BOROUGH OF ALLENDALE

MAYOR AND COUNCIL

REGULAR MEETING

AGENDA & MATERIALS

THURSDAY,
JULY 16, 2026

7:00 P.M.

AGENDA
BOROUGH OF ALLENDALE
MAYOR AND COUNCIL
COMBINED WORK AND REGULAR SESSION
JULY 16, 2026 AT 7:00 P.M.

MEETING LINK: JOIN LIVE
Meeting ID: 270 364 207 997 5
Passcode: Jj2rs6oN

**This agenda was prepared as of 07/15/2026 with all available information as of this date. Additional items may be added to this agenda. Final action may be taken on all matters listed or added to this agenda.

A combined Work and Regular Session of the Mayor and Council of the Borough of Allendale will be held in-person on July 16, 2026, beginning at 7:00 pm in the Mayor & Council Chambers at the Allendale Municipal Building, 500 West Crescent Avenue, Allendale, New Jersey 07401.

CALL TO ORDER:

OPEN PUBLIC MEETINGS ACT ANNOUNCEMENT:

ROLL CALL:

SALUTE TO FLAG:

APPROVAL OF MINUTES: 06/11/2026 and 06/18/2026 Work & Regular Meeting Minutes.

AGENDA REVIEW:

PUBLIC COMMENT ON AGENDA ITEMS ONLY:

SECOND READING AND PUBLIC COMMENT OF ORDINANCES:

ORDINANCE #26-13: BOND ORDINANCE TO AUTHORIZE THE MAKING OF VARIOUS PUBLIC IMPROVEMENTS IN, BY AND FOR THE BOROUGH OF ALLENDALE, IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF $1,160,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT OR FULLY FUND AN APPROPRIATION FROM THE CAPITAL IMPROVEMENT FUND, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS.

ORDINANCE #26-16: AN ORDINANCE TO AMEND, SUPPLEMENT AND REVISE THE CODE OF THE BOROUGH OF ALLENDALE, CHAPTER 100-3 – FEES.

ORDINANCE #26-17: AN ORDINANCE TO AMEND, SUPPLEMENT AND REVISE THE CODE OF THE BOROUGH OF ALLENDALE, CHAPTER 203 PUBLIC PLACES.

INTRODUCTION OF ORDINANCE:

ORDINANCE #26-18: AN ORDINANCE TO AMEND, SUPPLEMENT AND REVISE THE CODE OF THE BOROUGH OF ALLENDALE, CHAPTER 26-25 PROMOTION OF OFFICERS.

CONSENT AGENDA:

Matters listed below are considered routine and will be enacted by one motion of the Council and one roll call vote. There will be no separate discussion of these items unless a Council member requests an item be removed for consideration.

RES 26-174:	A RESOLUTION ALLOCATING ADDITIONAL MONEY FROM THE MUNICIPAL AFFORDABLE HOUSING TRUST FUND TO ALLENDALE HOUSING, INC.
RES 26-175:	AUTHORIZATION OF 2026 CRESTWOOD LAKE SALARIES SUPPLEMENT FIVE.
RES 26-176:	APPROVAL OF WAIVER OF FEES FOR 2026 CRESTWOOD LAKE MEMBERSHIPS.
RES 26-177:	A RESOLUTION WAIVING THE SPECIAL EVENTS PERMIT FEE FOR FOOD VENDORS-ALLENDALE FALL FESTIVAL ON SEPTEMBER 26, 2026.
RES 26-178:	RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE NJDOT FY27 MUNICIPAL AID PROGRAM.
RES 26-179:	RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE NJDOT FY27 SAFE STREETS TO TRANSIT PROGRAM.
RES 26-180:	REVIEW AND CERTIFICATION OF ANNUAL REPORT OF AUDIT FOR THE FISCAL YEAR ENDING DECEMBER 31, 2025.
RES 26-181:	APPROVAL OF CORRECTIVE ACTION PLAN–REPORT OF AUDIT FOR FISCAL YEAR ENDING DECEMBER 31, 2025.
RES 26-182:	A RESOLUTION AUTHORIZING INCLUSION IN THE BERGEN COUNTY COMMUNITY DEVELOPMENT PROGRAM FOR FY 2027, 2028 AND 2029.
RES 26-183:	A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH THE COUNTY OF BERGEN TO SUPERSEDE THE COOPERATIVE AGREEMENT DATED JULY 1, 2024, AND AMENDMENTS THERETO ESTABLISHING THE BERGEN COUNTY COMMUNITY DEVELOPMENT PROGRAM FOR FY 2027, 2028 AND 2029.
RES 26-184:	RESOLUTION AUTHORIZING THE RESCHEDULED DATE FOR THE HOLIDAY OBSERVERS' 2026 JULY 4TH CELEBRATION.
RES 26-185:	APPROVAL OF JULY 16, 2026 LIST OF BILLS.

ADMINISTRATION:

A. Council Report
B. Staff Reports
C. Mayor's Report

UNFINISHED BUSINESS

NEW BUSINESS:

PUBLIC COMMENTS ON ANY MATTER:

Those wishing to speak will have a three (3) minute time limit to address the governing body. Large groups are asked to have a spokesperson represent them.

ADJOURNMENT:

Upcoming Meeting of the Mayor and Council:
August 13, 2026

BOROUGH OF ALLENDALE
COUNTY OF BERGEN
STATE OF NEW JERSEY

ORDINANCE #26-13

BOND ORDINANCE TO AUTHORIZE THE MAKING OF VARIOUS PUBLIC IMPROVEMENTS IN, BY AND FOR THE BOROUGH OF ALLENDALE, IN THE COUNTY OF BERGEN, STATE OF NEW JERSEY, TO APPROPRIATE THE SUM OF $1,160,000 TO PAY THE COST THEREOF, TO MAKE A DOWN PAYMENT OR FULLY FUND AN APPROPRIATION FROM THE CAPITAL IMPROVEMENT FUND, TO AUTHORIZE THE ISSUANCE OF BONDS TO FINANCE SUCH APPROPRIATION AND TO PROVIDE FOR THE ISSUANCE OF BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS.

BE IT ORDAINED by the Borough Council of the Borough of Allendale, in the County of Bergen, State of New Jersey, as follows:

Section 1. The Borough of Allendale, in the County of Bergen, State of New Jersey (the "Borough") is hereby authorized to make various public improvements in, by and for said Borough, as more particularly described in Section 4 hereof. The cost of the improvements includes all work, materials and appurtenances necessary and suitable therefor.

Section 2. There is hereby appropriated to the payment of the cost of making the improvements described in Sections 1 and 4 hereof (hereinafter referred to as "purposes"), the respective amounts of money hereinafter stated as the appropriation for said respective purposes. Said appropriation shall be met from the proceeds of the sale of the bonds authorized and the Capital Improvement Fund moneys (either to make a down payment or to fully fund an appropriation) appropriated by this ordinance. Said improvements shall be made as general improvements and no part of the cost thereof shall be assessed against property specially benefited.

Section 3. It is hereby determined and stated that the making of such improvements is not a current expense of said Borough.

Section 4. The several purposes hereby authorized for the financing of which said obligations are to be issued are set forth in the following "Schedule of Improvements, Purposes and Amounts" which schedule also shows (1) the amount of the appropriation and the estimated cost of each such purpose, and (2) the amount of each sum which is to be provided by the appropriation from the Capital Improvement Fund hereinafter made to either fully fund the appropriation or to provide a down payment, and (3) the estimated maximum amount of bonds and notes to be issued for each such purpose, and (4) the period of usefulness of each such purpose, according to its reasonable life, computed from the date of said bonds:

SCHEDULE OF IMPROVEMENTS, PURPOSES AND AMOUNTS

A. Undertaking the East Allendale Avenue Sewer Rehabilitation Project.

Appropriation and Estimated Cost	$ 550,000
Down Payment Appropriated	$ 27,500
Bonds and Notes Authorized	$ 522,500
Period of Usefulness	40 years

B. Acquisition of real property, including an existing structure (to be demolished), for open space purposes. The property to be acquired is located at 274 West Allendale Avenue and is designated as Block 904, Lot 18 on the Tax Assessment Map of the Borough.

Appropriation and Estimated Cost	$ 610,000
Capital Improvement Fund Appropriated	$ 610,000
Period of Usefulness	40 years

Aggregate Appropriation and Estimated Cost	$1,160,000
Aggregate Capital Improvement Fund Appropriated either as a Down Payment or to Fully Fund an Appropriation	$ 637,500
Amount of Bonds and Notes Authorized	$ 522,500

Section 5. The cost of such purposes, as hereinbefore stated, includes the aggregate amount of $75,000 which is estimated to be necessary to finance the cost of such purposes, including architect's fees, accounting, engineering and inspection costs, legal expenses and other expenses, including interest on such obligations to the extent permitted by Section 20 of the Local Bond Law (Chapter 2 of Title 40A of the New Jersey Statutes Annotated, as amended; the "Local Bond Law").

Section 6. It is hereby determined and stated that moneys exceeding $637,500, appropriated for down payments on capital improvements or for the capital improvement fund in budgets heretofore adopted for said Borough, are now available to finance said purposes. The sum of $637,500 is hereby appropriated from such moneys to the payment of the cost of said purposes.

Section 7. To finance said purposes, bonds of said Borough of an aggregate principal amount not exceeding $522,500 are hereby authorized to be issued pursuant to the Local Bond Law. Said bonds shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law.

All matters with respect to said bonds not determined by this ordinance shall be determined by resolutions to be hereafter adopted.

Section 8. To finance said purposes, bond anticipation notes of said Borough of an aggregate principal amount not exceeding $522,500 are hereby authorized to be issued pursuant to the Local Bond Law in anticipation of the issuance of said bonds. In the event that bonds are issued pursuant to this ordinance, the aggregate amount of notes hereby authorized to be issued shall be reduced by an amount equal to the principal amount of the bonds so issued. If the aggregate amount of outstanding bonds and notes issued pursuant to this ordinance shall at any time exceed the sum first mentioned in this section, the moneys raised by the issuance of said bonds shall, to not less than the amount of such excess, be applied to the payment of such notes then outstanding.

Section 9. Each bond anticipation note issued pursuant to this ordinance shall be dated on or about the date of its issuance and shall be payable not more than one year from its date, shall bear interest at a rate per annum as may be hereafter determined within the limitations prescribed by law and may be renewed from time to time pursuant to and within limitations prescribed by the Local Bond Law. Each of said bond anticipation notes shall be signed by the Mayor and by a financial officer and shall be under the seal of said Borough and attested by the Borough

Clerk or Deputy Borough Clerk. Said officers are hereby authorized to execute said notes in such form as they may adopt in conformity with law. The power to determine any matters with respect to said notes not determined by this ordinance and also the power to sell said notes, is hereby delegated to the Chief Financial Officer who is hereby authorized to sell said notes either at one time or from time to time in the manner provided by law.

Section 10. It is hereby determined and declared that the period of usefulness of the purpose to be financed with bonds or notes, according to its reasonable life, is a period of 40 years computed from the date of said bonds.

Section 11. It is hereby determined and stated that the Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the office of the Borough Clerk of said Borough, and that such statement so filed shows that the gross debt of said Borough, as defined in Section 43 of the Local Bond Law, is increased by this ordinance by $522,500 and that the issuance of the bonds and notes authorized by this ordinance will be within all debt limitations prescribed by said Local Bond Law.

Section 12. Any funds received from private parties, the County of Bergen, the State of New Jersey or any of their agencies or any funds received from the United States of America or any of its agencies in aid of such purposes, shall be applied to the payment of the cost of such purposes, or, if bond anticipation notes have been issued, to the payment of the bond anticipation notes, and the amount of bonds authorized for such purposes shall be reduced accordingly.

Section 13. The Borough intends to issue the bonds or notes to finance the cost of the improvement described in Section 4.A of this bond ordinance. If the Borough incurs such costs prior to the issuance of the bonds or notes, the Borough hereby states its reasonable expectation to reimburse itself for such expenditures with the proceeds of such bonds or notes in the maximum principal amount of bonds or notes authorized by this bond ordinance.

Section 14. The full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this ordinance. Said obligations shall be direct, unlimited and general obligations of the Borough, and the Borough shall levy ad valorem taxes upon all the taxable real property within the Borough for the payment of the principal of and interest on such bonds and notes, without limitation as to rate or amount.

Section 15. The capital budget is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency therewith and the resolutions promulgated by the Local Finance Board showing full detail of the amended capital budget and capital program as approved by the Director, Division of Local Government Services, is on file with the Borough Clerk and is available for public inspection.

Section 16. This ordinance shall take effect twenty days after the first publication thereof after final passage.

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

Amy Wilczynski
Mayor

BOROUGH OF ALLENDALE
COUNTY OF BERGEN
STATE OF NEW JERSEY

ORDINANCE #26-16

AN ORDINANCE TO AMEND, SUPPLEMENT AND REVISE THE CODE OF THE BOROUGH OF ALLENDALE, CHAPTER 100-3 - FEES

BE IT ORDAINED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey that Chapter 100-3 of the Code of the Borough of Allendale, be and hereby is amended, supplemented and revised as set forth below:

§ 100-3. Fees. [**Amended 1-27-1977; 9-22-1977**]

A. The fee for a construction permit shall be the sum of the subcode fees listed herein and shall be paid before the permit is issued: [**Amended 9-25-1986; 11-14-1991; 9-10-1992; 5-27-1999; 7-24-2003; 2-9-2006; 5-1-2006; 8-13-2009; 5-26-20165-11-2006; 8-13-2009; 5-26-2016**]

(1) Plan review fee:

(a) New construction, additions or renovation. The fee shall be 20% of the permit fee for proposed improvement, with a minimum fee of $75, and is included in the building subcode fee.

(b) Roofing and siding. <u>FOR DETACHED ONE OR TWO FAMILY HOUSES</u>. No plan review fee is required. <u>For all other use groups 100-3A(2)(b) shall apply</u>

(2) Building subcode fees. The fee for work under the building subcode shall be as follows:

(a) New building and additions. Permit fees shall be based upon the volume of the structure. Volume shall be computed in accordance with N.J.A.C. 5:23-2.28. The building permit fee be in the amount of $0.050 per cubic foot of volume for buildings and structures of all use groups and types of construction as classified and defined in Article 3 of the building subcode. State of New Jersey training fees shall be in the amount of $0.00371 per cubic foot of volume of new construction in accordance with N.J.A.C. 5.23-4.19(b).

(b) Renovations, alterations, decks, roofing, siding and repairs. The fees shall be based upon the estimated cost of the work. The fee shall be $25 per $1,000 of the estimated cost, with a minimum fee of $75.

(c) Reinstatement of a lapsed construction permit shall be as follows:

[1] Recalculation of the construction permit shall be based upon the current fee schedule for all work to be performed.

[2] The reinstatement fee shall be 20% of the recalculated value of all work which is to be performed.

(d) Minimum building permit fees shall be: $75.

[1] Principal buildings, additions and accessory buildings shall be charged in accordance with criteria under the Uniform Construction Code.

[2] (Reserved)

[3] (Reserved)

[4] Sheds 200 square feet or greater: $75.

[5] For the purpose of determining estimated cost, the applicant shall submit to the enforcing agency, if available, cost data produced by the architect or engineer of record or by the contractor. A bona fide contractor's bid, if available, shall be submitted. The enforcing agency will make the final decision regarding estimated cost. Included in the building subcode permit is a plan review fee which is 20% of the building subcode fee.

[6] Swimming pools. Permit fees for in-ground pools shall be $400, in addition to electric, plumbing, fence and certificate of approval permits. Aboveground pools shall require a permit fee of $150 in addition to electric, plumbing, fence and certificate of approval permits. Swimming pools which require subcode permits shall include plan review fees as part of the subcode permit, which is 20% of the subcode fee.

[7] (Reserved)

[8] Asbestos hazard abatement permit shall be $150 in accordance with N.J.A.C. 5:23-8.10(a)1 and $200 for certificate of occupancy following successful completion of abatement in accordance with N.J.A.C. 5:23-8.10(a)2.

[9] Demolition permits. The fee for demolition permits shall be as follows:

[a] Principal building: $150.

[b] Accessory building: $40.

[c] Demolition of structures less than 5,000 square feet and less than 30 feet in height, including one- and two-family residences, structures on farms and commercial farms: $150. All other structures: $80.

[10] Signs. A sign shall be $0.085 per square foot of surface area of the sign, with a minimum fee of $50, computed on each side of the sign to be displayed. The fee shall be in addition to any Planning or Zoning Board application fees required.

[11] Fences. The fee for a permit to construct a fence around a pool shall be $75, which includes the plan review fee. This fee shall be in addition to any Planning or Zoning Board application fees which may be required.

[12] Certificate of occupancy.

[a] The fee for a certificate of occupancy shall be as follows: $200.

[b] A certificate of occupancy/approval shall only be issued if any outstanding building violation penalties have been paid.

[c] Temporary certificates of occupancy shall be $30, or each renewal thereof.

[d] A certificate of continued occupancy for business or commercial establishments shall be $250. A certificate of continued occupancy for business or commercial establishments with a change of use shall be $25.

[e] Change of contractor. The fee shall be $50.

[f] Variation. The fee shall be $65.

[13] Dry well. The fee shall be $50. **[Added 3-22-2018 by Ord. No. 18-06]**

[14] Commercial tent. The fee shall be $100. **[Added 3-22-2018 by Ord. No. 18-06]**

[15] Underground storage tank removal or abandonment of tank. The fee shall be $150.
[Added 3-22-2018 by Ord. No. 18-06]

[16] Retaining Walls.

[a] A retaining wall with a surface area greater than 550 square feet that is associated with a Class 3 residential structure shall have a fee of $500.

[b] A retaining wall with a surface area of 550 square feet or less that is associated with a Class 3 residential structure shall have a fee of $250.

[c] A newly constructed retaining wall of any size at other than a Class 3 residential structure shall be based on the estimated cost of construction. The fee shall be $25 per $1,000 of the estimated cost, with a minimum fee of $250.

BE IT FURTHER ORDAINED that, except as modified herein, all other provisions of Chapter 100 shall remain in full force and effect as previously adopted.

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

Amy Wilczynski
Mayor

BOROUGH OF ALLENDALE
COUNTY OF BERGEN
STATE OF NEW JERSEY

ORDINANCE #26-17

AN ORDINANCE TO AMEND, SUPPLEMENT AND REVISE THE CODE OF THE BOROUGH OF ALLENDALE, CHAPTER 203 PUBLIC PLACES

BE IT ORDAINED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey that Chapter 203-24 (Designated Park and Playground Uses, Prohibited Acts) of the Code of the Borough of Allendale, be and hereby is amended, supplemented and revised as set forth below:

§ 203-24. Prohibited Acts

WHEREAS, the Borough of Allendale is authorized pursuant to the laws of the State of New Jersey, including but not limited to N.J.S.A. 40:48-1, N.J.S.A. 40:48-2, N.J.S.A. 39:4 10.11 et seq., and N.J.S.A. 40:61-1 et seq., to enact ordinances for the protection of public health, safety, and welfare and for the regulation of parks and recreational facilities; and

WHEREAS, the Mayor and Council recognize the rapidly increasing use of electric bicycles ("E-bikes"), electric scooters, and similar motorized micro-mobility devices within the Borough; and

WHEREAS, the Mayor and Council find that the operation of such devices within parks, playgrounds, athletic facilities, walking trails, sidewalks, and recreational areas creates substantial concerns regarding:

• pedestrian safety;

• collisions involving children;

• damage to athletic turf and recreational surfaces;

• interference with organized sports and recreational programming;

• unsafe operation at excessive speeds; and

• public nuisance conditions; and

WHEREAS, the Mayor and Council further find that municipal regulation of the location and manner of operation of such devices upon municipal property is necessary and appropriate and is consistent with New Jersey statutory authority regulating low-speed electric bicycles and scooters;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey, that Chapter 203, Section 24 be and hereby is amended and supplemented as follows:

(O) Operation or use any low-speed or high-speed electric bicycles, or electric scooters, as defined by N.J.S.A. 39:1-1 and N.J.S.A. 39:4-14.16, is prohibited on any public park, playground, sidewalk, pedestrian pathway, or municipal property within the Borough.

BE IT FURTHER ORDAINED that, except as modified herein, all other provisions of Chapter 203 shall remain in full force and effect as previously adopted.

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

I hereby certify the above to be a true copy of an Ordinance adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

Amy Wilczynski
Mayor

BOROUGH OF ALLENDALE
COUNTY OF BERGEN
STATE OF NEW JERSEY

ORDINANCE #26-18

AN ORDINANCE TO AMEND, SUPPLEMENT AND REVISE THE CODE OF THE BOROUGH OF ALLENDALE, CHAPTER 26-25 PROMOTION OF OFFICERS

BE IT ORDAINED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey that Chapter 26-25 (Promotion of Officers) of the Code of the Borough of Allendale, be and hereby is amended, supplemented and revised as set forth below:

A. Goals. The Borough of Allendale is dedicated to the long term success of the department and desires to promote the most qualified candidates to the ranks of Chief, Captain, Lieutenant and Sergeant. This section establishes the eligibility requirements and the process for promotion to those ranks. The promotion process shall be on the basis of merit, experience/seniority, demonstrating sustained professionalism and ethical conduct, education, military service, demonstrated ability, competitive written examinations and competitive oral examinations as noted herein. The interview process shall include an evaluation of the following criteria: commendations, employee reviews, disciplines and early intervention summaries, annual performance evaluations, productivity, demonstrated ability and accomplishments, efforts supporting department goals and objectives, responsibilities, subsequent performance, attitude and demeanor, education, military experience, leadership ability, initiative, productivity, attitude toward peers, supervising officers' recommendations, motivation and morale, previous job performance, loyalty to the Department and community, experience and career development training. In accordance with N.J.S.A. 40A:14-129, promotion of any officer shall be made from the membership of the Allendale Police Department. In accordance with N.J.S.A. 40A:14-118, all promotions within the Allendale Police Department shall be made by the Governing Body, except as to the Chief of Police, whose promotion/appointment shall be made by the Mayor with the consent and approval of the Governing Body. A ranked list of eligible candidates for promotion shall be created based on the outcome of the aforesaid test.

