis of accounting and an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America due to the differences between those principles and the financial reporting provisions of the Division.

Report on Internal Control Over Financial Reporting

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

PKF O'CONNOR DAVIES, LLP
300 Tice Boulevard, Suite 315, Woodcliff Lake, NJ 07677 I Tel: 201.712.9800 I Fax: 201.712.0988 I www.pkfod.com

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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* and by the Division.

Purpose of This Report

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

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
July 27, 2026

Gary W. Higgins

Gary W. Higgins, CPA
Registered Municipal Accountant, No. 405

Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by NJ OMB Circular 25-12

Independent Auditors' Report

Honorable Mayor and Members
of the Township Council
Township of Monroe
Middlesex County, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Township of Monroe, New Jersey's ("Township") compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township's major state programs for the year ended December 31, 2025. The Township's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *("Government Auditing Standards")*; and the audit requirements of New Jersey OMB Circular 25-12 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards and New Jersey OMB Circular 25-12 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report. We are required to be independent of the Township and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the Township's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and New Jersey OMB Circular 25-12, we:

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

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

Report on Internal Control Over Compliance

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

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

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

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

PKF O'Connor Davies, LLP

Woodcliff Lake, New Jersey
July 27, 2026

Gary W. Higgins

Gary W. Higgins, CPA
Registered Municipal Accountant, No. 405

Schedule B

TOWNSHIP OF MONROE
COUNTY OF MIDDLESEX, NEW JERSEY

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

STATE FUNDING DEPARTMENT AND DESCRIPTION	STATE ACCOUNT NUMBER	GRANT PERIOD	PROGRAM OR AWARD AMOUNT	EXPENDITURES	MEMO CUMULATIVE EXPENDITURES
Direct Funding:					
Department of Environmental Protection					
Clean Communities Program	765-042-4900-004	2024	$ 134,073	$ 83,647	$ 127,225
Recycling Tonnage Grant	100-042-4910-224	2024	99,982	28,524	99,982
Recycling Tonnage Grant	100-042-4910-224	2025	130,576	65,651	65,651
Subtotal				94,175	165,633
Recycling Enhancement Grant	N/A	2024	8,000	2,106	2,106
Total Department of Environmental Protection				179,928	294,964
Department of Justice					
Municipal Court Alcohol Education and Rehabilitation Fund	760-098-9735-001	Various	4,011	2,000	4,000
Total Department of Justice				2,000	4,000
Department of Law and Public Safety					
Drunk Driving Enforcement Fund	N/A	2025	15,056	8,381	8,381
Total Department of Law and Public Safety				8,381	8,381
Department of Community Affairs					
Police Headquarters Capital Improvements	495-022-8030-841	2024	2,500,000	158,842	2,500,000
Open Space Acquisition	495-022-8030-842	2024	2,500,000	2,500,000	2,500,000
Total Department of Community Affairs				2,658,842	5,000,000
Department of Transportation					
Municipal Aid Program (Inwood Estates Roadway)	480-078-6320-APF	2023	247,780	247,780	247,780
Total Department of Transportation				247,780	247,780
Total State Financial Assistance				$ 3,096,931	$ 5,555,125

See accompanying Notes to Schedules of Expenditures of State Financial Assistance.

NOTES TO THE SCHEDULES OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

TOWNSHIP OF MONROE
COUNTY OF MIDDLESEX, NEW JERSEY

NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
DECEMBER 31, 2025

NOTE 1: GENERAL

The accompanying schedule of state financial assistance presents the activity of all state financial assistance programs of the Township of Monroe, County of Middlesex ("Township"). The Township is defined in Note 1(A) to the financial statements. All state financial assistance received directly from state agencies, as well as state financial assistance passed through other government agencies are included on the schedule of expenditures of state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedule is presented using the modified accrual basis of accounting as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (OCBOA), which differ in certain respects from generally accepted accounting principles (GAAP) applicable to local government units and as detailed in the Notes to the Financial Statements. The state financial assistance expended amounts included in the respective expenditure schedule does not reflect amounts encumbered, which encumbered amounts are considered as expended as reported in the NJ OCBOA financial statements.