B. Eligibility requirements.

(1) **Sergeant**. To be eligible for promotion to the rank of Sergeant, an individual shall satisfy all of the following minimum qualifications:

(a) Shall have served as a full-time police officer in the Allendale Police Department for at least three (3) years; or

(b) Shall have served as a full-time New Jersey sworn police officer for at least five (5) years, at least two (2) of which were served with the Allendale Police Department.

(c) Shall have met or exceeded all Allendale Police Department standards in his or her three most recent annual performance evaluations conducted by his or her superiors.

(2) **Lieutenant**. To be eligible for promotion to the rank of Lieutenant, an individual shall satisfy all of the following minimum qualifications:

(a) Shall have served as a full-time officer in the Allendale Police Department for at least eight (8) years of which at least three (3) years was served as a full-time Sergeant for the Allendale Police Department; and

(b) Shall have met or exceeded all Allendale Police Department standards in his or her three most recent annual performance evaluations conducted by his or her superiors.

(3) **Captain**. To be eligible for promotion to the rank of Captain, an individual shall satisfy all of the following minimum qualifications:

(a) Shall have served at least ten (10) years as a full-time officer in the Allendale Police Department of which at least three (3) years was served as a full-time Sergeant and/or Lieutenant for the Allendale Police Department. In determining such ten-year length of service as a full-time officer, four or more years of military service with honorable discharge shall be the equivalent of one year of employment as a full-time officer for the Allendale Police Department; and

(b) Shall have met or exceeded all Allendale Police Department performance standards in his or her three most recent annual performance evaluations conducted by his or her superiors.

(4) **Chief of Police**. To be eligible for promotion to the rank of Chief, an individual shall satisfy all of the following minimum qualifications:

(a) Shall have served as a full-time officer for at least ten (10) years, at three (3) of which were served as a full-time Sergeant, Lieutenant, or Captain with the Allendale Police Department. In determining such ten-year length of service as a full-time officer, four or more years of military service with honorable discharge shall be the equivalent of one year of employment as a full-time officer for the Allendale Police Department; and

(b) Shall have met or exceeded all Allendale Police Department performance standards in his or her three most recent annual performance evaluations conducted by his or her superiors, if applicable.

C. Process.

(1) **Sergeant.** In creating the list of eligible candidates for promotion to Sergeant, candidates shall be scored/ranked as follows:

(a) A written or oral test relating to the duties, responsibilities and job functions of the position being sought, to be prepared and administered by the New Jersey State Association of Police Chiefs (or prepared and administered by such other person, association or organization as may be authorized by the Public Safety Committee). The test shall constitute 30% of the overall total score for each eligible candidate, based on a test that contains a maximum value of 100 points.

For example, a candidate who receives 70 points out of the total of 100 possible total points for the test shall receive 21 points towards the overall total score (70 points x 30% = 21 points). The minimum threshold/ score required to be eligible for promotion shall be 70 points. Only those candidates who achieve such minimum score shall be eligible to continue forward in the promotion process for promotion to Sergeant. A ranked list of eligible candidates for promotion shall be created based on the outcome of the aforesaid test.

(b) Interview #1: Each eligible candidate who has received on the test the minimum score required to continue forward in the promotion process shall be interviewed by an oral interview administered by an interview panel (the "interview panel") comprised of the following persons: the Public Safety Committee, the Chief of Police, the Borough Administrator, and no more than the next two highest ranking command staff members of the Allendale Police Department, if they exist. All candidates so interviewed by said interview panel shall be asked the same questions, and the score accorded to each candidate shall be arrived at by calculating the average of the scores of all said interview panel members. The results of such oral interview by said interview panel shall constitute 35% of the overall total score for each eligible candidate based on the average score of all said interview panel members of such oral interview. The total possible points for this oral interview shall be 100 points. For example, a candidate who receives a total of 80 points for this oral interview shall receive 28 points towards his/her overall total score (80 x 35% = 28 points). All eligible candidates' personnel files will be made available to be reviewed by the interview panel.

(c) Interview #2: After being interviewed by said interview panel, each eligible candidate who has received on the test the minimum score required to continue forward in the promotion process shall be interviewed by the Public Safety Committee, the Borough Administrator and the Chief of Police and no more than the next two highest ranking command staff members of the Allendale Police Department, if they exist (the “interview panel”). All candidates so interviewed by the interview panel shall be asked the same questions, and the score accorded to each candidate shall be arrived at by calculating the average of the scores of all interview panel members. The results of such oral interview by the interview panel, and its consideration of the candidate's past performance based upon evaluations conducted during the preceding three years, shall constitute 35% of the overall total score for each candidate based on the average score of all interview panel members of such oral interview. The total possible points for this oral interview shall be 100 points. For example, a candidate who receives a total of 60 points out of the total of 100 possible total points for this oral interview shall receive 21 points towards his/her overall total overall score (60 points x 35% = 21 points).

(2) **Captain or Lieutenant.** In creating the list of eligible candidates for promotion to Captain, or Lieutenant, candidates shall be scored/ranked as follows:

(a) A written or oral test relating to the duties, responsibilities and job functions of the position being sought, to be prepared and administered by the New Jersey State Association of Police Chiefs (or prepared and administered by such other person, association or organization as may be authorized by the Public Safety Committee). The test shall constitute 30% of the overall total score for each eligible candidate, based on a test that contains a maximum value of 100 points. For example, a candidate who receives 70 points out of the total of 100 possible total points for the test shall receive 21 points towards the overall total score (70 points x 30% = 21 points). The minimum threshold/ score required to be eligible for promotion shall be 70 points. Only those candidates who achieve such minimum score shall be eligible to continue forward in the promotion process for promotion to Captain, or Lieutenant. A ranked list of eligible candidates for promotion shall be created based on the outcome of the aforesaid test.

(b) Interview #1: For promotion to the positions of Captain or Lieutenant, each eligible candidate shall be interviewed by an interview panel comprised of the Public Safety Committee, the Borough Administrator, the Chief of Police, and the next highest ranking command staff member, if one exists ("interview panel"). All candidates so interviewed by said interview panel shall be asked the same questions, and the score accorded to each candidate shall be arrived at by calculating the average of the scores of all said interview panel members. The results of such oral interview by said interview panel, and its consideration of the candidate's past performance based upon evaluations conducted during the preceding three years, shall constitute 35% of the overall total score for each eligible candidate based on the average score of all said interview panel members of such oral interview. The total possible points for this oral interview shall be 100 points. For example, a candidate who receives a total of 90 points for this oral interview shall receive 31.50 points towards his/her overall total score (90 x 35% = 31.50 points). All eligible candidates' personnel files will be made available to be reviewed by the interview panel.

(c) Interview #2: Each eligible candidate for Captain and Lieutenant shall be interviewed by the Public Safety Committee, the Borough Administrator and the Chief of Police and the next highest ranking command staff members of the Allendale Police Department, if they exist (the "interview panel"). All candidates to be interviewed by the interview panel shall be asked the same questions, and the score accorded to each candidate shall be arrived at by calculating the average of the scores of all interview panel members. The results of such oral interview by the interview panel shall constitute 35% of the overall total score for each eligible candidate based on the average score of all interview panel members of such oral interview. The total possible score for this oral interview shall be 100 points. For example, a candidate who receives a total of 80 points for this oral interview shall receive 28 points toward his/her overall total score (80 points x 35% = 28 points).

(3) **Chief of Police.** In creating a list of eligible candidates for promotion to Chief of Police, candidates shall be scored/ranked as follows:

(a) Written or oral examination. At least 20 calendar days before the examination, the Chief of Police, or his designee, shall announce the date, time and location of the examination. The Borough may enter into a contract with the New Jersey State Association of Chiefs of Police (NJSACOP) to develop, conduct and grade the examination. Alternatively, the Public Safety Committee may approve the use of an examination not prepared by NJSACOP. The questions will be based upon basic police practices and may include police and investigative procedures, supervisory and administrative principles, New Jersey criminal law, report writing, search and seizure issues, New Jersey Attorney General Guidelines and Directives, legal aspects and requirements for police work, and such other criteria as determined by the NJSACOP, or as determined by the Public Safety Committee. The test shall constitute 30% of the overall total score for each eligible candidate, based on a test that contains a maximum value of 100 points. For example, a candidate who receives 70 points out of the total of 100 possible total points for the test shall receive 21 points towards the overall total score (70 points x 30% = 21 points). The minimum threshold/ score required to be eligible for promotion shall be 70 points. Only those candidates who achieve such minimum score shall be eligible to continue forward in the promotion process for promotion to Chief of Police.

(b) Interview #1: Each eligible candidate shall be interviewed by an interview panel comprised of the Public Safety Committee, the Borough Administrator and the Chief of Police (the "interview panel"). All candidates so interviewed by said interview panel shall be asked the same questions, and the score accorded to each candidate shall be arrived at by calculating the average of the scores of all said interview panel members. The results of such oral interview by said interview panel and its consideration of the candidate's past performance based upon evaluations conducted during the preceding three years, shall constitute 35% of the overall total score for each eligible candidate based on the average score of all said interview panel members of such oral interview. The total possible points for this oral interview shall be 100 points. For example, a candidate who receives a total of 90 points for this oral interview shall receive 31.50 points towards his/her overall total score (90 points x 35% = 31.50 points). All eligible candidates' personnel files will be made available to be reviewed by the interview panel.

(c) Interview #2: Each eligible candidate shall be interviewed by the Public Safety Committee, the Borough Administrator and the Chief of Police (the "interview panel"). All candidates to be interviewed by the interview panel shall be asked the same questions, and the score accorded to each candidate shall be arrived at by calculating the average of the score of all interview panel members, with the exception of the Chief of Police who will not be scoring.

The results of such oral interview by the interview panel shall constitute 35% of the overall total score for each eligible candidate bared at the average score of the interview panel members of such oral interview. The total possible score for this oral interview shall be 100 points. For example, a candidate who receives a total of 80 points for this oral interview shall receive 28 points toward his/her overall total score (80 points x 35% = 28 points).

(4) The candidate(s) for promotion to Sergeant receiving the highest score(s) as calculated by reference to Subsection C(1)(a), (b) and (c) above shall be deemed the first candidate eligible for promotion. The candidate(s) for promotion to Captain or Lieutenant receiving the highest score as calculated by reference to Subsection C(2)(a) and (b) above shall be deemed the first candidate(s) eligible for promotion. The candidate(s) for promotion to Chief of Police receiving the highest score(s) as calculated by reference to Subsection C(3)(a) and (b) and (c) above shall be deemed the first candidate(s) eligible for promotion.

D. Notwithstanding anything in this chapter to the contrary, the Borough of Allendale reserves the right to waive the examination and/or oral interview components of the promotional process, when the number of eligible candidates for a particular position is equal to or less than the number of vacant positions and the Borough intends to fill all vacant positions. If the Borough elects to so waive the examination and/or oral interview components, all other components of the promotional process within this section not so waived shall remain in effect.

E. Notwithstanding anything in this chapter to the contrary, the Borough of Allendale reserves the right to relax and/or waive the eligibility requirements for a particular position(s) if the number of eligible candidates for such position(s) is less than the number of vacant positions and the Borough intends to fill all vacant positions. If the Borough so elects to relax or waive the eligibility requirements, all candidates for the particular position(s), including those who are eligible as a result of the waiver or relaxation of such requirements, shall not be required to undergo or participate in the applicable process set forth in hereinabove.

F. Any appeal of the promotional process other than for the reasons set forth in Subsection F(1)(a) and (b) hereinbelow must be filed within 10 days of the posting of ranking of candidates, and failing same, such right of appeal shall be deemed waived. Said appeal must contain the reason(s) or justification(s) for an appeal and must be submitted to the Chief of Police, through the appropriate chain of command. The Chief of Police will assess the request and make a determination of how the request will be addressed on a case-by-case basis.

(1) Such requests are limited to the following areas of the promotional process:

(a) Review and retabulation of the scored elements of the selection process.

(b) Review of any evaluation or internal document that was used in the selection process related to the applicant.

(2) Any appeal, for reasons other than those specified in Subsection F(1)(a) and (b) above, must be filed, in writing, by a candidate with the appropriate authority, within 10 days of the posting of the ranking of candidates. Any such appeal will be forwarded by the appropriate authority to the Governing Body which may, in its sole discretion, allow the candidate to be reevaluated, or take other action it deems appropriate.

(3) All determinations by Chief of Police or the Governing Body are final.

BE IT FURTHER ORDAINED that, except as modified herein, all other provisions of Chapter 26-25 shall remain in full force and effect as previously adopted.

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

I hereby certify the above to be a true copy of an Ordinance introduced by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-174

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

A RESOLUTION OF THE BOROUGH COUNCIL OF THE BOROUGH OF ALLENDALE ALLOCATING ADDITIONAL MONEY FROM THE MUNICIPAL AFFORDABLE HOUSING TRUST FUND TO ALLENDALE HOUSING, INC.

WHEREAS, the Mayor and Council of the Borough of Allendale, Bergen County (the "Borough"), has approval to establish and administer an Affordable Housing Trust Fund (the "AHTF") that includes development fees, payments from developers in lieu of constructing affordable units on-site, barrier free escrow funds, rental income, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units; and

WHEREAS, the Borough currently has AHTF monies available for Affordability Assistance wherein the use of funds for common maintenance expenses of affordable units, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code, pursuant to N.J.A.C. 5:99-2.5.; and

WHEREAS, the Borough was approached by Allendale Housing, Inc. ("AHI"), in connection with the rehabilitation of 343 West Crescent Avenue (the "Property") to renovate 2 new (ADA accessible) bathrooms, kitchen, plumbing, electrical, insulation and flooring including the installation of a fire sprinkler system. The 3-bedroom home providing low- and moderate-income housing units for developmentally disabled adults at the property.

WHEREAS, AHI is a non-profit organization providing programs for developmentally disabled adults, helping them to maintain the properties; and

WHEREAS, AHI requested that the Borough allocate up to $55,000.00 from the AHTF for use for the renovation of the Property where AHI has renovated the Property utilizing such funds; and

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-174

WHEREAS, the Borough is desirous of making such donation for purposes of partially satisfying the Borough's Affordable Housing obligations; and

WHEREAS, AHTF monies may be allocated for the rehabilitation of low- and moderate-income residential housing units within the Borough in accordance with the Department of Community Affairs, the Fair Housing Act and applicable regulations; and

WHEREAS, the Borough prepared a spending plan, dated January 23, 2026 (the "2026 Spending Plan"), consistent with N.J.A.C. 5:97-8.10 and P.L. 2008, c.46 and submitted same to the NJDCA and Program for review and approval; and

WHEREAS, the Borough prepared the 2026 Spending Plan so as to, among other things, change the properties identified and the allocation and amounts of certain funds therein, and submitted same to the Program for its review and approval; and

NOW THEREFORE BE IT RESOLVED that the Mayor and Council of the Borough of Allendale hereby allocate $55,000.00 from the Borough's Affordable Housing Trust Fund for use by AHI for the purposes stated herein; and

BE IT FURTHER RESOLVED, that the monies being allocated herein are from developer fees and other payments in lieu of construction and other fees that are within the Borough's AHTF.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-175

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

AUTHORIZATION OF 2026 CRESTWOOD LAKE SALARIES
SUPPLEMENT FIVE

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey, that the above salaries are hereby approved for the Crestwood Lake Swim Club 2026 Season.

TITLE	EFFECTIVE DATE	NAME	RATE OF PAY
Sub Guard	July 10, 2026	Logan Lokshin	$16.00 per hour
Sub Guard	July 10, 2026	Mikael Ferrales	$16.00 per hour

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-176

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

- ☐ Carried
- ☐ Defeated
- ☐ Tabled
- ☐ Approved on Consent Agenda

APPROVAL OF WAIVER OF FEES FOR 2026 CRESTWOOD LAKE MEMBERSHIPS

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey, that it hereby waives the fee for a Family Membership at Crestwood Lake for the 2026 Season to the following:

Crestwood Membership Account Number:	Family Resident Rate:	Family Non-Resident Rate	Total Discount:
3093732		$1,000.00	$1,000.00
2157906		$1,000.00	$1,000.00
229926		$170.00	$170.00
3091164		$360.00	$360.00
230391	$380.00		$380.00
247469	$530.00		$530.00
		TOTAL:	**$3,440.00**

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-177

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

A RESOLUTION WAIVING THE SPECIAL EVENTS PERMIT FEE FOR FOOD VENDORS PARTICIPATING IN THE ALLENDALE FALL FESTIVAL ON SEPTEMBER 26, 2026, HOSTED BY THE CHAMBER OF COMMERCE

WHEREAS, the Allendale Fall Festival is an annual community event that celebrates the autumn season with a variety of activities, entertainment, and food, attracting residents and visitors alike; and

WHEREAS, the 2026 Allendale Fall Festival is being hosted by the Allendale Chamber of Commerce, a key organization dedicated to supporting local businesses and fostering economic development within the community; and

WHEREAS, food vendors are an essential component of the festival, providing diverse culinary offerings that enhance the experience for attendees; and

WHEREAS, the Borough of Allendale currently imposes a $50 special events permit fee on food vendors participating in public events within the municipality; and

WHEREAS, the governing body of the Borough of Allendale recognizes the importance of supporting the Chamber of Commerce in its efforts to organize a successful festival and wishes to encourage maximum participation by waiving the special events permit fee for food vendors; and

WHEREAS, waiving this fee will promote greater participation from food vendors, benefiting the overall success of the Allendale Fall Festival and supporting the local economy;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borough of Allendale, that the $50 special events permit fee for food vendors participating in the Allendale Fall Festival on September 26, 2026, hosted by the Chamber of Commerce, is hereby waived.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-178

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

- ☐ Carried
- ☐ Defeated
- ☐ Tabled
- ☐ Approved on Consent Agenda

RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE NEW JERSEY DEPARTMENT OF TRANSPORTATION'S FY27 MUNICIPAL AID PROGRAM

WHEREAS, the New Jersey Department of Transportation has funds available for road projects through its FY27 Municipal Aid Program; and

WHEREAS, this application would provide funding for improvements along and in the Borough of Allendale; and

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Borough Council of the Borough of Allendale formally approve the grant application for the above-stated project.

BE IT FURTHER RESOLVED, that the Mayor, Borough Administrator, and Borough Clerk are hereby authorized to submit an electronic grant application identified as "MA-2027-Ethel Avenue, Michele Court and Mead-00590" to the New Jersey Department of Transportation on behalf of the Borough of Allendale.

BE IT FURTHER RESOLVED, that the Mayor and Borough Clerk are hereby authorized to sign the grant agreement on behalf of the Borough of Allendale, and that their signature constitute acceptance of the terms and conditions of the grant agreement and approves the execution of the grant agreement.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-179

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

RESOLUTION AUTHORIZING THE SUBMISSION OF AN APPLICATION FOR THE NEW JERSEY DEPARTMENT OF TRANSPORTATION'S FY27 SAFE STREETS TO TRANSIT PROGRAM

WHEREAS, the New Jersey Department of Transportation has funds available for pedestrian safety projects located within 1 mile radius of a transit station through its FY27 Safe Streets to Transit Program; and

WHEREAS, this application would provide funding for improvements to Allendale Station Transit Lots 2 and 3 in the Borough of Allendale; and

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Borough Council of the Borough of Allendale formally approve the grant application for the above-stated project.

BE IT FURTHER RESOLVED, that the Mayor, Borough Administrator, and Borough Clerk are hereby authorized to submit an electronic grant application identified as "SST-2027-Allendale Station Transit Lots: Ped-00017" to the New Jersey Department of Transportation on behalf of the Borough of Allendale.

BE IT FURTHER RESOLVED, that the Mayor and Borough Clerk are hereby authorized to sign the grant agreement on behalf of the Borough of Allendale, and that their signature constitute acceptance of the terms and conditions of the grant agreement and approves the execution of the grant agreement.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-180

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

- ☐ Carried
- ☐ Defeated
- ☐ Tabled
- ☐ Approved on Consent Agenda

REVIEW AND CERTIFICATION OF ANNUAL REPORT OF AUDIT FOR THE FISCAL YEAR ENDING DECEMBER 31, 2025

WHEREAS, N.J.S.A. 40A:5-4 requires the governing body of every local unit to have made an annual audit of its books, accounts and financial transactions; and,

WHEREAS, the Annual Report of Audit for the year 2025 has been filed by a Registered Municipal Accountant with the Municipal Clerk as per the requirements of N.J.S.A. 40A:5-6, and a copy has been received by each member of the governing body; and,

WHEREAS, the Local Finance Board of the State of New Jersey is authorized to prescribe reports pertaining to the local fiscal affairs, as per R.S. 52:27BB-334; and,

WHEREAS, the Local Finance Board has promulgated NJAC 5:30-6.5, a regulation requiring that the governing body of each municipality shall by resolution certify to the Local Finance Board of the State of New Jersey that all members of the governing body have reviewed, at a minimum, the sections of the annual audit entitled "Comments and Recommendations"; and,

WHEREAS, the members of the governing body have personally reviewed at a minimum the Annual Report of Audit, and specifically the sections of the Annual Audit entitled "Comments and Recommendations", as evidenced by the group affidavit form of the governing body attached hereto; and,

WHEREAS, such resolution of certification shall be adopted by the Governing Body no later than forty-five days after the receipt of the annual audit, pursuant to NJAC 5:30-6.5; and,

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-180

WHEREAS, all members of the governing body have received and have familiarized themselves with, at least, the minimum requirements of the Local Finance Board of the State of New Jersey, as stated aforesaid and have subscribed to the affidavit, as provided by the Local Finance Board; and,

WHEREAS, failure to comply with the regulations of the Local Finance Board of the State of New Jersey may subject the members of the local governing body to the penalty provisions of R.S. 52:27BB-52 – to wit:

> R.S. 52:27BB-52 – "A local officer or member of a local governing body who, after a date fixed for compliance, fails or refuses to obey an order of the director (Director of Local Government Services), under the provisions of this Article, shall be guilty of a misdemeanor and, upon conviction, may be fined not more than one thousand dollars ($1,000.00) or imprisoned for not more than one year, or both, in addition shall forfeit his office."

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the Borough of Allendale, hereby states that it has complied with N.J.A.C. 5:30-6.5 and does hereby submit a certified copy of this resolution and the required affidavit to said Board to show evidence of said compliance.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

BOROUGH OF ALLENDALE

BERGEN COUNTY, NEW JERSEY

REPORT OF AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2025

BOROUGH OF ALLENDALE

BERGEN COUNTY, NEW JERSEY

PART I

REPORT ON AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

FOR THE YEAR ENDED DECEMBER 31, 2025

BOROUGH OF ALLENDALE

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BOROUGH OF ALLENDALE

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LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the Borough Council
Borough of Allendale
Allendale, New Jersey

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the Borough of Allendale, which comprise the balance sheets - regulatory basis of the various funds and account group as of December 31, 2025 and 2024, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statements of revenues - regulatory basis and statements of expenditures - regulatory basis of the various funds for the year ended December 31, 2025, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements – regulatory basis referred to above present fairly, in all material respects, the financial position – regulatory basis of the various funds and account group of the Borough of Allendale as of December 31, 2025 and 2024, and the results of operations and changes in fund balance – regulatory basis of such funds for the years then ended and the respective revenues – regulatory basis and expenditures – regulatory basis of the various funds for the year ended December 31, 2025 in accordance with the financial accounting and reporting provisions and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

17-17 ROUTE 208 FAIR LAWN, NJ 07410 • TELEPHONE (201) 791-7100 • FACIMILE (201) 791-3035
WWW.LVBCPA.COM

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 Borough of Allendale on the basis of the financial accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the financial reporting requirements of the State of New Jersey for municipal government entities. 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 accounting and reporting provisions and practices that demonstrate compliance with the regulatory basis of accounting and budget laws prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Borough of Allendale as a whole. The supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented for purposes of additional analysis and are not a required part of the financial statements of the Borough of Allendale. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the 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 supplementary schedules listed in the table of contents, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole on the basis of accounting described in Note 1.

Other Information

Management is responsible for the other information included in the report of audit. The other information comprises the supplementary data and letter of comments and recommendation section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 27, 2026 on our consideration of the Borough of Allendale'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 Borough of Allendale'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 Borough of Allendale's internal control over financial reporting and compliance.

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants

Paul J. Lerch

Paul J. Lerch
Registered Municipal Accountant
RMA Number CR000457

Fair Lawn, New Jersey
May 27, 2026

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

ASSETS	Reference	2025	2024
Current Fund:			
Cash	A-4	$ 8,390,745	$ 8,274,094
Change Fund	A-5	400	400
Grant Receivable	A-23	500	500
		8,391,645	8,274,994
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes Receivable	A-8	216,093	197,220
Tax Title Liens	A-9	100,109	97,170
Property Acquired for Taxes- Assessed Valuation	A-10	4,900	4,900
Revenue Accounts Receivable	A-11	4,245	2,473
Due from Animal Control Trust Fund	B-6	2,104	3,798
		327,451	305,561
Total Assets		$ 8,719,096	$ 8,580,555

See Accompanying Notes are an Integral Part of these Financial Statements

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

LIABILITIES, RESERVES AND FUND BALANCE	Reference	2025	2024
Current Fund:			
Appropriation Reserves	A-3,A-12	$ 1,136,830	$ 1,155,204
Due to State of New Jersey: Ch. 73, P.L.			
Senior Citizens and Veterans Deduction	A-7	7,934	8,184
Encumbrances Payable	A-13	370,120	344,049
Accounts Payable	A-14	3,944	
Prepaid Taxes	A-15	267,920	687,604
Due to Other Trust Fund	B-11	250,000	400,000
Due to Municipal Open Space Trust Fund	A-19	121	
Regional School Taxes Payable	A-17	137,293	
County Taxes Payable	A-18	7,288	11,706
State Fees Payable	A-22	16,589	9,936
Appropriated Reserve for Grants	A-24	153,534	144,348
Unappropriated Reserve for Grants	A-25	27,155	19,356
Reserve for Tax Appeals	A-21	958,576	913,008
		3,337,304	3,693,395
Reserve for Receivables	A	327,451	305,561
Fund Balance	A-1	5,054,341	4,581,599
		$ 8,719,096	$ 8,580,555

See Accompanying Notes are an Integral Part of these Financial Statements

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

	Reference	Year 2025	Year 2024
REVENUE AND OTHER INCOME REALIZED			
Fund Balance Utilized	A-2	$ 1,300,000	$ 1,100,000
Miscellaneous Revenues Anticipated	A-2	4,549,894	4,236,554
Receipts from Delinquent Taxes	A-2	197,470	263,740
Receipts from Current Taxes	A-2	47,013,565	45,107,355
Non-Budget Revenue	A-2	147,695	337,249
Other Credits to Income			
Statutory Excess in Animal Control Fund	B-6	2,104	3,798
Unexpended Balance of Appropriation Reserves	A-12	689,133	838,228
Cancelled Accounts Payable	A		943
Interfunds Liquidated	A	3,798	112,914
Total Revenues and Other Income		53,903,659	52,000,781
EXPENDITURES			
Budget and Emergency Appropriations:			
Operations			
Salaries and Wages	A-3	4,567,800	4,291,500
Other Expenses	A-3	9,087,769	8,772,630
Capital Improvements	A-3	1,670,000	1,000,000
Municipal Debt Service	A-3	184,007	
Deferred Charges and Statutory Expenditures- Municipal	A-3	1,357,299	1,995,371
Refund and Prior Year's Revenue	A-4	6,761	8,986
Interfund Advanced	A	2,104	3,798
Senior Citizens and Veterans Deductions Disallowed - Prior Year	A-8	250	250
Municipal Open Space Tax	A-19	116,349	108,479
Local District School Tax	A-16	18,634,419	18,120,639
Regional High School Tax	A-17	10,914,738	10,530,882
County Taxes including added Taxes	A-18	5,589,421	5,107,281
Total Expenditures		52,130,917	49,939,816
Excess Revenue Over Expenditures		1,772,742	2,060,965
Fund Balance, January 1,	A	4,581,599	3,620,634
		6,354,341	5,681,599
Decreased by:			
Fund Balance Utilized as Budget Revenue	A-1	1,300,000	1,100,000
Fund Balance, December 31,	A	$ 5,054,341	$ 4,581,599

See Accompanying Notes are an Integral Part of these Financial Statements

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

	Reference	Budget	Added by N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
FUND BALANCE ANTICIPATED	A-1	$ 1,300,000	-	$ 1,300,000	-
MISCELLANEOUS REVENUES					
Licenses:					
Alcoholic beverages	A-11	12,500		12,500	
Fees and Permits	A-2	58,000		63,694	$ 5,694
Fines and Costs:					
Municipal Court	A-11	30,000		30,708	708
Interest and Costs on Taxes	A-11	70,000		50,170	(19,830)
Interest on Investments an Deposits	A-11	300,000		502,837	202,837
Dues & Fees - Crestwood Lake	A-11	290,000		300,601	10,601
Ramsey Sewer Charges	A-11	280,000		303,206	23,206
Allendale Elementary School Contribution to Sewer Use	A-11	25,200		24,719	(481)
Northern Highlands Reg. H.S. Contribution to Sewer Use	A-11	41,400		40,610	(790)
Saddle River Sewer Payment	A-11	68,500		57,941	(10,559)
Garbage Collection	A-11	2,400		1,836	(564)
PILOT- 230 W. Crescent	A-11	144,000		150,689	6,689
PILOT- 220 W. Crescent	A-11	18,900		54,055	35,155
Cellular Tower Lease	A-11	385,000		463,157	78,157
Cable TV Franchise Fee	A-11	99,000		97,026	(1,974)
Litigation Settlement	A-11	850,000		850,000	-
Energy Receipts Tax	A-11	1,081,614		1,081,614	-
Uniform Construction Code Fees	A-11	240,000		402,922	162,922
Public and Private Revenues:					
Clean Communities Program- Reserve	A-25	17,782		17,782	
Body Armor Replacement Program - Reserve	A-25	1,574		1,574	
Other Special Items:					
Uniform Fire Safety Act	A-11	45,000	-	42,253	(2,747)
Total Miscellaneous Revenues	A-1	4,060,870	-	4,549,894	489,024
RECEIPTS FROM DELINQUENT TAXES	A-1,A-8	175,000	-	197,470	22,470
AMOUNT TO BE RAISED BY TAXATION:					
Local Tax for Municipal Purposes		11,114,779		11,542,411	427,632
Minimum Library Tax		816,227	-	816,227	-
Total Amount to be Raised by Taxation	A-2	11,931,006	-	12,358,638	427,632
Total General Revenues		$17,466,876	$ -	18,406,002	$ 939,126
Non-Budget Revenue	A-1,-2			147,695	
				$18,553,697	

See Accompanying Notes are an Integral Part of these Financial Statements

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

	Reference	Realized
Analysis of Realized Revenue		
Allocation of Current Tax Collections- Revenue from Collections	A-8	$ 47,013,565
Less: Allocated to School, County Taxes and Municipal Open Space Taxes	A-16,A-17,A-18,A-19	35,254,927
		11,758,638
Add: Appropriation - Reserve for Uncollected Taxes	A-3	600,000
Amount for Support of Municipal Budget Appropriations	A-1,A-2	$ 12,358,638
Fees and Permits - Other:		
Parking	A-11	$ 30,146
Borough of Clerk	A-11	15,965
Board of Health	A-11	10,833
Planning Board/Board of Adjustment	A-11	6,750
	A-2	$ 63,694
Non Budget Revenue		
Sale of Assets		$ 36,264
Refunds of Prior Year Expenditures		46,723
PILOT Payment		10,650
Police Outside Duty Admin Fees		12,551
Sewer Connection Fees		10,083
Miscellaneous Refunds & Reimbursements		8,956
Gun Permits/Police Copies/Firearm Reg.		6,588
Raffles		760
Alarm Registration		665
Administrative Fee - Senior Citizens' and Veterans' Deductions		425
Address Lists/Duplicate Bills		430
DMV Inspections		600
Allendale Senior Housing Corp.		12,000
2024 Safety Program		1,000
	A-2,A-4	$ 147,695

See Accompanying Notes are an Integral Part of these Financial Statements

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

OPERATIONS - WITHIN "CAPS"	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
GENERAL GOVERNMENT					
General Administration					
Salaries & Wages	$ 90,000	$ 91,500	$ 91,500		
Other Expenses	115,000	115,000	100,728	$ 14,272	
Mayor & Council					
Other Expenses	20,000	20,000	16,072	3,928	
Municipal Clerk					
Salaries & Wages	190,000	190,000	187,172	2,828	
Other Expenses	55,000	55,000	49,233	5,767	
Financial Administration					
Salaries & Wages	190,000	190,000	187,261	2,739	
Other Expenses	35,000	35,000	32,301	2,699	
Audit Services	60,000	60,000	3,902	56,098	
Collection of Taxes					
Salaries & Wages	78,000	78,000	76,735	1,265	
Other Expenses	17,000	17,000	11,557	5,443	
Assessment for Taxes					
Salaries & Wages	56,000	56,000	54,736	1,264	
Other Expenses	77,500	77,500	54,834	22,666	
Legal Services and Costs					
Other Expenses	250,000	285,000	230,132	54,868	
Engineering Services & Costs					
Other Expenses	115,000	115,000	73,736	41,264	
LAND USE ADMINISTRATION					
Planning Board					
Salaries & Wages	63,500	63,500	63,292	208	
Other Expenses	50,000	50,000	22,640	27,360	
INSURANCE					
Other Insurance - Liability	278,149	288,149	267,398	20,751	
Workers' Compensation Insurance	205,989	205,989	205,989		
Employee Group Health	1,572,680	1,572,680	1,457,040	115,640	
Health Benefit Waiver	45,000	51,000	50,113	887	
Unemployment Contribution	10,000	10,000	10,000		

See Accompanying Notes are an Integral Part of these Financial Statements

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

OPERATIONS - WITHIN "CAPS"	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
PUBLIC SAFETY FUNCTIONS					
Police Dispatch/911					
Salaries & Wages	$ 2,600,000	$ 2,595,700	$ 2,357,458	$ 238,242	
Other Expenses	310,000	340,000	297,537	42,463	
Emergency Management Services					
Salaries and Wages	4,100	4,100	4,058	42	
Other Expenses	1,950	4,750	4,273	477	
First Aid Organization					
Other Expenses-Contribution	38,000	38,000	38,000		
Fire Department					
Other Expenses	132,000	132,000	111,543	20,457	
Fire Certification					
Other Expenses	500	500	500		
Uniform Fire Safety Act (Ch. 383, P.L. 1983)					
Fire Official					
Salaries & Wages	22,200	22,200	20,000	2,200	
Other Expenses	13,350	13,350	6,323	7,027	
Municipal Prosecutor					
Salaries & Wages	6,700	6,700	6,534	166	
Municipal Court					
Salaries and Wages	16,600	16,600	16,480	120	
Other Expenses	6,500	6,500	5,392	1,108	
Public Defender					
Other Expenses	4,000	4,000	2,000	2,000	
PUBLIC WORKS FUNCTIONS					
Streets and Road Maintenance					
Salaries & Wages	725,000	725,000	676,451	48,549	
Other Expenses	122,000	122,000	121,802	198	
Snow Removal					
Other Expenses	300,000	300,000	298,833	1,167	
Shade Tree Commission					
Other Expenses	33,000	33,000	32,830	170	
Sewer System					
Other Expenses	19,000	19,000	14,483	4,517	
Garbage and Trash Removal					
Other Expenses	820,000	840,000	819,899	20,101	
Recycling					
Salaries & Wages	2,000	2,000	2,000		
Other Expenses	100,000	54,000	23,510	30,490	

See Accompanying Notes are an Integral Part of these Financial Statements

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

OPERATIONS - WITHIN "CAPS"	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
HEALTH AND HUMAN SERVICES FUNCTIONS					
Public Buildings and Grounds					
Other Expenses	$ 194,000	$ 194,000	$ 194,000		
Health and Welfare:					
Board of Health					
Other Expenses	39,000	39,000	37,721	$ 1,279	
RECREATION & EDUCATION					
Senior Citizens					
Other Expenses	5,000	5,000	5,000		
Animal Control					
Other Expenses	12,000	12,000	9,020	2,980	
Aid to Health Care Facilities (N.J.S.A. 44:5-2)					
Other Expense	6,000	6,000	6,000		
Municipal Alliance					
Other Expense	4,000	4,000	2,387	1,613	
Parks and Playgrounds					
Other Expense	54,000	54,000	53,859	141	
Crestwood Lake Public Swimming and Recreation Facility					
Salaries and Wages	200,000	180,000	178,318	1,682	
Other Expenses	160,000	160,000	159,999	1	
Community Center					
Salaries and Wages	30,000	30,000	19,198	10,802	
SALARY AND WAGE ADJUSTMENT	90,000	58,500		58,500	
UNIFORM CONSTRUCTION CODE APPROPRIATIONS OFFSET BY DEDICATED REVENUES (N.J.A.C. 5:23-4-17)					
Construction Code Official					
Salaries & Wages	121,000	121,000	117,313	3,687	
Other Expenses	28,000	29,500	28,644	856	
Sub-Code Officials					
Zoning Officer/Property Maintenance Salaries & Wages	62,000	62,000	60,060	1,940	
Plumbing Inspector - Salaries & Wages	30,000	30,000	29,458	542	
Electrical Inspector - Salaries & Wages	28,000	28,000	26,780	1,220	
Fire Protection Inspector - Salaries & Wages	17,000	17,000	16,068	932	

See Accompanying Notes are an Integral Part of these Financial Statements

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

OPERATIONS - WITHIN "CAPS"	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	$ 135,000	$ 155,000	$ 131,237	$ 23,763	
Street Lighting	125,000	125,000	115,508	9,492	
Telephone	68,000	68,000	47,967	20,033	
Water	20,000	20,000		20,000	
Natural Gas	60,000	60,000	51,233	8,767	
Gasoline	100,000	75,000	42,971	32,029	-
Total Operations Within "CAPS"	10,438,718	10,438,718	9,439,018	999,700	-
Contingent	30,000	30,000	4,000	26,000	-
Total Operations including Contingent Within "CAPS"	10,468,718	10,468,718	9,443,018	1,025,700	-
Detail:					
Salaries & Wages	4,622,100	4,567,800	4,190,872	376,928	
Other Expenses (Including Contingent)	5,846,618	5,900,918	5,252,146	648,772	-
DEFERRED CHARGES AND STATUTORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"					
Statutory Expenditures					
Social Security System (O.A.S.I.)	350,000	350,000	321,724	28,276	
Police and Firemen's Retirement System	737,499	737,499	737,499		
Public Employees Retirement System	259,800	259,800	259,800		
Defined Contribution Retirement Plan	10,000	10,000	4,732	5,268	-
Total Deferred Charges & Statutory Expenditures - Municipal within "CAPS"	1,357,299	1,357,299	1,323,755	33,544	-
Total General Appropriations for Municipal Purposes within "CAPS"	11,826,017	11,826,017	10,766,773	1,059,244	-

See Accompanying Notes are an Integral Part of these Financial Statements

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

	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
OPERATIONS - EXCLUDED FROM "CAPS"					
Maintenance of Free Public Library					
(P.L. 1985, Ch. 82-541)	$ 816,227	$ 816,227	$ 816,227		
Employee Group Health	177,320	177,320	177,320		
Other Insurance - Liability	1,179	1,179	1,179		
Reserve for Tax Appeals	50,000	50,000	50,000		
Northwest Bergen County Sewerage Authority Share of Costs					
Other Expenses	2,009,269	2,009,269	2,009,269		
Borough of Waldwick - Well Baby					
Other Expenses	500	1,000	540	$ 460	
Borough of Hohokus - Municipal Court					
Other Expenses	53,000	53,000	37,560	15,440	
Bergen County - 911 & Dispatch					
Other Expenses	60,000	59,500		59,500	
PUBLIC AND PRIVATE OFFSET BY REVENUES					
Clean Communities Grant	17,782	17,782	17,782		
Body Armor Replacement Program	1,574	1,574	1,574	-	-
Total Operations - Excluded from "CAPS"	3,186,851	3,186,851	3,111,451	75,400	-
Detail:					
Salaries and Wages	-	-	-		
Other Expenses	3,186,851	3,186,851	3,111,451	75,400	-
CAPITAL IMPROVEMENT EXCLUDED FROM "CAPS"					
Capital Improvement Fund	1,600,000	1,600,000	1,600,000		
Capital Improvement Project - Mural	70,000	70,000	67,814	2,186	-
Total Capital Improvements Excluded from "CAPS"	1,670,000	1,670,000	1,667,814	2,186	-
MUNICIPAL DEBT SERVICE - EXCLUDED FROM "CAPS"					
Interest on Notes	184,008	184,008	184,007	-	$ 1
Total Municipal Debt Service - Excluded from "CAPS"	184,008	184,008	184,007	-	1

See Accompanying Notes are an Integral Part of these Financial Statements

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

	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Total General Appropriations for Municipal Purposes Excluded from "CAPS"	$ 5,040,859	$ 5,040,859	$ 4,963,272	$ 77,586	$ 1
Subtotal General Appropriations	16,866,876	16,866,876	15,730,045	1,136,830	1
Reserve for Uncollected Taxes	600,000	600,000	600,000	-	-
Total General Appropriations	$ 17,466,876	$ 17,466,876	$ 16,330,045	$ 1,136,830	$ 1

See Accompanying Notes are an Integral Part of these Financial Statements

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

	Reference	Budget After Modification
Budget as Adopted	A-2	$ 17,466,876

	Reference	Paid or Charged
Cash Disbursed	A-4	$ 15,290,649
Encumbrances Payable	A-13	370,040
Transfer to Reserve for Tax Appeals	A-21	50,000
Transfer to Grants Appropriated	A-24	19,356
Reserve for Uncollected Taxes	A-2	600,000
		$ 16,330,045

BOROUGH OF ALLENDALE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
TRUST FUNDS
AS OF DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
ASSETS			
ANIMAL CONTROL TRUST FUND			
Cash	B-3	$ 8,125	$ 10,530
		8,125	10,530
OTHER TRUST FUND			
Cash	B-3	1,679,829	1,249,705
Due from Current Fund	B-11	250,000	400,000
		1,929,829	1,649,705
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND			
Cash	B-3	451,101	322,649
Due from Current Fund	A-19	121	-
		451,222	322,649
Total Assets		$ 2,389,176	$ 1,982,884
LIABILITIES, RESERVES AND FUND BALANCE			
ANIMAL CONTROL TRUST FUND			
Reserve for Dog Fund Expenditures	B-4	6,013	6,720
Due to State of New Jersey	B-5	8	12
Due to Current Fund	B-6	2,104	3,798
		8,125	10,530
OTHER TRUST FUND			
Reserve for Unemployment	B-8	38,440	75,624
Miscellaneous Reserves	B-9	1,843,860	1,537,615
Payroll Deductions Payable	B-10	47,529	36,466
		1,929,829	1,649,705
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND			
Reserve for Municipal Open Space Expenditures	B-7	451,222	322,649
Total Liabilities, Reserves and Fund Balance		451,222	322,649
		$ 2,389,176	$ 1,982,884

See Accompanying Notes are an Integral Part of these Financial Statements

EXHIBIT B-1

BOROUGH OF ALLENDALE
STATEMENT OF REVENUES - REGULATORY BASIS
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025 Budget	Realized in 2025	Variance
Amount to be Raised by Taxation	$ 116,228	$ 116,349	$ 121
Interest Income	-	12,224	12,224
	$ 116,228	$ 128,573	$ 12,345
Reference	B-2	B-7	

EXHIBIT B-2

STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
MUNICIPAL OPEN SPACE PRESERVATION TRUST FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025 Budget	2025 Paid or Charged	Variance
Reserved for Future Use	$ 116,228	-	$ 116,228
	$ 116,228	$ -	$ 116,228
Reference	B-1	B-7	

See Accompanying Notes are an Integral Part of these Financial Statements

BOROUGH OF ALLENDALE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
GENERAL CAPITAL FUND
AS OF DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
OTHER ASSETS			
Cash	C-2,C-3	$ 4,783,967	$ 1,925,118
Grant Receivables	C-7	762,743	572,253
Deferred Charges to Future Taxation:			
Unfunded	C-4	5,302,460	5,856,075
Cancelled Grant Receivables	C-13	23,416	23,416
Overexpenditure of Ordinance Appropriation	C-14	-	145,558
Total Assets		10,872,586	8,522,420

	Reference	2025	2024
LIABILITIES, RESERVES AND FUND BALANCE			
Bond Anticipation Notes Payable	C-6	$ 5,758,000	$ 4,613,000
Improvement Authorization			
Funded	C-5	445,224	441,449
Unfunded	C-5	909,521	927,591
Capital Improvement Fund	C-8	1,543,689	566,609
Contracts Payable	C-11	884,396	1,530,476
Reserve for:			
Municipal Improvements	C-9	1,754	1,754
Debt Service	C-10	4,721	4,721
Community Center	C-12	12,832	12,832
Grants Receivable	C-7	167,190	325,780
Fund Balance	C-1	1,145,259	98,208
Total Liabilities, Reserves and Fund Balance		$ 10,872,586	$ 8,522,420

There were no bonds and notes authorized but not issued at December 31, 2025. There was $1,687,500 of bonds and notes authorized but not issued at December 31, 2024. (Exhibit C-14).