NOTE 3: RELATIONSHIP TO FINANCIAL STATEMENTS

Unless specifically noted, the amounts reported in the accompanying schedule agrees with amounts reported in Township's financial statements.

NOTE 4: RELATIONSHIP TO STATE FINANCIAL REPORTS

Unless specifically required, the amounts reported in the accompanying schedule agrees with the amounts reported in the Township's financial statements.

NOTE 5: STATE LOAN OUTSTANDING

The Township's state loans outstanding at December 31, 2025, which are not required to be reported on the schedule of expenditures of state financial assistance, are as follows:

Loan Programs - State	
N.J. Department of Environmental Protection - N.J. Environmental Infrastructure Trust	$348,585

NOTE 6: INDIRECT COST RATE

The Township has elected not to use the fifteen percent de minimis indirect cost rate as allowed by NJ OMB Circular 25-12.

TOWNSHIP OF MONROE
COUNTY OF MIDDLESEX, NEW JERSEY

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

Section 1 - Summary of Auditors' Results

Financial Statements

Type of report the auditor issued on the financial statements: Unmodified (OCBOA) - Regulatory Basis

Internal Control over financial reporting:

1) Material weakness(es) identified?		Yes	X	No
2) Significant deficiency(ies) identified?		Yes	X	None reported
Noncompliance material to basic financial statements noted?		Yes	X	No

State Financial Assistance Section

Dollar threshold used to distinguish between Type A and B programs: $1,000,000

Auditee qualified as low-risk auditee?		Yes	X	No

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

Internal Control over major programs:

1) Material weakness(es) identified?		Yes	X	No
2) Significant deficiency(ies) identified?		Yes	X	None reported
Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08 as applicable?		Yes	X	No

Identification of major state programs:

GMIS Number(s)	Name of State Program or Cluster
495-022-8030-842	NJ Dept. of Community Affairs - Open Space Acquisition - 2024

TOWNSHIP OF MONROE
COUNTY OF MIDDLESEX, NEW JERSEY

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

Section II - Schedule of Financial Statement Findings

None.

Section III - Schedule of State Financial Assistance Findings and Questioned Costs

None.

TOWNSHIP OF MONROE

MIDDLESEX COUNTY

PART IV

SUPPLEMENTARY DATA

YEAR ENDED DECEMBER 31, 2025

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

Revenues and Other Income Realized	Year 2025 Amount	Year 2025 %	Year 2024 Amount	Year 2024 %
Fund Balance Utilized	$ 10,995,000	3.86	$ 10,995,000	3.97
Miscellaneous - From Other Than Local Property Tax Levies	17,245,228	6.05	17,399,318	6.28
Collection of Delinquent Taxes and Tax Title Liens	1,262,172	0.43	1,212,038	0.44
Collection of Current Tax Levy	255,703,350	89.66	247,434,571	89.31
Total Revenues and Other Income Realized	285,205,750	100.00	277,040,927	100.00
Expenditures				
Budget Expenditures:				
Municipal Purposes	72,612,259	26.15	69,556,570	26.05
County Taxes	53,389,690	19.23	51,826,633	19.41
Local School Taxes	133,613,858	48.12	128,264,974	48.04
Municipal Open Space Taxes	1,305,736	0.47	1,293,953	0.48
Special District Taxes	16,304,219	5.87	15,595,927	5.84
Other Expenditures	453,762	0.16	492,645	0.18
Total Expenditures	277,679,524	100.00	267,030,702	100.00
Excess in Revenues	7,526,226		10,010,225	
Adjustments to Income Before Fund Balance:				
Expenditures Included Above Which are by Statute Deferred Charges to Budgets of Succeeding Years Emergency Authorization	225,000		-	
Statutory Excess to Fund Balance	7,751,226		10,010,225	
Fund Balance January 1	14,300,760		15,285,535	
	22,051,986		25,295,760	
Less:				
Utilization as Anticipated Revenue	10,995,000		10,995,000	
Fund Balance December 31	$ 11,056,986		$ 14,300,760	