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCES - REGULATORY BASIS
GENERAL CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
Balance, January 1	C	$ 98,208	$ 90,227
Increased by:			
Transfer from Water Utility Capital Fund	D-2	1,042,387	
Premium on Sale of Bond Anticipation Notes	C-2	4,664	7,981
Balance, December 31	C	$ 1,145,259	$ 98,208

See Accompanying Notes are an Integral Part of these Financial Statements

BOROUGH OF ALLENDALE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
WATER UTILITY FUND
AS OF DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
ASSETS			
Operating Fund:			
Cash	D-5	$ 7,926,193	$ 7,958,002
Total Operating Fund		$ 7,926,193	$ 7,958,002
Capital Fund:			
Cash	D-5	-	$ 1,042,387
Total Capital Fund		-	1,042,387
Total Assets		$ 7,926,193	$ 9,000,389

See Accompanying Notes are an Integral Part of these Financial Statements

BOROUGH OF ALLENDALE
COMPARATIVE BALANCE SHEETS - REGULATORY BASIS
WATER UTILITY FUND
AS OF DECEMBER 31, 2025 AND 2024

LIABILITIES, RESERVES AND FUND BALANCE	Reference	2025	2024
Operating Fund:			
Reserve for Sale of Assets - Cost Reimbursement	D-6	$ 150,000	150,000
Reserve for Sale of Assets	D-7	5,331,826	5,566,222
		5,481,826	5,716,222
Fund Balance	D-1	2,444,367	2,241,780
Total Operating Fund		$ 7,926,193	$ 7,958,002
Capital Fund:			
Fund Balance	D-2	-	$ 1,042,387
Total Capital Fund		-	1,042,387
Total Liabilities, Reserves and Fund Balance		$ 7,926,193	$ 9,000,389

There were no bonds and notes authorized but not issued on December 31, 2025 and 2024.

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

	Reference	2025	2024
REVENUES AND OTHER INCOME			
Miscellaneous Revenue not Anticipated	D-3	$ 202,607	257,430
Other Credits to Income:			
Unexpended Balance of Appropriations Reserves	D	-	715
Total Income		202,607	258,145
EXPENDITURES			
Refund and Prior Year's Revenue	D-5	20	-
Total Expenditures		20	-
Excess in Revenue		202,587	258,145
Fund Balance, January 1	D	2,241,780	1,983,635
		2,444,367	2,241,780
Decreased by:			
Utilized as Anticipated Revenue	D	-	-
Fund Balance, December 31	D	$ 2,444,367	$ 2,241,780

See Accompanying Notes are an Integral Part of these Financial Statements

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENTS OF CHANGES IN FUND BALANCES - REGULATORY BASIS
WATER UTILITY CAPITAL FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Reference	2025	2024
Balance, January 1,	D	$1,042,387	$ 1,042,387
Decreased by:			
Transfer to General Capital Fund	C-1	1,042,387	-
Balance, December 31,	D	$ -	$ 1,042,387

EXHIBIT D-3

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

	Reference	Anticipated	Realized	Excess or (Deficit)
Operating Surplus Anticipated	D-1	$ -	$ -	$ -
Budget Totals		$ -	-	$ -
Non-Budget Revenue			202,607	
			$ 202,607	

	Reference	Realized
ANALYSIS OF NON-BUDGET REVENUE		
Miscellaneous:		
Interest on Investments and Deposits	D-5	$ 202,607

BOROUGH OF ALLENDALE
STATEMENT OF EXPENDITURES - REGULATORY BASIS
WATER UTILITY OPERATING FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

See Accompanying Notes are an Integral Part of these Financial Statements

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENTS OF GENERAL FIXED ASSET ACCOUNT GROUP - REGULATORY BASIS
AS OF DECEMBER 31, 2025 AND 2024

	2025	2024
GENERAL FIXED ASSETS		
Land	$ 5,502,998	$ 5,279,398
Land Improvements	2,008,904	1,908,756
Building and Building Improvements	12,320,051	11,619,243
Machinery and Equipment	9,249,270	8,993,748
	$ 29,081,223	$ 27,801,145
Investment in General Fixed Assets	$ 29,081,223	$ 27,801,145

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Borough of Allendale (the "Borough") was incorporated in 1894 and operates under an elected Mayor and Council form of government. The Mayor is elected to a four-year term and the six council members are elected at-large, two each year for terms of three years. The Mayor is the Chief Executive Officer of the Borough and as such presides over all public meetings and makes appointments to various boards. The Borough Council exercises all legislative powers including final adoption of the municipal budget and bond ordinances and confirmation of the Mayor's appointments, and all executive authority which is not specifically provided to the Mayor, by State law. A Borough Administrator is appointed by the Borough Council and is responsible for the implementation of the policies of the Mayor and Council, for the administration of all Borough affairs and for the day to day operations of the Borough. The Borough Administrator is the Chief Administrative Officer for the Borough. The Borough's major operations include public safety, road repair and maintenance, sanitation, fire protection, recreation and parks, health services, and general administrative services.

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

The financial statements contained herein include only those boards, bodies, officers or commissions as required by NJS 40A:5-5. Accordingly, the financial statements of the Borough do not include the municipal library, volunteer fire department and volunteer ambulance squad which are considered component units under GAAP. Complete financial statements of the above component units can be obtained by contacting the Treasurer of the respective entity.

B. Description of Regulatory Basis of Accounting

The financial statements of the Borough of Allendale 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 a 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 as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for its financial transactions through separate funds, which differ from the fund structure required by GAAP.

The Governmental Accounting Standards Board (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 accounting principles generally accepted in the United States of America. (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. However under the regulatory basis of accounting municipalities are required to follow GASB pronouncements with regard to disclosure requirements for notes to the financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements

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

The Borough has the following funds and account group:

Current Fund – This fund is used to account for the revenues and expenditures for governmental operations of a general nature and the assets and liabilities related to such activities, including Federal and State grants not accounted for in another fund.

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

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

Other Trust Fund - This fund is established to account for the assets and resources, which are held by the Borough as a trustee or agent for individuals, private organizations, other governments and/or other funds. These funds include dedicated fees/proceeds collected, developer deposits, payroll related deposits and funds deposited with the Borough as collateral.

Municipal Open Space Preservation Trust Fund - This fund is used to account for the resources which have accumulated from a dedicated tax to be used for the preservation of open space, recreation and farm land property.

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

Water Utility Fund - This fund is used to account for the revenues and expenditures for the operation of the Borough's water utility and the assets and liabilities relative to such activities. Acquisition or improvement of capital facilities and other capital assets for the water utility is accounted for in the capital section of the fund. The Borough completed a sale of it's water utility in 2022. The fund is being maintained to account for remaining funds held in escrow.

General Fixed Assets Account Group - This account group is used to account for all general fixed assets of the Borough, other than those accounted for in the water utility fund. The Borough's infrastructure is not reported in the account group.

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 Borough's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

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 Borough 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. Measurement Focus and Basis of Accounting

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

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

Cash and Investments - Cash and cash equivalents 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. Investments are reported at cost and are limited by N.J.S.A. 40A:5-15.1 et seq. GAAP requires that all investments be reported at fair value.

Inventories - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various balance sheets. GAAP requires inventories to be recorded as assets in proprietary-type funds.

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, 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 Borough. 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 Borough also has the option when unpaid taxes or any municipal lien, or part thereof, on real property remains in arrears on the 11^{th} 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 Borough 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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 Borough'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).

Utility Revenues/Receivables - Utility charges are levied quarterly based upon consumption and a standard facility charge. Revenues from these sources are recognized on a cash basis. Receivables that are susceptible to accrual are recorded with offsetting reserves on the balance sheet of the Borough's water utility operating fund. GAAP requires such revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

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 Borough's budget. GAAP requires such revenues to be recognized as soon as all eligibility requirements imposed by the grantor or provider have been met.

Property Acquired for Taxes – Property acquired for taxes 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 as a capital asset in the government-wide financial statements at fair value on the date of acquisition.

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

Deferred Charges – Certain expenditures, operating deficits and other items are required to be deferred to budgets of succeeding years. GAAP requires expenditures, operating deficits 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.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

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

Compensated Absences - Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, the Borough doesn't allow for the accumulation of sick and vacation days.

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.

Reserve for Uncollected Taxes – Reserve for Uncollected Taxes is a non-spending budget appropriation account required to provide assurance that cash collected for property taxes levied in the current year will provide sufficient cash flow to meet expected budgetary obligations. The minimum amount required to be budgeted in Reserve for Uncollected Taxes is determined utilizing the actual percentage of property taxes collected in the immediate preceding budget year, unless allowable alternative methods are utilized with the approval of the Division. A Reserve for Uncollected Taxes is not established or required under GAAP.

Pensions – The Borough appropriates in its annual budget the amount required to be paid for pension contributions as determined by the State administered pension systems. Under the regulatory basis of accounting the Borough is only required to disclose in the Notes to the Financial Statements it's share of the actuarially determined net pension liabilities, deferred outflow of resources, deferred inflow of resources and pension expense (benefit) related to the State administered pension system. GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

Other Post-Employment Benefits (OPEB) – The Borough funds its employer paid post-retirement medical benefits on a pay-as-you-go basis. Under the regulatory basis of accounting the Borough is only required to disclose in the Notes to the Financial Statements it's actuarially determined net OPEB liability, deferred outflow of resources, deferred inflow of resources and OPEB expense (benefit). GAAP requires these actuarially determined amounts to be reported in the proprietary funds and government-wide financial statements.

General Fixed Assets - In accordance with NJAC 5:30-5.6, Accounting for Governmental Fixed Assets, the Borough of Allendale has developed a fixed assets accounting and reporting system. Fixed assets are defined by the Borough as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years.

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and sewerage and drainage systems are not capitalized. General fixed assets acquired under capital financing agreements are capitalized at their acquisition cost. Intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs) are not capitalized.

General Fixed Assets stated at cost or estimated historical cost. Donated fixed assets are recorded at acquisition value at the date of donation.

General Fixed Assets are stated as follows:

Land and Buildings	Assessed Value 1985
Machinery and Equipment	Replacement Cost

No depreciation has been provided for in the financial statements.

Expenditures for construction in progress are recorded in the General Capital Fund until such time as the construction is completed and put into operation for general fixed assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

General Fixed Assets (Continued)

Accounting for utility fund "fixed capital" remains unchanged under NJAC 5:30-5.6.

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

GAAP requires that capital assets, including intangible right-to-use leased assets and intangible right-to-use IT software (SBITAs), be recorded in proprietary-type funds as well as the government-wide financial statement at historical or estimated historical cost if actual historical cost is not available. In addition, GAAP requires depreciation on capital assets to be recorded in proprietary funds as well as in the government-wide financial statements.

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

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 Borough and approved by the State Division of Local Government Services as per N.J.S.A. 40A:4 et seq.

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

Trust Funds (Except for Municipal Open Space Trust Fund)
General Capital Fund
Water Utility Capital Fund

The Borough must prepare its budget in compliance with applicable laws limiting or capping the amounts by which both the budget appropriations and the municipal tax levy can increase in the annual budget.

1977 Appropriation "CAP": The 1977 Appropriation Cap is calculated using the formulas and provisions of N.J.S.A 40A:4-45.1 through 4-45.43a. The law was originally adopted in 1976 and was most recently amended in 2003. Under this law, the Borough is permitted to increase its overall Current Fund appropriations (with certain exceptions) by 2.5% or the "cost of living adjustment" (COLA), whichever is less. The COLA is calculated based on the Implicit Price Deflator for Local Governments computed by the U.S. Department of Commerce. The Borough can, when the COLA is less than or equal to 2.5%, increase its allowable inside-the-cap appropriations to 3.5%, upon adoption of a COLA Rate Ordinance by the governing body and beyond 3.5% upon voter passage of a referendum. Exceptions to the limitations imposed by the Appropriation CAP also exist for other items including capital expenditures; debt service extraordinary expenses approved by the Local Finance Board; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. Additionally, municipalities can bank the unused appropriation increases for use in any of the next two (2) succeeding budget years.

2010 Levy "CAP": The 2010 Levy Cap is calculated using the formulas and provisions of N.J.S.A. 40A:4-45.44 through 45.47. It established limits on the increase in the total amount to be raised by taxation for municipal purposes (municipal tax levy). The core of the levy cap formula is a 2% increase to the previous year's amount to be raised by taxation for municipal purposes, exclusive of amounts required to be raised by taxation for debt service as defined by law, certain pension contributions and health care costs in excess of 2%, and extraordinary costs related to a declared emergency. Voter approval may be requested to increase the municipal tax levy by more than the allowable adjusted tax levy. Additionally, municipalities can bank the unused tax levy for use in any of the next three (3) succeeding budget years.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

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. The Borough Council did not increase the original budget during 2025 or 2024. The governing body did approve several budget transfers during 2025 and 2024.

NOTE 3 CASH DEPOSITS AND INVESTMENTS

The Borough 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 Borough'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 Borough 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 deposits in excess of the FDIC or NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, bail funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

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 Borough's deposits were $23,240,360 and $20,782,885 and bank and brokerage firm balances of the Borough's deposits amounted to $23,357,187 and $21,129,304, respectively. The Borough's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

	Bank Balance	
Depository Account	2025	2024
Insured	$ 20,399,074	$ 17,926,250
Uninsured and Collateralized	2,958,113	3,203,054
	$ 23,357,187	$ 21,129,304

NOTE 3 CASH DEPOSITS AND INVESTMENTS (Continued)

A. Cash Deposits (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 Borough does not have a formal policy for custodial credit risk. As of December 31, 2025 and 2024, the Borough's bank balances of $2,958,113 and $3,203,054 were exposed to custodial credit risk as follows:

Depository Account	Bank Balance 2025	Bank Balance 2024
Uninsured and Collateralized		
Collateral held by Borough's agent in the Borough's name	$ 2,904,841	$ 3,139,237
Collateral held by pledging financial institution's trust department but not in the Borough's name	53,272	63,817
	$ 2,958,113	$ 3,203,054

B. Investments

The Borough 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 Borough or bonds or other obligations of the school districts which are a part of the Borough or school districts located within the Borough, 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 Local Government Services in the Department of Community Affairs 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).

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

Interest earned in the General Capital Fund, Animal Control Trust 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 Utility Capital Fund and is assigned to the Water Utility Operating Fund in accordance with the regulatory basis of accounting.

NOTE 4 TAXES AND UTILITY CHARGES AND FEES RECEIVABLE

Receivables at December 31, 2025 consisted of the following:

	Current Fund	Water Utility Operating Fund	Total
2025			
Property Taxes	$ 216,093		$ 216,093
Tax Title Liens	100,109		100,109
Utility Charges and Fees	-	-	-
	$ 316,202	$ -	$ 316,202

In 2025, the Borough collected $197,470 from delinquent taxes which represented 67% of the delinquent tax receivable at December 31, 2024. As discussed in Note 18, the Borough completed a sale of its water utility system during 2022, therefore no receivables exist as of December 31, 2025.

Receivables at December 31, 2024 consisted of the following:

	Current Fund	Water Utility Operating Fund	Total
2024			
Property Taxes	$ 197,220		$ 197,220
Tax Title Liens	97,170		97,170
Utility Charges and Fees	-	-	-
	$ 294,390	$ -	$ 294,390

In 2024, the Borough collected $263,740 from delinquent taxes which represented 74% of the delinquent tax receivable at December 31, 2023. As discussed in Note 18, the Borough completed a sale of its water utility system during 2022, therefore no receivables exist as of December 31, 2024.

NOTE 5 DUE TO/FROM OTHER FUNDS

As of December 31, interfund receivables and payables that resulted from various interfund transactions were as follows:

	2025		2024	
	Due from Other Funds	Due to Other Funds	Due from Other Funds	Due to Other Funds
Current Fund	$ 2,104	$ 250,121	$ 3,798	$ 400,000
Trust Fund:				
Animal Control Trust Fund		2,104		3,798
Other Trust Fund	250,000		400,000	
Open Space Trust Fund	121	-	-	-
Total	$ 252,225	$ 252,225	$ 403,798	$ 403,798

The above balances are the result of expenditures being paid by one fund on behalf of another and revenues earned in on fund that are due to another fund.

The Borough expects all interfund balances to be liquidated within one year.

NOTE 6 DEFERRED CHARGES TO BE RAISED IN SUCCEEDING BUDGETS

Under the regulatory basis of accounting, certain expenditures are required to be deferred to budgets of succeeding years. At December 31, the following deferred charges are reported on the balance sheets of the following funds:

	Balance December 31,	Subsequent Year Budget Appropriation	Balance to Succeeding Budgets
2025			
General Capital Fund			
Cancelled Grant Receivable	$ 23,416	$ 23,416	
2024			
General Capital Fund			
Cancelled Grant Receivable	$ 23,416		$ 23,416
Overexpenditure of Ordinance Appropriation	145,558	$ 145,558	

NOTE 7 FUND BALANCES APPROPRIATED

Under the regulatory basis of accounting, fund balances in the Current Fund and Water Utility Operating Fund are comprised of cash surplus (fund balance) and non-cash surplus (fund balance). All or part of cash surplus as of December 31 may be anticipated in the subsequent year's budget. The non-cash surplus portion of fund balance may be utilized in the subsequent year's budget with the prior written consent of the Director of the Division of Local Government Services if certain guidelines are met as to its availability. Fund balances at December 31, which were appropriated and included as anticipated revenue in their own respective fund's budget for the succeeding year were as follows:

	2025		2024	
	Fund Balance December 31,	Utilized in Subsequent Year's Budget	Fund Balance December 31,	Utilized in Subsequent Year's Budget
Current Fund				
Cash Surplus	$ 5,053,841	$ 2,200,000	$ 4,581,099	$ 1,300,000
Non-Cash Surplus	500	-	500	-
	$ 5,054,341	$ 2,200,000	$ 4,581,599	$ 1,300,000
Water Utility Operating Fund				
Cash Surplus	$ 2,444,367		$ 2,241,780	
Non-Cash Surplus	-	-	-	-
	$ 2,444,367	$ -	$ 2,241,780	$ -

NOTE 8 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 January 1, 2025	Additions	Retirements	Balance, December 31, 2025
2025				
Land	$ 5,279,398	$ 223,600		$ 5,502,998
Land Improvements	1,908,756	100,148		2,008,904
Buildings and Building Improvements	11,619,243	1,029,585	$ 328,777	12,320,051
Machinery and Equipment	8,993,748	452,364	196,842	9,249,270
	$ 27,801,145	$ 1,805,697	$ 525,619	$ 29,081,223

	Balance January 1, 2024	Additions	Retirements	Balance, December 31, 2024
2024				
Land	$ 4,567,598	$ 711,800		$ 5,279,398
Land Improvements	1,908,756	-		1,908,756
Buildings and Building Improvements	5,784,550	5,834,693		11,619,243
Machinery and Equipment	8,529,442	644,746	$ 180,440	8,993,748
	$ 20,790,346	$ 7,191,239	$ 180,440	$ 27,801,145

B. Water Utility Fund Fixed Assets

As discussed in Note 18, during 2022, the Borough completed a sale of its water utility system, including Borough owned fixed assets.

NOTE 9 MUNICIPAL DEBT

The Local Bond Law (N.J.S.A. 40A:2 et.seq.) governs the issuance of bonds and notes used to finance capital expenditures. General obligation bonds have been issued for both general capital and utility capital fund projects and acquisitions or other purposes permitted by the Local Bond Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Borough are general obligation bonds, backed by the full faith and credit of the Borough. Bond anticipation notes, which are issued to temporarily finance capital projects, and acquisitions or other purposes permitted by the Local Bond Law, must be paid off within ten years and four months or retired by the issuance of bonds.

The Borough's debt is summarized as follows:

	2025	2024
Issued		
General		
Bonds and Notes	$ 5,758,000	$ 4,613,000
	5,758,000	4,613,000
Less Funds Temporarily Held to Pay Bonds and Notes	460,261	444,425
Net Debt Issued	5,297,739	4,168,575
Authorized But Not Issued		
General		
Bonds and Notes	-	1,687,500
	-	1,687,500
Net Bonds and Notes Issued and Authorized But Not Issued	$ 5,297,739	$ 5,856,075

NOTE 9 MUNICIPAL DEBT (Continued)

Statutory Net Debt

The statement of debt condition that follows is in the format of the Borough's Annual Debt Statement and indicates a statutory net debt of 0.215% and 0.261% at December 31, 2025 and 2024, respectively.

	Gross Debt	Deductions	Net Debt
2025			
Local School District Debt	$ 350,000	$ 350,000	
Regional School District Debt	2,776,765	2,776,765	
General Debt	5,758,000	460,261	$ 5,297,739
Total	$ 8,884,765	$ 3,587,026	$ 5,297,739

	Gross Debt	Deductions	Net Debt
2024			
Local School District Debt	$ 685,000	$ 685,000	
Regional School District Debt	3,034,055	3,034,055	
General Debt	6,300,500	444,425	$ 5,856,075
Total	$ 10,019,555	$ 4,163,480	$ 5,856,075

Statutory Borrowing Power

The Borough's remaining borrowing power under N.J.S. 40A:2-6, as amended, at December 31, was as follows:

	2025	**2024**
3.5% of Equalized Valuation Basis (Municipal)	$ 86,221,470	$ 78,576,508
Less: Net Debt	5,297,739	5,856,075
Remaining Borrowing Power	$ 80,923,731	$ 72,720,433

NOTE 9 MUNICIPAL DEBT (Continued)

A. Long-Term Debt

The Borough had no long term debt activity during 2025 or 2024.

B. Short-Term Debt

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

Bond Anticipation Notes

2025	Rate (%)	Maturity Date	Balance, January 1, 2025	Renewed/ Issued	Retired/ Redeemed	Balance, December 31, 2025
General Capital Fund						
Purpose						
Various Public Improvements	3.50%	2/20/2026	$ 823,000	$ 280,600	$ 823,000	$ 280,600
Various Public Improvements	3.50%	2/20/2026	3,790,000	3,790,000	3,790,000	3,790,000
Various Public Improvements	3.50%	2/20/2026		1,187,400		1,187,400
Various Public Improvements	3.50%	2/20/2026	-	500,000	-	500,000
Total General Capital Fund			$ 4,613,000	$ 5,758,000	$ 4,613,000	$ 5,758,000

Bond Anticipation Notes

2024	Rate (%)	Maturity Date	Balance, January 1, 2024	Renewed/ Issued	Retired/ Redeemed	Balance, December 31, 2024
General Capital Fund						
Purpose						
Various Public Improvements	4.00%	2/21/2025		$ 823,000		$ 823,000
Various Public Improvements	4.00%	2/21/2025	-	3,790,000	-	3,790,000
Total General Capital Fund			$ -	$ 4,613,000	$ -	$ 4,613,000

The purpose of these short-term borrowings was to provide resources for capital construction, acquisitions or improvement projects and other purposes permitted by the Local Bond Law NJSA 40A:2 et. seq. The amounts issued for general governmental activities are accounted for in the General 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 10 OTHER LONG-TERM LIABILITIES

A. Compensated Absences

Under the existing policies and labor agreements of the Borough, employees are not allowed to accumulate unused vacation benefits, personal time, sick leave and compensation time in lieu of overtime over the life of their working careers.

Changes in Other Long-Term Liabilities

Under the regulatory basis of accounting, certain other long-term liabilities which may be considered material to the financial statements are not reported either as an expenditure or a liability. However, under the regulatory basis of accounting, these other long-term liabilities and related information are required to be disclosed in the notes to the financial statements in conformity with the disclosure requirements of the Governmental Accounting Standards Board.

The Borough's changes in other long-term liabilities for the years ended December 31, 2025 and 2024 were as follows:

2025	Balance January 1, 2025	Additions	Reductions	Balance December 31, 2025	Due Within One Year
Net Pension Liability - PERS (1)	$ 2,952,427			$ 2,952,427	
Net Pension Liability - PFRS (1)	5,505,813			5,505,813	
Net OPEB Liability (1)	14,320,596	-	-	14,320,596	-
Other Long Term Liabilities	$ 22,778,836	$ -	$ -	$ 22,778,836	$ -

(1): GASB Statement numbers 68 (Pension) and 75 (OPEB) financial information was not provided by the State of New Jersey's Division of Pensions and Benefits as of the date of audit.

2024	Balance January 1, 2024	Additions	Reductions	Balance December 31, 2024	Due Within One Year
Net Pension Liability - PERS	$ 3,277,704		$ 325,277	$ 2,952,427	
Net Pension Liability - PFRS	6,383,813		878,000	5,505,813	
Net OPEB Liability	12,502,398	$ 1,818,198	-	14,320,596	-
Other Long Term Liabilities	$ 22,163,915	$ 1,818,198	$ 1,203,277	$ 22,778,836	$ -

NOTE 11 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 Borough 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.nj.gov/treasury/pensions/annual-reports.

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. 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.nj.gov/treasury/pensions/annual-reports.

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.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to 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 Borough 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 on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollment 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.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Other Pension Funds (Continued)

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.

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. Empower (formerly 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 not available and for June 30, 2024 is $13.7 billion, and the plan fiduciary net position as a percentage of the total pension liability is 68.22% at June 30, 2024. The collective net pension liability of the participating employers for local PFRS at June 30, 2025 was not available and for June 30, 2024 is $12.4 billion and the plan fiduciary net position as a percentage of total pension liability is 72.66% at June 30, 2024.

The total pension liabilities for the June 30, 2024 measurement date were determined based on actuarial valuations as of July 1, 2023 which were rolled forward to June 30, 2024.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Actuarial Methods and Assumptions

In the July 1, 2023 PERS and 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 compensation.

For the years ended December 31, 2025 and 2024 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 Borough for 2025, 2024 and 2023 were equal to the required contributions.

During the years ended December 31, 2025, 2024 and 2023 the Borough, 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	$ 737,499	$ 259,800	$ 4,732
2024	769,147	260,358	4,170
2023	774,535	240,792	4,573

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 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 (benefit) excluding that attributable to employer-paid member contributions.

Under GASB Statement No. 68 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 68 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2024 for the measurement date of June 30, 2025 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorized and permits New Jersey municipalities to present the most recent available audited GASB No. 68 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 68 financial information for the year ended December 31, 2025 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the contributions made as an individual employer to the total contributions to the plan during the fiscal years ended June 30, 2024 and 2023. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due, based on statutory requirements.

Public Employees Retirement System (PERS)

At December 31, 2024, the Borough reported a liability of $2,952,427, for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Borough's proportionate share of the net pension liability was based on the ratio of the Borough'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, 2024, the Borough's proportionate share was .02172 percent, which was a decrease of .00091 percent from its proportionate share measured as of June 30, 2023 of .02263 percent.

For the year ended December 31, 2024, the pension system has determined the Borough's pension expense to be $246,961 for PERS based on the actuarial valuations which is less than the actual contribution reported in the Borough's financial statements of $260,358. At December 31, 2024, the Borough's deferred outflows of resources and deferred inflows of resources related to PERS pension which are not reported on the Borough's financial statements are from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 59,143	$ 9,447
Changes of Assumptions	3,668	40,374
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		164,534
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	115,655	36,839
Total	$ 178,466	$ 251,194

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

At December 31, 2024 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending December 31,		Total
2025	$	(107,172)
2026		117,764
2027		(44,990)
2028		(39,075)
2029		745
Thereafter		-
	$	(72,728)

Actuarial Assumptions

The Borough's total pension liability reported for the year ended December 31, 2024 was based on the June 30, 2024 measurement date as determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2024
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Rate for All Future Years	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. 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, 2024, as reported for the year ended December 31, 2024, are summarized in the following table:

	2024	
Asset Class	**Target Allocation**	**Long-Term Expected Real Rate of Return**
Risk Mitigation Strategies	3.00%	7.10%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Investment Grade Credit	7.00%	5.37%
US Equity	28.00%	8.63%
Non-US Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
High Yield	4.50%	6.74%
Real Assets	3.00%	8.20%
Private Credit	8.00%	8.90%
Real Estate	8.00%	10.95%
Private Equity	13.00%	12.40%

Discount Rate

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

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

Public Employees Retirement System (PERS) (Continued)

Sensitivity of Net Pension Liability

The following presents the Borough's proportionate share of the PERS net pension liability as of December 31, 2024 calculated using the discount rate of 7.00%, as well as what the Borough'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:

2024	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's Proportionate Share of the PERS Net Pension Liability	$ 3,923,050	$ 2,952,427	$ 2,126,433

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2024. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS 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 report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.nj.gov/treasury/pensions.

Police and Firemen's Retirement System (PFRS)

At December 31, 2024, the Borough reported a liability of $5,505,813, for its proportionate share of the PFRS net pension liability. The net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Borough's proportionate share of the net pension liability was based on the ratio of the Borough'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, 2024, the Borough's proportionate share was .05331 percent, which was a decrease of .00447 percent from its proportionate share measured as of June 30, 2023 of .05778 percent.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

For the year ended December 31, 2024, the pension system has determined the Borough pension expense to be $365,986 for PFRS based on the actuarial valuations which is less than the actual contribution reported in the Borough's financial statements of $769,147. At December 31, 2024, the Borough's deferred outflows of resources and deferred inflows of resources related to PFRS pension which are not reported on the Borough's financial statements are from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 346,862	$ 188,488
Changes of Assumptions	8,704	161,697
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		43,093
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	396,049	563,776
Total	$ 751,615	$ 957,054

At December 31, 2024 the amounts reported as deferred outflows of resources and deferred inflows of resources related to PFRS pension will be recognized in pension expense (benefit) as follows:

Year Ending December 31,	Total
2025	(203,286)
2026	331,251
2027	(124,847)
2028	(144,588)
2029	(59,079)
Thereafter	(4,890)
	$ (205,439)

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Actuarial Assumptions

The Borough's total pension liability reported for the year ended December 31, 2024 was based on the June 30, 2024 measurement date as determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2024
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	
Rate for All Future Years	3.25%-16.25% Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. 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, 2024, as reported for the year ended December 31, 2024, are summarized in the following table:

	2024	
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%
Cash Equivalents	2.00%	3.40%
U.S. Treasury Bond	7.00%	4.10%
Non-US Developed Large-Cap Equity	9.50%	6.70%
Non-US Developed Small Cap Equity	2.00%	7.50%
Emerging Markets Small Cap Equity	1.50%	9.60%
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%
Private Debit/Credit	8.00%	9.10%
Real Estate Core	3.00%	5.10%
Real Estate Non-Core	4.00%	6.50%
Infrastructure	3.00%	7.00%
Private Equity	10.00%	10.00%

Discount Rate

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

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS (Continued)

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

Sensitivity of Net Pension Liability

The following presents the Borough's proportionate share of the PFRS net pension liability as of December 31, 2024 calculated using the discount rate of 7.00%, as well as what the Borough'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% or 1-percentage-point higher 8.00% than the current rate:

2024	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Borough's Proportionate Share of the PFRS Net Pension Liability	$ 7,866,582	$ 5,505,813	$ 3,539,810

The sensitivity analysis was based on the proportionate share of the Borough's net pension liability at December 31, 2024. A sensitivity analysis specific to the Borough's net pension liability was not provided by the pension system.

Special Funding Situation – PFRS

Under N.J.S.A. 43:16A-15, the Borough 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 Borough 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 Borough'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, 2024, the State's proportionate share of the net pension liability attributable to the Borough for the PFRS special funding situation is $1,085,459. For the year ended December 31, 2024, the pension system has determined the State's proportionate share of the pension expense attributable to the Borough for the PFRS special funding situation is $124,873, which is equal to the actual contribution the State made on behalf of the Borough. At December 31, 2024 (measurement date June 30, 2024) the State's share of the PFRS net pension liability attributable to the Borough was .05331 percent, which was a decrease of .00447 percent from its proportionate share measured as of December 31, 2023 (measurement date June 30, 2023) of .05778 percent. The State's proportionate share attributable to the Borough 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 Borough's financial statements.

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.

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for participating municipalities including the Borough.

Plan Description and Benefits Provided

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

State Health Benefit Program Fund – Local Government Retired Employees (the Plan) (including Prescription Drug Program Fund) – The Plan is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. For additional information about the Plan, please refer to the State of New Jersey (the State), Division of Pensions and Benefits' (the Division) Annual Comprehensive Financial Report (ACFR), which can be found at www.nj.gov/treasury/pensions/annual-reports.

The Plan provides medical and prescription drug to retirees and their covered dependents of the participating employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees. Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retires with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retires and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations agreement.

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

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

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

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Plan Membership and Contributing Employers

Membership and contributing employers/nonemployers of the defined benefit OPEB plan consisted of the following at June 30, 2024:

Active Plan Members	60,691
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	28,899
Total	89,590
Contributing Employers	555
Contributing Nonemployers	1

Measurement Focus and Basis of Accounting

The financial statements of the OPEB plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to government organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the other postemployment benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Collective Net OPEB Liability

The collective net OPEB liability of the participating employers and the State, as the non-employer contributing entity, of the Plan at June 30, 2025 was not available and for June 30, 2024 is $17.9 billion, and the plan fiduciary net (deficit) as a percentage of the total OPEB liability is (0.89)% at June 30, 2024.

The total OPEB liabilities were determined based on actuarial valuations as of July 1, 2023 which was rolled forward to June 30, 2024.

Actuarial Methods and Assumptions

In the July 1, 2023 OPEB actuarial valuation, the actuarial assumptions and methods used in this valuation were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Post-Retirement Medical Benefits Contribution

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

The employers participating in the OPEB plan made contributions of $399.4 million and the State of New Jersey, as the non-employer contributing entity, contributed $62.8 million for fiscal year 2024.

The State sets the employer contribution rate based on a pay-as-you-go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement No. 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The Borough's contributions to the State Health Benefits Program Fund-Local Government Retired Plan for post-retirement benefits for the years ended December 31, 2025, 2024 and 2023 were $785,456, $672,799 and $497,499, respectively, which equaled the required contributions for each year. In addition, the Borough's reimbursements to eligible retired employees for Medicare Part B insurance coverage for the years ended December 31, 2025, 2024 and 2023 were $86,368, $67,513 and $64,396, respectively.

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

The regulatory basis of accounting requires participating employers in the State Health Benefit Program Fund – Local Government Retired Plan to disclose in accordance with GASB Statement No. 75, Accounting and *Financial Reporting for Postemployment Benefits other than Pension (GASB No. 75)* their proportionate share of the collective net OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense excluding that attributable to retiree-paid member contributions.

Under GASB Statement No. 75 local governmental employers are required to provide certain financial information based on a measurement date no earlier than the end of the employer's prior fiscal year. The GASB No. 75 financial information from the State's Division of Pensions and Benefits to be reported for the year ended December 31, 2022 for the measurement date of June 30, 2025 was not available as of the date of audit. Accordingly, N.J.A.C. 5:30-6.1(c)2 authorizes and permits New Jersey municipalities to present the most recent available audited GASB No. 75 financial information to be incorporated into the audit and remain in compliance with the regulatory basis of accounting disclosure requirements for notes to the financial statements. As such the GASB No. 75 financial information for the year ended December 31, 2025 is not presented in the notes to the financial statements.

The employer allocation percentages presented are based on the ratio of the plan members as an individual employer to the total plan members to the plan during the fiscal years ended June 30, 2024 and 2023. Employer allocation percentages have been rounded for presentation purposes.

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At December 31, 2024, the Borough reported a liability of $14,320,596 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2023. The Borough's proportionate share of the net OPEB liability was based on the ratio of the Borough's proportionate share of the OPEB liability attributable to the Borough at June 30, 2024 to the total OPEB liability for the State Health Benefit Program Fund – Local Government Retired Plan at June 30, 2024. As of the measurement date of June 30, 2024 the Borough's proportionate share was .07997 percent, which was a decrease of .00334 percent from its proportionate share measured as of June 30, 2023 of .08331 percent.

For the year ended December 31, 2024, the Plan has determined the Borough's OPEB expense to be $369,452 based on the actuarial valuation which is less than the actual contributions reported in the Borough's financial statements of $672,799. At December 31, 2024, the Borough's deferred outflows of resources and deferred inflows of resources related to the OPEB plan which are not reported on the Borough's financial statements are from the following sources:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 725,237	$ 2,426,402
Changes of Assumptions	2,394,133	2,377,129
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments		6,482
Changes in Proportion and Differences Between Borough Contributions and Proportionate Share of Contributions	3,741,023	1,009,522
Total	$ 6,860,393	$ 5,819,535

At December 31, 2024 the amounts reported as deferred (benefit) outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in OPEB expense as follows:

Year Ending December 31,	Total
2025	$ (125,462)
2026	228,515
2027	447,482
2028	(33,141)
2029	110,125
Thereafter	413,339
	$ 1,040,858

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Actuarial Assumptions

The Borough's total OPEB liability reported for the year ended December 31, 2024 was based on the June 30, 2024 measurement date as determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement date:

	2024
Salary Increases*	
PERS:	
Rate For All Future Years	2.75% to 6.55% Based on Years of Service
PFRS:	
Rate For All Future Years	3.25% to 16.25% Based on Years of Service

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

Mortality Rates

Pre-retirement healthy mortality

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

Post-retirement healthy mortality

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

Disabled retiree mortality

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

Disabled retiree mortality rates for Chapter 330 current retirees were based on the Pub-2010 Safety classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disabled mortality rates for other current retirees were based on the Pub-2010 General classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

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

NOTE 12 POST-RETIREMENT MEDICAL BENEFITS (Continued)

Health Care Trends

The trend rate for pre-Medicare medical benefits is initially 7.50% and decreases to a 4.50% long-term trend rate after 9 years. For post-65 medical benefits PPO, the trend is increasing to 22.62% in Fiscal Year 2027 and decreasing to 4.50% in Fiscal Year 2034. For HMO the trend is increasing to 23.58% in Fiscal Year 2027 and decreasing to 4.50% in Fiscal Year 2034. For prescription drug benefits, the initial trend rate is 12.75% and decreases to a 4.50% long-term trend rate after 9 years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate

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

Sensitivity of Net OPEB Liability to Changes in the Discounts Rate

The following presents the Borough's proportionate share of the net OPEB liability as of December 31, 2024 calculated using the discount rate of 3.93% as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower 2.93% or 1-percentage-point higher 4.93% than the current rate:

2024	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Borough's Proportionate Share of the Net OPEB Liability	$ 16,681,951	$ 14,320,596	$ 12,429,361

The sensitivity analysis was based on the proportionate share of the Borough's net OPEB liability at December 31, 2024. A sensitivity analysis specific to the Borough's net OPEB liability was not provided by the Plan.

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

The following presents the Borough's proportionate share of the net OPEB liability as of December 31, 2023 calculated using the healthcare trend rates as disclosed above as well as what the Borough's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

2024	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Borough's Proportionate Share of the Net OPEB Liability	$ 12,112,301	$ 14,320,596	$ 17,159,843

The sensitivity analysis was based on the proportionate share of the Borough's net OPEB liability at December 31, 2024. A sensitivity analysis specific to the Borough's net OPEB liability was not provided by the pension system.

OPEB Plan Fiduciary Net Position

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

NOTE 13 RISK MANAGEMENT

The Borough is exposed to various risks of loss related to general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; termination of employees and natural disasters. The Borough has obtained commercial insurance coverage to guard against these events to minimize the exposure to the Borough should they occur.

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

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

The funds provide its members with risk management services, including the defense of and settlement of claims, and established reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the funds can be obtained by contacting the respective fund's Treasurer.

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

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan the Borough 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 Borough is billed quarterly for amounts due to the State. The following is a summary of Borough contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Borough's unemployment compensation trust fund for the current and previous year.

Year Ended December 31	Borough Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2025	$ 10,000	$ 6,547	$ 56,028	$ 38,440
2024	10,000	13,566	55,250	75,624
2023	NONE	6,552	7,760	103,405

NOTE 14 CONTINGENT LIABILITIES

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

Pending Tax Appeals - Various tax appeal cases were pending in the New Jersey Tax Court at December 31, 2025 and 2024. Amounts claimed have not yet been determined. The Borough is vigorously defending its assessments in each case. Under the accounting principles prescribed by the Division of Local Government Services, Department of community Affairs, State of New Jersey, the Borough does not recognize a liability, if any, until these cases have been adjudicated. The Borough expects such amounts, if any, could be material. As of December 31, 2025 and 2024, the Borough reserved $958,576 and $913,008, respectively in the Current Fund for tax appeals pending in the New Jersey Tax Court. Funding of any ultimate liability would be provided for in succeeding years' budget or from fund balance.

NOTE 14 CONTINGENT LIABILITIES (Continued)

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

NOTE 15 FEDERAL ARBITRAGE REGULATIONS

The Borough 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 Borough has not estimated its estimated arbitrage earnings due to the IRS, if any.

NOTE 16 TAX ABATEMENTS

For the years ended December 31, 2025 and 2024, the Borough provided property tax abatements through certain programs authorized under State statutes. These programs include the Long Term Tax Exemption Law (the "LTTE Law"), the Five-Year Exemption and Abatement Law (the "FYEA) and the New Jersey Housing and Mortgage Financing Act (NJHMFA).

- The New Jersey Housing and Mortgage Financing Act (NJSA 55:14K et. seq.) allows for property tax abatements for residential rental housing projects financed by the New Jersey Housing and Mortgage Finance Agency. These property tax abatements last for the term of the original mortgage financing so long as the residential rental housing project remains subject to the NJHMFA Law and regulations. The process begins when the municipality passes by ordinance or resolution, as appropriate, that such residential rental housing project shall be exempt from property tax provided that an agreement is entered into with the housing sponsor for payments in lieu of taxes (PILOTs) to the municipality. The agreement can require the housing sponsor to a PILOT payment to the municipality in an amount up to 20% of the annual gross revenue from each housing project. For the years ended December 31, 2025 and 2024 the Borough abated property taxes totaling $313,743 and $295,505, respectively, under the NJHMFA program. The Borough received $215,394 and $200,298 in PILOT payments under this program for the years ended December 31, 2025 and 2024, respectively.

NOTE 17 SALE OF WATER UTILITY

During 2021, the Borough solicited and received bids for the sale of the water system and has determined that the bid submitted by Suez Water New Jersey, Inc in the amount of $18,000,000 was the highest responsible bid. On November 2, 2021, the voters of the Borough voted in favor of the sale of the system to Suez Water New Jersey, Inc. On March 24, 2022, the governing body approved a resolution authorizing the execution of an agreement of sale between the Borough and Suez Water New Jersey, Inc. for the sale of the Borough's water system. A portion of the proceeds was utilized to defease all temporary and permanent debt obligations of the Borough. On March 16, 2023, the Borough defeased all outstanding debt obligations. The Borough defeased $10,923,815 in general debt obligations, inclusive of $8,797,755 of Bond Anticipation Notes and $1,990,000 in serial bonds, along with the respective interest of $107,870 and $28,190. The Borough defeased $1,697,949 in water utility debt obligations, inclusive of $268,806 of Bond Anticipation Notes and $1,411,000 in serial bonds, along with the respective interest of $3,992 and $14,151. A reserve has been established for the remaining proceeds in the amount of $5,331,826. As part of the contract of sale, $2,904,841 of the sale proceeds, including interest earnings, remain on deposit with an escrow agent until all contract terms have been met.