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGE
IN FUND BALANCE - WATER-SEWER OPERATING UTILITY FUND

Revenues and Other Income Realized	Year 2025 Amount	Year 2025 %	Year 2024 Amount	Year 2024 %
Fund Balance Utilized	426,419	1.74	426,419	1.62
Utility Service Charges	19,639,956	80.04	19,262,914	73.22
Miscellaneous Revenues	691,527	2.82	807,009	3.07
Water-Sewer Utility Capital Fund Balance	2,400,000	9.78	1,035,663	3.94
Reserve for Debt Service			561,022	2.13
Other Credits to Income	1,379,499	5.62	4,215,004	16.02
Total Revenues and Other Income Realized	24,537,401	100.00	26,308,031	100.00
Expenditures				
Budget Expenditures:				
Operating	16,917,890	74.79	15,349,230	73.82
Capital Improvements	75,000	0.33	75,000	0.36
Debt Service	4,612,782	20.39	4,330,479	20.83
Deferred Charges and Statutory Expenditures	1,014,602	4.49	1,035,768	4.98
Refund of Prior Year Revenues	-	-	2,558	0.01
Total Expenditures	22,620,274	100.00	20,793,035	100.00
Excess in Revenues	1,917,127		5,514,996	
Fund Balance January 1	6,353,708		2,565,131	
	8,270,835		8,080,127	
Less:				
Utilization as Anticipated Revenue	426,419		426,419	
Appropriated in Current Fund Budget	2,400,000		1,300,000	
Fund Balance December 31	$ 5,444,416		$ 6,353,708	

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION*

	2025	2024	2023
Tax Rate	$2.740	$2.654	$2.559
Apportionment of Tax Rate:			
Municipal	0.523	0.508	0.489
Municipal Open Space	0.015	0.015	0.015
Municipal Library Tax	0.058	0.053	0.047
County	0.556	0.542	0.485
Local School	1.535	1.487	1.480
Open Space Tax - County	0.053	0.049	0.043
Special District (1)			
Fire District No.1	0.134	0.137	0.135
Fire District No.2	0.167	0.157	0.154
Fire District No.3	0.247	0.238	0.233

Assessed Valuation:

2025	$ 8,704,904,956		
2024		$ 8,626,353,357	
2023			$ 8,371,735,885

*Per Abstract of Ratables, Middlesex County, NJ

Note: Under the provisions of Chapter 129, P.L. 1976, the County Board of Taxation estimated the amount of approved Veterans and Senior Citizens Tax Deductions for 2025 to be $426,500.

(1) Not included in Tax Rate set forth above

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

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

Year	Tax Levy	Cash Collections	Percentage of Collection
2025	$ 256,955,663	$ 255,703,350	99.50%
2024	248,647,609	247,434,571	99.50%
2023	233,970,007	232,695,119	99.45%

DELINQUENT TAXES AND TAX TITLE LIENS

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

Year	Amount of Tax Title Liens	Amount of Delinquent Taxes	Total Delinquent	Percentage of Tax Levy
2025	$ 440,524	$ 1,263,271	$ 1,703,795	0.66%
2024	510,330	1,339,669	1,849,999	0.74%
2023	482,028	1,297,723	1,779,751	0.76%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

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

Year	Amount
2025	$ 1,569,800
2024	1,569,800
2023	1,569,800

COMPARISON OF WATER AND SEWER UTILITY LEVIES AND COLLECTIONS

Year	Levy	Cash Collections*
2025	$ 20,197,459	$ 19,639,956
2024	18,452,372	19,262,914
2023	18,274,966	18,035,502

*Cash collections include amounts which were levied in prior years

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year Ended		Balance		Utilized in Budget of Succeeding Year
Current Fund	2025	$	11,056,986	$	9,000,000
	2024		14,300,760		10,995,000
	2023		15,285,535		10,995,000
	2022		15,345,502		10,995,000
Water-Sewer	2025	$	5,444,416	$	645,000
Operating Utility Fund	2024		6,353,708		426,419
	2023		2,565,131		426,419
	2022		5,119,483		1,500,000