NOTE 18 SUBSEQUENT EVENTS

Bond Anticipation Notes

On February 19, 2026, the Borough issued Bond Anticipation Notes in the amount of $6,350,000 to temporarily finance expenditures related to various capital projects. The Borough has awarded the sale of said notes to Piper Sandler & Co. at an interest rate of 3.25%. These notes, dated February 19, 2026 will mature on February 19, 2027.

CURRENT FUND

BOROUGH OF ALLENDALE
STATEMENT OF CURRENT CASH - TREASURER

Balance, January 1, 2025		$ 8,274,094
Increased by Receipts:		
Miscellaneous Revenue Not Anticipated	$ 147,695	
Due from State - Senior Citizen and Veteran Dedications	16,500	
Taxes Receivable	46,506,431	
Petty Cash	800	
Revenue Accounts Receivable	4,530,538	
Prepaid Taxes	267,920	
Tax Overpayments	30,924	
Unappropriated Reserves for Grants	27,155	
State Fees Payable	33,024	
Receipts from Animal Control Trust Fund	3,798	
		51,564,785
		59,838,879
Decreased by Disbursements:		
Current Year Budget Appropriations	15,290,649	
Appropriation Reserves	212,127	
Encumbrances Payable	344,049	
Petty Cash	800	
Tax Overpayments	30,924	
Refund Prior Year Revenue	6,761	
Payments to Municipal Open Space Trust Fund	116,228	
Payments to Other Trust Fund	400,000	
Local District School Taxes	18,634,419	
Regional High School Taxes	10,777,445	
County Taxes Payable	5,593,839	
Reserve for Tax Appeals	4,432	
Appropriated Reserves for Grants	10,090	
State Fees Payable	26,371	
		51,448,134
Balance, December 31, 2025		$ 8,390,745

EXHIBIT A-5

BOROUGH OF ALLENDALE
STATEMENT OF CHANGE FUNDS

Office	Balance, January 1, 2025	Balance, December 31, 2025
Tax Collector	$ 400	$ 400
	$ 400	$ 400

EXHIBIT A-6

STATEMENT OF PETTY CASH FUND

Increased by:	
Disbursed	$ 800
Decreased by:	
Returned to Treasurer	$ 800

EXHIBIT A-7

STATEMENT OF DUE TO STATE OF NEW JERSEY
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Balance, January 1, 2025		$ 8,184
Increased by:		
Deductions Disallowed	$ 4,500	
Deductions Disallowed - Prior Year Taxes	250	
Cash Receipts	16,500	
		21,250
		29,434
Decreased by:		
Senior Citizen Deductions per Tax Billing	500	
Veterans Deductions per Tax Billing	20,500	
Veterans Deductions Allowed by Collector	500	
		21,500
Balance, December 31, 2025		$ 7,934

BOROUGH OF ALLENDALE
STATEMENT OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance, January 1, 2025	Levy	Added Taxes	Senior Citizens' and Veterans Deductions Disallowed	Collected In 2024	Collected In 2025	Senior Citizens' and Veterans' Deductions Allowed	Remitted or Cancelled	Transferred to Tax Title Liens	Balance, December 31, 2025
2024	$ 197,220			$ 250		$ 197,470				
2025	-	$ 47,188,682	$ 61,469	4,500	$ 687,604	46,308,961	$ 21,500	$ 17,554	$ 2,939	$ 216,093
	$ 197,220	$ 47,188,682	$ 61,469	$ 4,750	$ 687,604	$ 46,506,431	$ 21,500	$ 17,554	$ 2,939	$ 216,093

Analysis of Property Tax Levy

Tax Yield			
General Purpose Tax		$ 47,188,682	
Added Taxes (54:4-63.1 et seq.)		61,469	
			$ 47,250,151
Tax Levy			
Municipal Open Space Tax	$ 116,228		
Added Municipal Open Space Tax	121		
Local District School Tax (Abstract)	18,634,419		
Regional High School Tax	10,914,738		
County Tax	5,342,724		
County Open Space Tax	239,409		
Added County Taxes	7,288		
		35,254,927	
Local Tax for Municipal Purposes	11,114,779		
Minimum Library Tax	816,227		
Add Additional Tax Levied	64,218		
		11,995,224	
			$ 47,250,151

EXHIBIT A-9

BOROUGH OF ALLENDALE
STATEMENT OF TAX TITLE LIENS

Balance, January 1, 2025	$	97,170
Increased by:		
Transfer from Taxes Receivable		2,939
Balance, December 31, 2025	$	100,109

EXHIBIT A-10

STATEMENT OF PROPERTY ACQUIRED FOR TAXES (AT ASSESSED VALUATION)

Balance, January 1, 2025	$	4,900
Balance, December 31, 2025	$	4,900

BOROUGH OF ALLENDALE
STATEMENT OF REVENUE ACCOUNTS RECEIVABLE

	Balance, January 1, 2025	Accrued in 2025	Cash Receipts	Balance, December 31, 2025
Borough Clerk				
Licenses				
Alcoholic Beverages		$ 12,500	$ 12,500	
Fees and Permits		15,965	15,965	
Planning Board/Board of Adjustment				
Fees and Permits		6,750	6,750	
Board of Health:				
Fees and Permits		10,833	10,833	
Parking				
Fees and Permits		30,146	30,146	
Municipal Court:				
Fines and Costs	$ 2,473	32,480	30,708	$ 4,245
Uniform Construction Code:				
Fees and Permits - Building		402,922	402,922	
Interest and Costs on Taxes		50,170	50,170	
Energy Receipts Taxes		1,081,614	1,081,614	
Interest on Investments and Deposits		502,837	502,837	
Cable TV Franchise Fees		97,026	97,026	
Cellular Tower Lease		463,157	463,157	
Uniform Fire Safety Act		42,253	42,253	
Garbage Collection		1,836	1,836	
PILOT - 230 Crescent		150,689	150,689	
PILOT - 220 Crescent		54,055	54,055	
Litigation Settlement		850,000	850,000	
Dues & Fees - Crestwood Lake		300,601	300,601	
Saddle River Sewer Payment	-	57,941	57,941	
Ramsey Sewer Charges		303,206	303,206	
Allendale El. School Contribution to Sewer Use		24,719	24,719	
North. High. Reg. HS Contribution to Sewer Use	-	40,610	40,610	-
	$ 2,473	$ 4,532,310	$ 4,530,538	$ 4,245

BOROUGH OF ALLENDALE
STATEMENT OF 2024 APPROPRIATION RESERVES

	Balance, January 1, 2025	Budget After Modification	Expended	Balance Lapsed
Salaries and Wages				
Administrative and Executive	$ 15,746	$ 15,746		$ 15,746
Borough Clerk	481	481		481
Financial Administration	1,443	1,443		1,443
Collection of Taxes	500	500		500
Assessment of Taxes	358	358		358
Planning Board	143	143		143
Police	306,893	306,893	$ 276,560	30,333
Emergency Management Services	60	60		60
Uniform Fire Safety Act - Fire Official	864	864		864
Municipal Prosecutor	56	56		56
Road Repairs and Maintenance	12,961	12,961	4,619	8,342
Crestwood Lake Swimming & Rec. Facility	33,916	33,916		33,916
Construction Code Official	2,727	2,727		2,727
Plumbing Inspector	1,060	1,060		1,060
Electric Inspector	1,900	1,900		1,900
Fire Subcode Official	832	832		832
Zoning Officer/Property Maintenance	689	689		689
Salary and Wage Adjustment	90,000	90,000		90,000
Other Expenses				
Administrative and Executive	6,725	6,725	4,519	2,206
Borough Clerk	4,324	4,324	461	3,863
Mayor and Council	4,435	4,435	100	4,335
Financial Administration	3,012	3,012	2,329	683
Annual Audit	41,546	41,546	41,546	-
Collection of Taxes	8,220	8,220	3,944	4,276
Assessment of Taxes	33,036	33,036	5,000	28,036
Legal Services and Costs	20,361	20,361	8,872	11,489
Engineering	31,755	31,755	6,475	25,280
Planning Board	24,229	24,229	3,434	20,795
Insurance				
Other Insurance Premiums	11,588	11,588	274	11,314
Group Insurance Plan for Employees	86,525	86,525	540	85,985
Health Benefit Waiver	10,560	10,560		10,560
Police	9,703	9,703	8,457	1,246
Emergency Management Services	166	166	34	132
Fire	14,740	14,740	6,830	7,910
Uniform Fire Safety Act - Fire Official	1,032	1,032	967	65
Municipal Court	2,593	2,593	640	1,953
Public Defender	800	800	-	800
Road Repairs and Maintenance	1,396	16,396	16,384	12

BOROUGH OF ALLENDALE
STATEMENT OF 2023 APPROPRIATION RESERVES

	Balance, January 1, 2025	Budget After Modification	Expended	Balance Lapsed
Other Expenses (Continued)				
Snow Removal	$ 41,501	$ 22,501	$ 4,767	$ 17,734
Shade Tree	2,352	2,352	2,300	52
Sewer System	8,441	8,441	3,017	5,424
Garbage and Trash Removal	33,154	33,154		33,154
Recycling	50,800	50,800	2,130	48,670
Public Buildings and Grounds	12,482	12,482	11,816	666
Board of Health	115	115		115
Animal Control	980	980		980
Municipal Alliance	2,998	2,998		2,998
Parks and Playgrounds	2,339	2,339	2,194	145
Crestwood Lake Swimming & Rec. Facility	1,307	5,307	3,828	1,479
Construction Official	5,875	5,875		5,875
Radio Equipment Maintenance	5,000	5,000		5,000
Electricity	16,075	16,075	15,063	1,012
Street Lighting	6,387	6,387	6,264	123
Telephone	8,870	8,870	87	8,783
Water	20,000	20,000		20,000
Natural Gas	27,172	27,172	8,634	18,538
Gasoline	56,261	56,261	3,617	52,644
Contingent	172	172		172
Social Security (O.A.S.I.)	47,891	47,891		47,891
Defined Contribution Retirement Plan	5,830	5,830	121	5,709
Borough of Waldwick - Well Baby	260	260	70	190
Bergen County - 911	22	22		22
Borough of Hohokus - Municipal Court	11,545	11,545	10,178	1,367
	$ 1,155,204	$ 1,155,204	$ 466,071	$ 689,133
Appropriation Reserves		$ 1,155,204		

Cash Disbursed	$ 212,127
Transfer to Accounts Payable	3,944
Due to Other Trust Fund	250,000
	$ 466,071

BOROUGH OF ALLENDALE
STATEMENT OF ENCUMBRANCES PAYABLE

Balance, January 1, 2025		$ 344,049
Increased by:		
Transfer from Current Appropriations	$ 370,040	
Transfer from Appropriated - Grant Revenue	80	
		370,120
		714,169
Decreased by:		
Cash Disbursement		344,049
Balance, December 31, 2025		$ 370,120

STATEMENT OF ACCOUNTS PAYABLE

Increased by:	
Transfer from Appropriation Reserves	$ 3,944
Balance, December 31, 2025	$ 3,944

BOROUGH OF ALLENDALE
STATEMENT OF PREPAID TAXES

Balance, January 1, 2025	$	687,604
Increased by:		
Cash Receipts - 2026 Taxes		267,920
		955,524
Decreased by:		
Applied to 2025 Taxes Receivable		687,604
Balance, December 31, 2025	$	267,920

EXHIBIT A-16

STATEMENT OF LOCAL DISTRICT SCHOOL TAXES

Increased by:		
Levy Calendar Year, 2025	$	18,634,419
Decreased by:		
Payments	$	18,634,419

EXHIBIT A-17

STATEMENT OF REGIONAL HIGH SCHOOL TAX

Increased by:		
Levy Calendar Year, 2025	$	10,914,738
Decreased by:		
Payments		10,777,445
Balance, December 31, 2025	$	137,293

EXHIBIT A-18

BOROUGH OF ALLENDALE
STATEMENT OF COUNTY TAXES PAYABLE

Balance, January 1, 2025			$	11,706
Increased by:				
2025 County Tax Levy	$	5,342,724		
2025 County Open Space Tax Levy		239,409		
County Added and Omitted Taxes		7,288		
				5,589,421
				5,601,127
Decreased by:				
Payments				5,593,839
Balance, December 31, 2025			$	7,288

EXHIBIT A-19

STATEMENT OF DUE TO MUNICIPAL OPEN SPACE TRUST FUND

Increased by:				
Tax Levy - 2025	$	116,228		
Added and Omitted Taxes		121		
			$	116,349
Decreased by:				
Cash Disbursed				116,228
Balance, December 31, 2025			$	121

EXHIBIT A-20

STATEMENT OF TAX OVERPAYMENTS

Increased by:		
Cash Receipts	$	30,924
Decreased by:		
Cash Disbursements	$	30,924

EXHIBIT A-21

BOROUGH OF ALLENDALE
STATEMENT OF RESERVE FOR TAX APPEALS

Balance, January 1, 2025	$	913,008
Increased by:		
Transfer from Current Year Appropriations		50,000
		963,008
Decreased by:		
Cash Disbursements		4,432
Balance, December 31, 2025	$	958,576

EXHIBIT A-22

STATEMENT OF STATE FEES PAYABLE

	Balance, January 1, 2025	Cash Receipts	Cash Disbursements	Balance, December 31, 2025
Construction- DCA	$ 9,776	$ 30,977	$ 24,366	$ 16,387
Parking Sales Tax	160	2,047	2,005	202
	$ 9,936	$ 33,024	$ 26,371	$ 16,589

EXHIBIT A-23

BOROUGH OF ALLENDALE
SCHEDULE OF GRANTS RECEIVABLE
CURRENT FUND

Grant	Balance, January 1, 2025	Balance, December 31, 2025
State Grants:		
2024 BC Historic Grant	500	$ 500
	$ 500	$ 500

EXHIBIT A-24

SCHEDULE OF APPROPRIATED RESERVES FOR GRANTS
CURRENT FUND

Grant	Balance, January 1, 2025	Transfer From Current Appropriations	Disbursements	Balance, December 31, 2025
Drunk Driving Enforcement Fund	$ 1,343		$ 309	$ 1,034
Recycling Grant	54,166			54,166
Clean Communities Grant	72,469	$ 17,782	6,919	83,332
Body Armor Replacement Fund	(80)	1,574	1,492	2
2024 BC Historic Grant	1,450		1,450	
Stormwater Grant	15,000	-	-	15,000
	$ 144,348	$ 19,356	$ 10,170	$ 153,534

Cash Disbursed	$ 10,090
Encumbrances Payable	80
	$ 10,170

BOROUGH OF ALLENDALE
SCHEDULE OF UNAPPROPRIATED RESERVES FOR GRANTS
CURRENT FUND

Grant	Balance, January 1, 2025	Realized as Budgeted Revenue	Cash Receipts	Balance, December 31, 2025
Body Armor Replacement Fund	$ 1,574	$ 1,574		
Sustainable NJ			$ 2,000	$ 2,000
Recycling Tonnage			7,518	7,518
Clean Communities	17,782	17,782	17,637	17,637
	$ 19,356	$ 19,356	$ 27,155	$ 27,155

TRUST FUNDS

BOROUGH OF ALLENDALE
STATEMENT OF CASH - TREASURER

	Animal Control Fund		Other Trust Fund		Municipal Open Space Preservation Trust Fund	
Balance, January 1, 2025		$ 10,530		$ 1,249,705		$ 322,649
Increased by Receipts:						
Animal License Fees - Borough Share	$ 2,712					
Dog License Fees - State Share	366					
Miscellaneous Reserves			$ 446,810			
Employee Contributions - Unemployment			6,547			
Budget Appropriation - Unemployment			10,000			
Municipal Open Space Tax Levy					$ 116,228	
Receipts from Current Fund			400,000			
Payroll Salaries and Withholdings			8,185,823			
Interest on Deposits	-		2,297		12,224	
		13,608		9,051,477		128,452
		13,608		10,301,182		451,101
Decreased by:						
Reserve for Animal Expenditures	1,315					
State Share - Dog Licenses	370					
Miscellaneous Reserves			390,565			
Payroll Salaries and Withholdings			8,174,760			
Payments to Current Fund	3,798					
Reserve for Unemployment	-		56,028		-	
		5,483		8,621,353		-
Balance, December 31, 2025		$ 8,125		$ 1,679,829		$ 451,101

EXHIBIT B-4

BOROUGH OF ALLENDALE
STATEMENT OF RESERVE FOR ANIMAL LICENSE EXPENDITURES
ANIMAL CONTROL TRUST FUND

Balance, January 1, 2025		$ 6,720
Increased by:		
Dog License Fees	$ 2,612	
Cat License Fees	100	
		2,712
		9,432
Decreased by:		
Expenditures R.S. 4:19-1511	1,315	
Statutory Excess	2,104	
		3,419
Balance, December 31, 2025		$ 6,013

Animal License Fees Collected

Year	Amount
2023	$ 3,262
2024	2,751
	$ 6,013

EXHIBIT B-5

STATEMENT OF DUE TO STATE OF NEW JERSEY
ANIMAL CONTROL TRUST FUND

Balance, January 1, 2025	$ 12
Increased by:	
State Fees Collected	366
	378
Decreased by:	
Payments to State of New Jersey	370
Balance, December 31, 2025	$ 8

EXHIBIT B-6

BOROUGH OF ALLENDALE
STATEMENT OF DUE TO CURRENT FUND
ANIMAL CONTROL TRUST FUND

Balance, January 1, 2025		$ 3,798
Increased by:		
Statutory Excess		2,104
		5,902
Decreased by:		
Payments to Current Fund		3,798
Balance, December 31, 2025		$ 2,104

EXHIBIT B-7

STATEMENT OF RESERVE FOR OPEN SPACE TRUST
OPEN SPACE PRESERVATION TRUST FUND

Balance, January 1, 2025		$ 322,649
Increased by:		
2025 Tax Levy	$ 116,228	
2025 Added Taxes	121	
Interest Earned on Deposits	12,224	
		128,573
Balance, December 31, 2025		$ 451,222

EXHIBIT B-8

STATEMENT OF RESERVE FOR UNEMPLOYMENT INSURANCE BENEFITS
OTHER TRUST FUND

Balance, January 1, 2025		$ 75,624
Increased by:		
Budget Appropriation	$ 10,000	
Employee Contributions	6,547	
Interest Earned on Deposits	2,297	
		18,844
		94,468
Decreased by:		
Unemployment Insurance Benefit Claims		56,028
Balance, December 31, 2025		$ 38,440

BOROUGH OF ALLENDALE
STATEMENT OF MISCELLANEOUS RESERVES
OTHER TRUST FUND

	Balance January 1, 2025	Cash Receipts	Cash Disbursements	Balance December 31, 2025
Developers Escrow Administrator	$ 16,128	$ 10,408	$ 5,201	$ 21,335
Municipal Court - P.O.A.A.	190	114		304
Recycling	58,305	8,864	2,460	64,709
Escrow Deposits Payable	153,356	99,848	132,666	120,538
Vacant Property Escrow	16,000	1,000	7,000	10,000
Housing Trust	566,561	203,096	181,014	588,643
Rental Deposits	104,200			104,200
ATT Tower	13,059	467		13,526
Improvement and Beautification	27,193	4,537	15,615	16,115
9/11 Memorial	6,591			6,591
Police Donations	10,879	5,897	3,810	12,966
Orchard Commons Donation	4,488			4,488
Tax Sale Premiums	51,000	60,000		111,000
Flex Spending		15,738	10,755	4,983
Crestwood Cruisers	22,489	11,160	11,302	22,347
Storm Recovery	470,907	250,000	10,050	710,857
Police Outside Duty	7,993	20,898		28,891
Donations - Mural Project	8,276	4,783	10,692	2,367
	$ 1,537,615	$ 696,810	$ 390,565	$ 1,843,860

Cash Receipts	$ 446,810
Due from Current Fund	250,000
	$ 696,810

EXHIBIT B-10

BOROUGH OF ALLENDALE
STATEMENT OF RESERVE FOR PAYROLL SALARIES & WITHHOLDINGS PAYABLE
OTHER TRUST FUND

Balance, January 1, 2025	$	36,466
Increased by:		
Cash Receipts		8,185,823
		8,222,289
Decreased by:		
Cash Disbursements		8,174,760
Balance, December 31, 2025	$	47,529

EXHIBIT B-11

STATEMENT OF DUE FROM CURRENT FUND
OTHER TRUST FUND

Balance, January 1, 2025	$	400,000
Increased by:		
Transferred to Miscellaneous Reserves - Storm Recovery		250,000
Decreased by:		
Cash Receipts from Current Fund		400,000
Balance, December 31, 2025	$	250,000

GENERAL CAPITAL FUND

BOROUGH OF ALLENDALE
STATEMENT OF GENERAL CAPITAL CASH

Balance, January 1, 2025		$ 1,925,118
Increased by Receipts:		
Grant Proceeds	$ 1,218,615	
Bond Anticipation Notes	1,687,400	
Premium on Sale of Bond Anticipation Notes	4,664	
Transfer from Water Utility Capital Fund	1,042,387	
Current Fund Bond and Appropriations Capital Improvement Fund	1,600,000	
		5,553,066
		7,478,184
Decreased by Disbursements:		
Bond Anticipation Notes	542,400	
Improvement Authorizations	621,341	
Contracts Payable	1,530,476	
		2,694,217
Balance, December 31, 2025		$ 4,783,967

BOROUGH OF ALLENDALE
ANALYSIS OF GENERAL CAPITAL CASH

		Balance, December 31, 2025
Fund Balance		$ 1,145,259
Grant/Other Receivables		(595,553)
Capital Improvement Fund		1,543,689
Reserve for Municipal Improvements		1,754
Reserve for Debt Service		4,721
Reserve for Community Center		12,832
Contracts Payable		884,396
Excess Note Proceeds		455,540
Deferred Charge - Cancelled Grant Receivables		(23,416)
Ord. No.	Improvement Authorization	
15-18	Engineering for Capital Projects	3,609
17-05	Various Improvements	292
19-06	Various Improvements	42,972
20-08	Various Improvements	6,562
21-11	Various Public Improvements	44,965
22-07	Various Public Improvements	167,146
23-09	Various Public Improvements	174,442
23-14/24-11/25-01	Various Public Improvements	286,532
24-06	Various Public Improvements	481,439
25-01	Various Public Improvements	6,932
25-10	Various Public Improvements	139,854
		$ 4,783,967

EXHIBIT C-4

BOROUGH OF ALLENDALE
STATEMENT OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

						Analysis of Balance, December 31, 2025		
Ordinance Number	Improvement Description	Balance, January 1, 2025	2025 Authorizations	Grant Proceeds	Balance, December 31, 2025	Bond Anticipation Notes	Expenditures	Improvement Authorizations Unfunded
23-09	Various Public Improvements	378,575		$ 237,025	$ 141,550	$ 141,550		
23-14/24-11/25-01	Various Public Improvements	4,290,000	$ 665,000	823,000	4,132,000	4,132,000		
24-06	Various Public Improvements	1,187,500	-	158,590	1,028,910	1,028,910	-	$ -
		$ 5,856,075	$ 665,000	$ 1,218,615	$ 5,302,460	$ 5,302,460	$ -	$ -

Bond Anticipation Notes		$ 5,758,000
Less: Excess Note Proceeds		
Ord. No. 23-09	$ 139,050	
Ord. No. 23-14/24-11/25-01	158,000	
Ord. No. 24-06	158,490	
		455,540
		$ 5,302,460

Improvement Authorizations Unfunded		$ 909,521
Less: Unexpended Proceeds on Bond Anticipation Notes		
Ord. No. 23-09	$ 141,550	
Ord. No. 23-14/24-11/25-01	286,532	
Ord. No. 24-06	481,439	
		909,521
		$ -

EXHIBIT C-5

BOROUGH OF ALLENDALE
STATEMENT OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance Date	Amount	Balance, January 1, 2025 Funded	Balance, January 1, 2025 Unfunded	2025 Authorizations Capital Improvement Fund	2025 Authorizations Grants	2025 Authorizations Deferred Charges Unfunded	Prior Year Def. Charge	Paid or Charged	Balance, December 31, 2025 Funded	Balance, December 31, 2025 Unfunded
	General Improvements											
15-18	Engineering for Capital Projects	5/14/2015	35,000	$ 3,609							$ 3,609	
17-05	Various Improvements	3/23/2017	924,500	292							292	
19-06	Various Improvements	4/25/2019	1,142,500	64,657						$ 21,685	42,972	
20-08	Various Improvements	4/16/2020	1,575,604	22,279	$ 338					16,055	6,562	
21-11	Various Public Improvements	10/14/2021	810,000	81,674						36,709	44,965	
22-07	Various Public Improvements	7/21/2022	955,000	268,938						101,792	167,146	
23-09	Various Public Improvements	5/11/2023	1,390,500		215,990					41,548	32,892	$ 141,550
23-14/24-11/25-01	Various Public Improvements	10/26/2023	4,900,000			$ 35,000		$ 665,000	$ 145,558	267,910		286,532
24-06	Various Public Improvements	5/23/2024	1,636,200	-	711,263					229,824		481,439
25-01	Various Public Improvements	2/13/2025	295,000			295,000				288,068	6,932	
25-10	Various Public Improvements	6/26/2025	642,000	-	-	292,920	$ 349,080	-	-	502,146	139,854	-
				$ 441,449	$ 927,591	$ 622,920	$ 349,080	$ 665,000	$ 145,558	$ 1,505,737	$ 445,224	$ 909,521

Cash Disbursed	$ 621,341
Contracts Payable	884,396
	$ 1,505,737

BOROUGH OF ALLENDALE
STATEMENT OF BOND ANTICIPATION NOTES

Ord. No.	Improvement Description	Date of Issue of Original Notes	Date of Issue	Date of Maturity	Interest Rate	Balance, January 1, 2025	Increased	Decreased	Balance, December 31, 2025
23-09	Various Public Improvements	2/22/2024	2/21/2025	2/20/2026	3.50 %		$ 280,600		$ 280,600
			2/22/2024	2/21/2025	4.00	$ 823,000		$ 823,000	
23-14/24-11	Various Public Improvements	2/22/2024	2/21/2025	2/20/2026	3.50		3,790,000		3,790,000
			2/22/2024	2/21/2025	4.00	3,790,000		3,790,000	
24-06	Various Public Improvements	2/21/2025	2/21/2025	2/20/2026	3.50		1,187,400		1,187,400
24-11	Various Public Improvements	2/21/2025	2/21/2025	2/20/2026	3.50	-	500,000	-	500,000
						$ 4,613,000	$ 5,758,000	$ 4,613,000	$ 5,758,000
					Renewals		$ 4,070,600	$ 4,070,600	
					Issued for Cash		1,687,400		
					Paid with Excess Proceeds		-	542,400	
							$ 5,758,000	$ 4,613,000	

BOROUGH OF ALLENDALE
STATEMENT OF GRANT RECEIVABLES/OTHER RECEIVABLES

	Balance, January 1, 2025	2025 Grant Awards	Cash Receipts	Balance, December 31, 2025	
New Jersey Department of Transportation (DOT)					
Ordinance 21-11 - Downtown/DeMercurio	$ 171,473			$ 171,473	(1)
Ordinance 24-06 - Streetscape Improvements	236,000		$ 158,590	77,410	(2)
Ordinance 25-10 - Streetscape Improvements		$ 304,080		304,080	(1)
American Rescue Plan					
Ordinance 25-10 - Firefighters Grant		45,000		45,000	(1)
Bergen County Open Space					
Ordinance 22-07 - Crestwood	75,000			75,000	(1)
Ordinance 24-06 - Improvements to Crestwood Lake	89,780	-	-	89,780	(2)
	$ 572,253	$ 349,080	$ 158,590	$ 762,743	
			Pledge to Ordinances	$ 595,553	(1)
			Pledged to Reserve	167,190	(2)
				$ 762,743	

EXHIBIT C-8

BOROUGH OF ALLENDALE
STATEMENT OF CAPITAL IMPROVEMENT FUND

Balance, January 1, 2025	$	566,609
Increased by:		
2025 Budget Appropriation		1,600,000
		2,166,609
Decreased by:		
Appropriated to Finance Improvement Authorizations		622,920
Balance, December 31, 2025	$	1,543,689

EXHIBIT C-9

STATEMENT OF RESERVE FOR MUNICIPAL IMPROVEMENTS

Balance, January 1, 2025	$	1,754
Balance, December 31, 2025	$	1,754

EXHIBIT C-10

STATEMENT OF RESERVE FOR DEBT SERVICE

Balance, January 1, 2025	$	4,721
Balance, December 31, 2025	$	4,721

EXHIBIT C-11

BOROUGH OF ALLENDALE
STATEMENT OF CONTRACTS PAYABLE

Balance, January 1, 2025	$	1,530,476
Increased by:		
Contract Awards		884,396
		2,414,872
Decreased by:		
Cash Disbursements		1,530,476
Balance, December 31, 2025	$	884,396

EXHIBIT C-12

STATEMENT OF RESERVE FOR COMMUNITY CENTER

Balance, January 1, 2025	$	12,832
Balance, December 31, 2025	$	12,832

EXHIBIT C-13

STATEMENT OF DEFERRED CHARGE - CANCELLED GRANTS RECEIVABLES

Balance, January 1, 2025	$	23,416
Balance, December 31, 2025	$	23,416

EXHIBIT C-14

STATEMENT OF DEFERRED CHARGE - OVEREXPENDITURE OF ORDINANCE APPROPRIATION

Balance, January 1, 2025	$	145,558
Decreased by:		
Funded by Improvement Authorization	$	145,558

EXHIBIT C-15

BOROUGH OF ALLENDALE
STATEMENT OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Ordinance Number	Improvement Description	Balance, January 1, 2025	2025 Authorizations	Grant Receipts	Bond Anticipation Notes Issued	Balance, December 31, 2025
23-14/24-11/25-01	Various Public Improvements	$ 500,000	$ 665,000	$ 665,000	$ 500,000	
24-06	Various Public Improvements	1,187,500	-	100	1,187,400	-
		$ 1,687,500	$ 665,000	$ 665,100	$ 1,687,400	$ -

WATER UTILITY FUND

BOROUGH OF ALLENDALE
STATEMENT OF CASH- TREASURER
WATER UTILITY FUND

	Operating		Capital	
Balance, January 1, 2025		$ 7,958,002		$ 1,042,387
Increased by Receipts:				
Miscellaneous Revenue	$ 202,607			
Interest on Funds Held in Escrow	15,672		-	
		218,279		-
		8,176,281		1,042,387
Decreased by Disbursements:				
Refund of Prior Year Revenue	20			
Payments to General Capital Fund			$ 1,042,387	
Disbursements from Escrow Account	250,068		-	
		250,088		1,042,387
Balance, December 31, 2025		$ 7,926,193		$ -

Cash	$ 5,021,352
Cash with Fiscal Agents	2,904,841
	$ 7,926,193

EXHIBIT D-6

BOROUGH OF ALLENDALE
STATEMENT OF RESERVE FOR SALE OF ASSETS - COST REIMBURSEMENT
WATER UTILITY OPERATING FUND

Balance, January 1, 2025	$	150,000
Balance, December 31, 2025	$	150,000

EXHIBIT D-7

STATEMENT OF RESERVE FOR SALE OF ASSETS
WATER UTILITY OPERATING FUND

Balance, January 1, 2025	$	5,566,222
Increased by:		
Interest Earned on Funds Held in Escrow		15,672
		5,581,894
Decreased by:		
Disbursed from Escrow Account		250,068
Balance, December 31, 2025	$	5,331,826

BOROUGH OF ALLENDALE

BERGEN COUNTY, NEW JEREY

PART II

GOVERNMENT AUDITING STANDARDS

FOR THE YEAR ENDED DECEMBER 31, 2025

LERCH, VINCI & BLISS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA
ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA, PSA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA
JOHN CUIFFO, CPA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Allendale
Allendale, 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 audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements – regulatory basis of the Borough of Allendale which comprise the balance sheets – regulatory basis of the various funds and account group as of December 31, 2025, and the related statements of operations and changes in fund balance – regulatory basis, statements of revenues – regulatory basis and statements of expenditures – regulatory basis of the various funds for the year then ended and the related notes to the financial statements, and have issued our report thereon dated May 27, 2026. Our report on the financial statements – regulatory basis was modified to indicate that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but rather prepared in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States, to meet the financial reporting requirements of the State of New Jersey for municipal government entities as described in Note 1.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Allendale's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Borough of Allendale's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Allendale'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 Borough's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Allendale'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 audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Borough of Allendale in Part III of this report of audit entitled, "Letter of Comments and Recommendations".

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 Borough of Allendale'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 Borough of Allendale's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants

Paul J. Lerch
Registered Municipal Accountant
RMA Number CR000457

Fair Lawn, New Jersey
May 27, 2026

Schedule A

BOROUGH OF ALLENDALE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	CFDA Number	Grant Year	Grant Award Amount	2025 Receipts	Balance, January 1, 2025	Revenue Realized	Expenditures	Adjustments/ Cancellations	Balance, December 31, 2025	Cumulative Expenditures
U.S. Department of Treasury										
(Passed Through State Dept. of Community Affairs)										
Coronavirus State and Local Fiscal Recovery Funds										
Firefighter Grant	21.027	2025	$ 45,000			$ 45,000			$ 45,000	
U.S. Department of Housing and Urban Development										
Community Project Funding Grant										
Construction of Community Center				$ 823,000	-	$ 823,000	$ 823,000	-	-	$ 823,000
					$ -	$ 868,000	$ 823,000	$ -	$ 45,000	

Note: This schedule is not subject to Single Audit in accordance with U.S. Uniform Guidance.

See Accompanying Notes to Schedule of Expenditures of Federal Awards

Schedule B

BOROUGH OF ALLENDALE
SCHEDULES OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED DECEMBER 31, 2025

State Grant Program	Account Number	Grant Year	Grant Award Amount	Grant Receipts	Balance, January 1, 2025	Revenue Realized	Expended	Adjustment/ Cancellations	Balance, December 31, 2025	Cumulative Expenditures
Department of Environmental Protection										
Clean Communities Grant	4900-765-004	2026	$ 17,637	$ 17,637						
		2025	17,782			$ 17,782			$ 17,782	
		2024	15,656		$ 15,656				15,656	
		2023	13,958		13,958				13,958	
		2022	13,705		13,705				13,705	
		2021	12,879		12,879				12,879	
		2020	14,284		14,284		$ 4,932		9,352	$ 4,932
		2019	12,797		1,987		1,987			12,797
Recycling Tonnage Grant	4910-100-224	2025	7,518	7,518						
		2024	19,890		19,890				19,890	
		2023	8,048		8,048				8,048	
		2022	7,361		7,361				7,361	
		2021	9,607		9,607				9,607	
		2020	8,459		8,459				8,459	
		2019	7,725		801				801	6,924
Stormwater Assistance Grant		2024	15,000		15,000				15,000	
Div. of Highway Traffic Safety										
Drunk Driving Enforcement Fund	6400-100-078	2019	6,243		1,343		309		1,034	5,209
Department of Transportation - Local Municipal Aid										
DOT - Ord. 24-06	480-078-6320	2024	236,000	158,590	9,547		9,547			236,000
DOT - Ord. 25-10	480-078-6320	2025	304,080			304,080	304,080			304,080
Dept. of Law and Public Safety										
Body Armor Replacement	066-1020-718-001	2025	1,574	1,574		1,574	1,492	$ (80)	2	
Body Armor Replacement	066-1020-718-001	2024	229		(80)	-	-	80	-	229
					$ 152,445	$ 323,436	$ 322,347	$ -	$ 153,534	

Note: This schedule is not subject to Single Audit in accordance with New Jersey OMB 25-12.

See Accompanying Notes to Schedule of Expenditures of State Financial Assistance

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

BOROUGH OF ALLENDALE
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED DECEMBER 31, 2025

NOTE 1 REPORTING ENTITY

The Borough of Allendale (the "Borough") received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Borough is the reporting entity for these programs. The Borough is defined in Note 1 (A) to the Borough's Financial Statements.

NOTE 2 BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (the "Schedules") present the activity of all federal and state programs of the Borough. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principals, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 25-12 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Borough conform to the accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") which is a 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 as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Borough accounts for federal awards and state financial assistances through separate funds and accounts which differ from those required by accounting principles generally accepted in the United States of America. The Borough's summary of significant accounting policies are described in Note 1 to the Borough's Financial Statements.

NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Borough's financial statements. Financial assistance revenues are reported in the Borough's financial statements on a basis of accounting described above as follows:

	Federal	State	Total
Current Fund		$ 19,356	$ 19,356
General Fund	$ 868,000	304,080	1,172,080
	$ 868,000	$ 323,436	$ 1,191,436

NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the Borough's fiscal year and grant program year.

NOTE 6 DE MINIMIS INDIRECT COST RATE

The Borough has not elected to use the 10 percent de minimis indirect cost rate allowed under the U.S. Uniform Guidance.

BOROUGH OF ALLENDALE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

Part I – Summary of Auditor's Results

Financial Statements

Type of auditors' report issued on financial statements	Unmodified-Regulatory Basis			
Internal control over financial reporting:				
1) Material weakness(es) identified		yes	X	no
2) Significant deficiency(ies) that are not considered to be material weakness(es)?		yes	X	none reported
Noncompliance material to the financial statements noted?		yes	X	no

Federal Awards Section

Not Applicable

State Awards Section

Not Applicable

BOROUGH OF ALLENDALE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

Part 2 – Schedule of Financial Statement Findings

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

There are none.

BOROUGH OF ALLENDALE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

Part 3 – Schedule of Federal and State Award Findings and Responses

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

Not Applicable.

CURRENT YEAR STATE AWARDS

Not Applicable.

BOROUGH OF ALLENDALE
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2025

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards.*

STATUS OF PRIOR YEAR FINDINGS

There were none.

BOROUGH OF ALLENDALE

BERGEN COUNTY, NEW JERSEY

PART III

SUPPORTING DATA

LETTER OF COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2025

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE - CURRENT FUND

	Year 2025		Year 2024	
	Amount	Percent	Amount	Percent
REVENUE AND OTHER INCOME REALIZED				
Fund Balance Utilized	$ 1,300,000	2.41 %	$ 1,100,000	2.12 %
Miscellaneous - From Other Than Local Property Tax Levies	4,697,589	8.72	4,573,803	8.81
Collection of Delinquent Taxes and Tax Title Liens	197,470	0.37	263,740	0.51
Collection of Current Tax Levy	47,013,565	87.21	45,107,355	86.73
Other Credits	695,035	1.29	955,883	1.84
Total Income	53,903,659	100.00 %	52,000,781	100.00 %
EXPENDITURES				
Budget Expenditures Municipal Purposes	16,866,875	32.35 %	16,059,501	32.17 %
Local School Taxes	18,634,419	35.75	18,120,639	36.28
Regional School Taxes	10,914,738	20.94	10,530,882	21.09
County Taxes	5,589,421	10.72	5,107,281	10.23
Municipal Open Space Taxes	116,349	0.22	108,479	0.22
Other Expenditures	9,115	0.02	13,034	0.03
Total Expenditures	52,130,917	100.00 %	49,939,816	100.00 %
Excess in Revenue	1,772,742		2,060,965	
Fund Balance, January 1	4,581,599		3,620,634	
	6,354,341		5,681,599	
Less Utilization as Anticipated Revenue	1,300,000		1,100,000	
Fund Balance, December 31	$ 5,054,341		$ 4,581,599	

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
WATER UTILITY OPERATING FUND

	Year 2025			Year 2024		
	Amount	Percent		Amount	Percent	
REVENUE AND OTHER INCOME REALIZED						
Miscellaneous - From Other Than Water Rents	$ 202,607	100.00	%	$ 258,145	100.00	
Total Income	202,607	100.00	%	258,145	100.00	%
EXPENDITURES						
Refund and Prior Year's Revenue	20	100.00	%	-	-	
Total Expenditures	20	100.00	%	-	-	%
Excess in Revenue	202,587			258,145		
Statutory Excess to Surplus	202,587			258,145		
Fund Balance, January 1	2,241,780			1,983,635		
	2,444,367			2,241,780		
Decreased by:						
Utilized in Water Operating Budget	-			-		
Fund Balance, December 31	$ 2,444,367			$ 2,241,780		

BROUGH OF ALLENDALE
COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	2025	2024	2023
Tax Rate	$ 2.109	$ 2.109	$ 2.199
Apportionment of Tax Rate			
Municipal (Including Municipal Library)	$ 0.513	$ 0.545	$ 0.572
Municipal Open Space	0.004	0.004	0.005
County (Including Open Space)	0.241	0.237	0.243
District School	0.802	0.837	0.859
Regional School	0.470	0.486	0.520
Assessed Valuation			
2025	$ 2,324,565,600		
2024		$ 2,165,626,800	
2023			$ 2,035,931,500

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	$ 47,250,151	$ 47,013,565	99.50%
2024	45,777,245	45,507,355	99.41%
2023	44,837,740	44,425,558	99.08%

BOROUGH OF ALLENDALE
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.

December 31	Amount of Delinquent Taxes	Amount of Tax Title Liens	Total Delinquent	Percentage of Tax Levy
2025	$ 216,093	$ 100,109	$ 316,202	0.67%
2024	197,220	97,170	294,390	0.64%
2023	263,490	94,217	357,707	0.80%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

No properties have been acquired in 2024 by foreclosure or deed, as a result of liquidation of tax title liens.

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

Year	Amount
2025	$4,900
2024	4,900
2023	4,900

COMPARATIVE SCHEDULE OF FUND BALANCES

	Year	Balance, December 31st	Utilized in Budget of Succeeding Year
Current Fund	2025	$ 5,054,341	$ 2,200,000
	2024	4,581,599	1,300,000
	2023	3,620,634	1,100,000
Water Utility Operating Fund	2025	$ 2,444,367	$-0-
	2024	2,241,780	$-0-
	2023	1,983,635	$-0-

BOROUGH OF ALLENDALE
OFFICIALS IN OFFICE AND SURETY BONDS

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

Name	Title	Amount of Bond
Amy Wilczynski	Mayor	None
Elizabeth Homan	Council President	None
Joseph Daloisio	Council Member	None
Susanne Lovisolo	Council Member	None
Edward O'Connell	Council Member	None
Matthew O'Toole	Council Member	None
Tyler Yaccarino	Council Member	None
Alison Altano	Borough Administrator/Chief Financial Officer	$1,000,000
Linda Cervino	Borough Clerk	None
Raymond Wiss	Borough Attorney	None
Gina Wittmaack	Tax Collector	1,000,000
Angela M. Mattiace	Tax Assessor	None
Christopher Botta	Municipal Court Judge	1,000,000
Rosemarie Novelli-Salyer	Municipal Court Administrator	1,000,000
Michael T. Dillon	Police Chief/Emergency Management Coordinator	None
Kevin Todd	Fire Official	None
Greg Andersen	Fire Chief	None
Andrew Agugliaro	DPW Superintendent	None
Michael Vreeland	Borough Engineer	None
Hansel Asmar	Health Officer	None
Joe Citro	Purchasing Agent	None

BOROUGH OF ALLENDALE
LETTER OF COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

Prior Year Unresolved

Our audit of the municipal court indicated numerous tickets in excess of six (6) months in age have been assigned to police officers but have not been issued. It is recommended that tickets assigned in excess of six (6) months in age which have not been issued be recalled and reassigned.

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR NJS 40A:11-4

NJS 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 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 $44,000, except by contract or agreement. As of July 1, 2025 such statutory threshold was increased to $53,000.

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year.

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

- Grandstand Parking Lot Resurfacing
- Lease and Associated Work – Cell Tower Space
- Streetscape Project – Phase VII
- Renovations to Memorial Park Walkways Phase I

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

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. The Borough does maintain an accumulation of cost by vendor. Disbursements were reviewed to determine whether any clear-cut violations existed.

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

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held in December 2017.