TOWNSHIP OF MONROE

MIDDLESEX COUNTY

PART V

ROSTER AND GENERAL
COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2025

OFFICIALS IN OFFICE AND SURETY BOND COVERAGES

The following officials were in office as at December 31, 2025:

NAME	TITLE	AMOUNT OF BOND	
Stephen Dalina	Mayor		
Miriam Cohen	Council President		
Terence Van Dzura	Council Vice President		
Rupa P. Siegel	Councilperson		
Michael Markel	Councilperson		
Charles Dipierro	Councilperson		
Kevin McGowan	Business Administrator		
Lori Olah	Chief Financial Officer	$ 1,000,000.00	(A)
Alexandra Uhrig	Tax Collector	1,000,000.00	(A)
Christine Robbins	Clerk		
Donna Linke	Court Adminstrator	1,000,000.00	(A)
Joseph Lombardi	Judge	1,000,000.00	(A)
Louis Rainone, Esq.	Township Attorney		
Lou Buonocore	Construction Code Official		
Tricia Mercado	Assessor		
Griffin Banos	Chief of Police		

(A) Garden State Municipal Joint Insurance Fund

TOWNSHIP OF MONROE
GENERAL COMMENTS

Our comments with respect to our examination and any error, omission, irregularity, violation of law, discrepancy or other nonconformity to the law or regulation found during the examination are herewith set forth.

Current Year Findings

None.

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

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

If the Township's purchasing agent is qualified pursuant to subsection b. of Section 9 of P.L. 1971, c.198 (C.40A:11-9), the Township may establish the bid threshold of $53,000 (effective July 1, 2025). The bid threshold prior to July 1, 2025 was $44,000. The maximum bid threshold remains at $17,500 for those municipalities that do not have a Qualified Purchasing Agent. As of December 31, 2025, the Township has a Qualified Purchasing Agent.

The governing body of the Township has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Township Council'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.

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishings or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed to determine whether any clear-cut violations existed and no violations of the Local Public Contracts Law were found.

Any interpretation as to possible violation of N.J.S.A. 40A:11-4 would be in the province of the Township solicitor.

TOWNSHIP OF MONROE
GENERAL COMMENTS (Continued)

Collection of Interest on Delinquent Taxes

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

The governing body, on December 18, 2024 adopted a resolution authorizing interest to be charged on delinquent taxes for calendar year 2025.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Township of Monroe, County of Middlesex, 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 the delinquency and 18% on any amount in excess of $1,500.00 be collected from the date the tax was payable until the date that actual payment to the Tax Collector is made, and if the delinquency is in excess of $10,000.00 and remains in arrears beyond December 31st, an additional penalty of 6% shall be charged.
(2) A delinquency shall mean the sum of all taxes, assessments, municipal liens and charges due on a given parcel of property covering any number of quarters or years.
(3) Effective January 1, 2025, there will be a ten (10) day grace period for quarterly tax payments made by cash, check or money order.
(4) Any payments not made in accordance with paragraph three of this resolution shall be charged interest from the due date as set forth in paragraph one of this resolution.

SO RESOLVED, as aforesaid.

Suggestions to Management

- The Township should perform an arbitrage rebate calculation in accordance with the rules and regulations established.

- The Township should continue to review prior year General Capital Fund and Water-Sewer Utility Capital Fund improvement authorization balances and take appropriate action, where required.

- The Township should review all inactive grant receivable balances and they be cleared of record, where appropriate.

- The Township should continue its efforts to liquidate all interfund balances prior to December 31.

TOWNSHIP OF MONROE
RECOMMENDATIONS

There are none.

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Status of Prior Years' Audit Findings/Recommendations

A review was performed on the prior year's recommendation and corrective action was taken.

Acknowledgement

We received the complete cooperation of the various officials of the Township, and we greatly appreciate the courtesies extended to us.

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

PKF O'Connor Davies, LLP

Certified Public Accountants

Gary W. Higgins

Gary W. Higgins, CPA
Registered Municipal Accountant No. 405