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

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

Year	Number of Liens
2024	4
2023	4
2022	4

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

BOROUGH OF ALLENDALE
LETTER OF COMMENTS AND RECOMMENDATIONS

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

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

The Governing Body on January 6, 2025 adopted the following resolution authorizing interest to be charged on delinquent taxes:

"NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Allendale that it does hereby fix the rate of interest to be charged for the non-payment of taxes or assessments to be eight (8%) per annum on the first $1,500 delinquency and 18 percent (18%) per annum on any amount in excess of $1,500 from the date of delinquency(s) to date of payment, providing however, that payments made during the first ten days of delinquency shall not be subject to interest charges."

SUGGESTION TO MANAGEMENT

Continued efforts be made to issue purchase orders prior to the provision of good and services and to obtain quotes, where applicable.

APPRECIATION

We desire to express our appreciation to the Borough Administrator and other Borough Staff who assisted us during the course of our audit.

BOROUGH OF ALLENDALE
RECOMMENDATIONS

It is recommended that:

* 1. With respect to the municipal court, tickets assigned in excess of six (6) months in age which have not been issued be recalled and reassigned.

Status of Prior Years' Audit Findings/Recommendations

Corrective action has been taken on all prior year recommendations, other than the one denoted with an asterisk above.

* * * * * * * * * * *

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.

Lerch, Vinci & Bliss, LLP

LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Registered Municipal Accountants

Paul J. Lerch

Paul J. Lerch
Registered Municipal Accountant
RMA Number CR000457

ANNUAL AUDIT REPORT OF THE MUNICIPAL COURT

FOR THE YEAR 2025

MUNICIPAL COURT OF: The Borough of Allendale

COUNTY OF: Bergen

Court Information

ADDRESS:	Borough Hall - Allendale	PHONE:	201-818-4400
	500 W. Crescent Ave	COUNTY:	Bergen
	Allendale NJ 07401	JUDGE:	Hon. Harry D. Norton
		COURT ADMINISTRATOR:	Rosemarie Novelli-Salyer

Report Completed By

NAME:	Paul J. Lerch	RMA NUMBER:	CR000457
SIGNED BY:		DATE:	6-11-26
ADDRESS:	17-17 Route 208 North Fair Lawn, N.J. 07410		

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING DECEMBER 31, 2024

Agency	Beginning Balance as of January 1, 2025	Receipts	Disbursements	Ending Balance as of December 31, 2025
State of New Jersey	$ 2,070	$ 22,948	$ 21,567	$ 3,451
County	592	11,797	11,457	932
Municipality	1,873	32,174	30,972	3,075
Municipality - POAA	12	106	114	4
County Lab				
Conditional Discharge				
Fish & Game				
Park & Forest				
Weights & Measures		1,550	1,550	
Restitution		294	294	
Interest				
Misc.		75		75
Misc.				
Misc.				
Cash Bail	1,010	1,750	2,750	10
TOTALS	$ 5,557	$ 70,694	$ 68,704	$ 7,547

Was the ending balance disbursed by the 15th of the next month? Yes If not, explain?

GENERAL MUNICIPAL COURT INFORMATION

1. Does this municipal court serve more than one municipality? No If so, please list:

2. Amount paid or charged in 2025 to 2025 appropriations for Salary of Judge(s) $16,480
   Other Staff ____ Expenses $ 5,392
3. Is an approved statewide violations bureau schedule of fines prominently posted in the place where fines are to be paid to the violations clerk? Yes
4. Does the court have a approved supplemental Local Violations Bureau Schedule? Yes If so, is it prominently posted in the place where fines are to be paid to the violations clerk ? Yes
5. List staff members that are bonded

Judge	Christopher Botta	Amount of Bond	$1,000,000 *
Ct. Director		Amount of Bond	N/A
Ct. Adm.	Rosemarie Novelli-Salyer	Amount of Bond	$1,000,000 *
Dep. Ct. Adm.		Amount of Bond	
Other Staff		Amount of Bond	
		Amount of Bond	
		Amount of Bond	

* Municipal Joint Insurance Fund Statutory Bond

6. When does the Judge's term expire? 12/31/2027
7. Are uniform traffic tickets serially numbered, properly controlled and accounted for? Yes
8. Are tickets eligible for destruction disposed of in a timely and proper manner? Yes

FINANCIAL PROCEDURES

Daily Financial Procedures

1. Are separate cash boxes maintained for each employee that receipts money ? N/A (Only One Employee)
2. Who is responsible for completing the Daily Bank Deposit ? Court Administrator
3. Who is responsible for transporting the Daily Deposit to the Bank ? Court Administrator
4. What procedures are followed to transport the monies to the bank (i.e., security)? Court Administator makes deposit to bank daily in a locked vehicle.
5. Are deposits made within 48 hours of receipt ? Yes If no, please explain
   It is the Borough's policy to make deposits with in 48 hours
6. Do the above cash handling procedures provide for adequate security and separation of responsibilities ?
   This is not applicable; there is only one employee who handles all responsibilities.
7. Do the deposit slips match the totals provided by the Daily Batch and Criminal Journal? Yes If no, please explain
8. Do the deposit slips match the daily totals displayed on the ATS Monthly Cashbook? Yes If no, please explain
9. Are the deposit slips attached to the ATS Daily Batch Report and Criminal Journal? Yes
10. As of what date or dates was cash counted, reconciliation made and bank balance confirmed?
    12/31/2025 - Reconciliation Made. Cash deposit was counted 3/13/2026.

Monthly Financial Procedures

11. Are separate general/bail accounts maintained? Yes
12. Is the court utilizing the ATS/ACS monthly cashbook? Yes If no, please explain

13. Who is responsible for the municipal court financial procedures (name and title)?
Rosemarie Novelli-Salyer
14. Do the monthly disbursement checks equal account totals on Part V of the ATS Monthly Cash Book?
Yes If no, explain
15. Are monies turned over to the proper agencies on or before the 15th of each month? Yes If no, please explain
16. Does the general account accrue interest? No Bail Account No Is the interest turned over to the municipality on a monthly basis? Not Applicable
17. Are overpayment checks written on a monthly basis? Yes
18. Is the bank reconciliation page of the Monthly Cash Book completed and balanced? Yes
If no, explain
19. Are the Fiscal Records kept in a safe place? Yes, in a locked filing cabinet.

Bail Procedures

20. Is bail collected by the police department properly and promptly turned over to the municipal court? Yes
21. Are bail refunds done in a timely manner? Yes Are the refund checks made out to the surety?
Yes.
22. Are bail forfeitures done in a timely manner? Yes
23. Are the cash balances on the Monthly Bail on Account Report equal to the account balance in the Bail Account? Yes

Borough of Allendale County of Bergen

COMMENTS:

1. Numerous tickets in excess of six (6) months in age have been assigned to police officers but have not been issued.

RECOMMENDATIONS:

1. Tickets assigned in excess of the six (6) months in age which have not been issued be recalled.

Borough	of	Allendale	of	Bergen
City, Town, Boro. or Twp.		Municipality		County

Form for Reporting Dog Licenses Issued
Pursuant to N.J.S.A. 4:19-15.1 et seq.,
as amended by Chapter 168, P.L. 1978 and
Chapter 235, P.L. 1981

Auditor: Lerch, Vinci & Bliss
Address: 17-17 Route 208 N
Fair Lawn, NJ 07410

	1 Yr.	3 Yr.		
Dog License Fee - Minimum	$1.50	$4.50	Kennel License-Not in Excess of 10 Dogs	$10.00
Dog License Fees - Maximum	$8.80	$26.40	Kennel License-In Excess of 10 Dogs.....	25.00
(Where there is no Local Ordinance, the fee shall be $1.50, 1 year $ 4.50, 3 years)			Pet Shop License................................	10.00
State Registration Fees: 1 Year License -- $1.00 3 Year License -- $3.00			"Service", "Hearing Ear" and "Seeing Eye" Dog Licenses are to be issued without fees	

YEAR 2025

License Numbers From	To	Rate	Total Fees		Municipal License		Kennel License		Seeing Eye		State Registration Fees	
1	267	Various	$2,978		$2,612						$366	
Void/Replacements: 2												
TOTALS			$2,978		$2,612						$366	
Balance Due To State Treasurer December 31, 2024											12	
Remitted to State Treasurer											370	
Balance Due To State Treasurer December 31, 2025											$ 8	

Memo to Auditor: If three year licenses are issued, prepaid license fees must be set up in the Dog License Fund, however, the state registration fees are due 30 days after collection.

From:	Catherine Domkofski
To:	Linda L. Cervino; Alison Altano
Subject:	Allendale 2025 Special Reports
Date:	Thursday, June 11, 2026 11:25:39 AM
Attachments:	image001.png Allendale 2025 Court Report.pdf Allendale 2025 Dog Report.pdf Synopsis for Publication 2025.xlsx Allendale 2025 UCC Form.pdf

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Dear Linda and Alison,

Attached please find the following Borough of Allendale Special Reports dated December 31, 2025:

1. Municipal Court Report
2. Dog Report
3. Synopsis of Audit
4. UCC Fee Form

Cathy

Cathy Domkofski
Admin. Assistant
Lerch, Vinci & Bliss, LLP
17-17 Route 208 North
Fair Lawn, New Jersey 07410
Phone: 201-791-7100
Fax: 201-791-3035
E-mail: cdomkofski@lvbcpa.com

UNIFORM CONSTRUCTION CODE ENFORCEMENT FEE REPORT - YEAR 2025

Municipality: Borough of Allendale	Construction Official: Anthony Hackett
County of: Bergen	
Address: 500 West Crescent Avenue,	Phone: 201-818-4400
Allendale NJ, 07401	Fax: 201-825-1913
	Email: codeofficial@allendalenj.gov

Please provide a weblink to the municipality's UCC fee schedule, or attach the schedule to this report.

Report Completed By:

Name: Paul J. Lerch

Signature:

Date: 6/10/2026

RMA #: CR000457

Telephone/Fax: 201-791-7100/ 201-791-3035

Email Address: plerch@lvbcpa.com

Mailing Address: 17-17 Route 208 South
Fair Lawn, NJ 07410

Does this Construction Code Office serve more than one municipality? **No**
If yes, please list each municipality and state whether a current written agreement exists
N/A

If UCC inspections are performed by a private entity, please name the party or parties, list the corresponding inspection categories, and state whether a current written agreement exists:

I. REVENUES	
A. Uniform Construction Code Fees	$357,117
B. Penalties	8,000
C. Income: UCC Shared Services/Interlocal	
TOTAL REVENUES (A+B+C)	$365,117
II. EXPENDITURES DIRECTLY RELATED TO UCC ENFORCEMENT	
A. Salary & Wages (List Separately in Appendix)	$236,416
B. Employee Fringe Benefits	51,311
C. Motor Vehicle Expenses	
D. Direct Agency Support Costs	29,703 (Other Expenses)
E. Auditor Fees for UCC Auditing:	
F. Legal Services for UCC Litigation:	
G. Professional Expenses	
H. Indirect/Overhead Expenses	38,092
TOTAL EXPENSES (A through H):	$355,521
EXCESS (DEFICIT)	$9,596

III. RIDER DEDICATION (N.J.S.A. 40A:4-39)
(complete only if municipality has a UCC trust fund)

A.	Opening Balance in Trust Fund	$
B.	Revenues Received in Trust Fund	
C.	Expenses from Trust	
D.	Closing Balance in Trust Fund (A+B-C)	$

Uniform Construction Code Enforcement Personnel (Direct Hires)
add additional lines as required

Name (Last, First)	UCC License No.	Position	Annual UCC Salary/Wages
Hackett, Anthony	11039	Building Construction Official	$110,313
Pepe, Garrett	5922	Plumbing Inspector	$29,458
Lombardozzi, Vincent	9895	Electrical Inspector	$26,780
Dalton, Keith	011083	Fire Subcode	$16,068
Garofalo, Linda		Clerical	$31,646
Limatola, Michael		Technical Assistant	$22,151
Todd, Kevin		Fire Inspector	$7,000

Has routine sample testing been conducted as to enforcement agency direct expenditures and their compliance with N.J.A.C. 5:23-4.17? **Yes**

Do the enforcement agency's indirect/overhead expenses exceed 12 percent of the total of A through G above? **No**

If the answer to the above question is yes, has a detailed written justification for any charge for indirect/overhead expenses in excess of 12 percent been submitted to the Department of Community Affairs and made available for public inspection? **N/A**

If the municipality has been directed to do so by the Department of Community Affairs, the auditor shall also sample test supporting expenditures for all direct and indirect expenses allocated to the Construction Department. This testing should provide support to validate the appropriateness of the charges as they relate to compliance with N.J.A.C. 5:23-4.17, namely that all expenditures of construction code fees have been made for purposes permitted under the regulation. The outcome of said testing shall be specifically reflected in a separate opinion contained in an addendum to the annual Audit.

SYNOPSIS OF 2025 AUDIT REPORT OF THE
BOROUGH OF ALLENDALE

SYNOPSIS OF 2025 AUDIT REPORT OF

BOROUGH OF ALLENDALE

AS REQUIRED BY N.J.S. 40A:5-7

COMBINED COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	DECEMBER 31, 2025	DECEMBER 31, 2024
ASSETS		
Cash and Investments	$ 23,240,860	$ 20,783,385
Taxes, Assessments, Liens and Utility Charges Receivable	316,202	294,390
Property Acquired for Taxes-Assessed Value	4,900	4,900
Accounts Receivable	1,019,213	978,524
Deferred Charges to Future Taxation-General Capital	5,302,460	5,856,075
Deferred Charges to Revenue of Succeeding Years	23,416	168,974
Land, Buildings, Machinery, and Equipment	29,081,223	27,801,145
TOTAL ASSETS	$ 58,988,274	$ 55,887,393
LIABILITIES, RESERVES AND FUND BALANCE		
Bonds, Loans, and Notes Payable	$ 5,758,000	$ 4,613,000
Improvement Authorizations	1,354,745	1,369,040
Other Liabilities and Special Funds	13,655,698	13,508,893
Reserve for Certain Assets Receivable	494,641	631,341
Investments in General Fixed Assets	29,081,223	27,801,145
Fund Balance	8,643,967	7,963,974
TOTAL LIABILITIES, RESERVES AND FUND BALANCE	$ 58,988,274	$ 55,887,393

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

	2025	2024
REVENUE AND OTHER INCOME REALIZED		
Fund Balance Utilized	$ 1,300,000	$ 1,100,000
Miscellaneous-From Other Than Local Property Taxes	4,697,589	4,173,803
Collection of Delinquent Taxes and Tax Title Liens	197,470	263,740
Collection of Current Tax Levy	47,013,565	45,507,355
Other Credits to Income	695,035	955,883
TOTAL INCOME	53,903,659	52,000,781
EXPENDITURES		
Budget Appropriations:		
Municipal Purposes	16,866,875	16,059,501
County Taxes	5,589,421	5,107,281
Municipal Open Space	116,349	108,479
Local School Taxes	18,634,419	18,120,639
Regional School Taxes	10,914,738	10,530,882
Other Expenditures	9,115	13,034
TOTAL EXPENDITURES	52,130,917	49,939,816
Excess in Revenue	1,772,742	2,060,965
Fund Balance, January 1	4,581,599	3,620,634
	6,354,341	5,681,599
Less: Utilization as Anticipated Revenue	1,300,000	1,100,000
Fund Balance, December 31	$ 5,054,341	$ 4,581,599

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
WATER UTILITY OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUE AND OTHER INCOME REALIZED		
Miscellaneous - From Other Than Water Service Charges	$ 202,607	$ 258,145
TOTAL INCOME	202,607	258,145
EXPENDITURES		
Other Expenditures	20	0
TOTAL EXPENDITURES	20	0
Excess in Revenue	202,587	258,145
Fund Balance, January 1	2,241,780	1,983,635
Fund Balance, December 31	$ 2,444,367	$ 2,241,780

BOROUGH OF ALLENDALE
RECOMMENDATIONS

1. With respect to the municipal court, tickets assigned in excess of the six (6) months in age which have not been issued be recalled and reassigned.

The above synopsis was prepared from the audit of the Borough of Allendale, County of Bergen, for the calendar year 2025. This report of audit, submitted by Paul J. Lerch, Registered Municipal Accountant, is on file at the Borough Clerk's office and may be inspected by any interested person.

The Record - 06/21/2026

Linda Louise Cervino, Municipal Clerk

Borough of Allendale, New Jersey
Office of the Borough Clerk

PROOF OF PUBLICATION AFFIDAVIT

Date: June 21, 2026

As the duly appointed Municipal Clerk for the Borough of Allendale, in the County of Bergen, State of New Jersey, I, Linda Louise Cervino, hereby certify that the attached Public Notice was published in the, Sunday, June 21, 2026, issue of the following newspaper(s):

☒ THE RECORD ☐ THE STAR LEDGER
☐ RIDGEWOOD NEWS

Linda Louise Cervino

Linda Louise Cervino, RMC
Municipal Clerk

BOROUGH OF ALLENDALE 1894

Proof of Publication
Synopsis of Year Ending December 31, 2025
Audit Report

SEE ATTACHED

SYNOPSIS OF 2025 AUDIT REPORT OF THE BOROUGH OF ALLENDALE

SYNOPSIS OF 2025 AUDIT REPORT OF
BOROUGH OF ALLENDALE
AS REQUIRED BY N.J.S. 40A:5-7
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BOROUGH OF ALLENDALE
COMPARATIVE STATEMENTS OF OPERATIONS
AND CHANGES IN FUND BALANCE - REGULATORY BASIS
CURRENT FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUE AND OTHER INCOME REALIZED		
Fund Balance Utilized	$ 1,300,000	$ 1,100,000
Miscellaneous-From Other Than Local Property Taxes	4,697,589	4,173,803
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	6,354,341	5,681,599
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Fund Balance, December 31	$ 5,054,341	$ 4,581,599

BOROUGH OF ALLENDALE
COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES
IN FUND BALANCE - REGULATORY BASIS
WATER UTILITY OPERATING FUND
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUE AND OTHER INCOME REALIZED		
Miscellaneous - From Other Than Water Service Charges	$ 202,607	$ 258,145
TOTAL INCOME	202,607	258,145
EXPENDITURES		
Other Expenditures	20	0
TOTAL EXPENDITURES	20	0
Excess in Revenue	202,587	258,145
Fund Balance, January 1	2,241,780	1,983,635
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BOROUGH OF ALLENDALE
RECOMMENDATIONS

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The above synopsis was prepared from the audit of the Borough of Allendale, County of Bergen, for the calendar year 2025. This report of audit, submitted by Paul J. Lerch, Registered Municipal Accountant, is on file at the Borough Clerk's office and may be inspected by any interested person.

The Record - 06/21/2026

Linda Louise Cervino, Municipal Clerk

[Back]

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M-61399780.pdf Sunday, June 21, 2026

Notice Content

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SYNOPSIS OF 2025 AUDIT REPORT OF THE BOROUGH OF ALLENDALE SYNOPSIS OF 2025 AUDIT REPORT OF BOROUGH OF ALLENDALE AS REQUIRED BY N.J.S. 40A:5-7 COMBINED COMPARATIVE BALANCE SHEET - REGULATORY BASIS DECEMBER 31, DECEMBER 31, 2025 2024 ASSETS Cash and Investments $ 23,240,860 $ 20,783,385 Taxes, Assessments, Liens and Utility Charges Receivable 316,202 294,390 Property Acquired for Taxes-Assessed Value 4,900 4,900 Accounts Receivable 1,019,213 978,524 Deferred Charges to Future Taxation-General Capital 5,302,460 5,856,075 Deferred Charges to Revenue of Succeeding Years 23,416 168,974 Land, Buildings, Machinery, and Equipment 29,081,223 27,801,145 TOTAL ASSETS $ 58,988,274 $ 55,887,393 LIABILITIES, RESERVES AND FUND BALANCE Bonds, Loans, and Notes Payable $ 5,758,000 $ 4,613,000 Improvement Authorizations 1,354,745 1,369,040 Other Liabilities and Special Funds 13,655,698 13,508,893 Reserve for Certain Asset

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1614383347**

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RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-181

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

APPROVAL OF CORRECTIVE ACTION PLAN – REPORT OF AUDIT FOR FISCAL YEAR ENDING DECEMBER 31, 2025

WHEREAS, the Division of Local Government Services requires the Chief Financial Officer to file a "Corrective Action Plan" outlining the actions to be taken relative to the findings and recommendations in the annual audit report; and

WHEREAS, the "Corrective Action Plan" shall be prepared by the Chief Financial Officer with the assistance of the departments affected by the audit finding and recommendations, and

WHEREAS, the Governing Body is required by resolution, to approve said "Corrective Action Plan" and shall be placed on file and made available for public inspection in the Office of the Municipal Clerk.

NOW, THEREFORE BE IT RESOLVED that the Governing Body of the Borough of Allendale hereby approves the "Corrective Action Plan" for the fiscal year 2025 Audit Report submitted by the Chief Financial Officer.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

____

Linda Louise Cervino, RMC
Municipal Clerk

BOROUGH OF ALLENDALE, NJ

CORRECTIVE ACTION PLAN REPORT

2025 AUDIT – YEAR ENDED DECEMBER 31, 2025

Finding/Condition No. 1*	Audit indicated that tickets assigned to Police Officers are not being recalled when they are more than the six (6) month age limit.
Recommendation	With respect to the municipal court, tickets assigned in excess of the six (6) months in age which have not been issued be recalled.
Explanation and Corrective Action	The Chief of Police will ensure that all unused tickets exceeding six (6) months in age be recalled by the assigned Police Officers.
Implementation Date	June 30, 2026

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-182

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

- ☐ Carried
- ☐ Defeated
- ☐ Tabled
- ☐ Approved on Consent Agenda

A RESOLUTION AUTHORIZING INCLUSION IN THE BERGEN COUNTY COMMUNITY DEVELOPMENT PROGRAM FOR FISCAL YEARS 2027, 2028 AND 2029

WHEREAS certain Federal funds are potentially available to the County of Bergen under Title I of the Housing and Community Development Act of 1974, as amended; the HOME Investment Partnership Act of 1990, as amended; and the Emergency Solutions Grant of 2012; and

WHEREAS the current Interlocal Services Cooperative Agreement contains an automatic renewal clause to expedite the notification of the inclusion process; and

WHEREAS each Municipality must notify the Bergen County Division of Community Development of its intent to continue as a participant in the Urban County entitlement programs noted above; and

WHEREAS it is in the best interest of the Municipality of Allendale and its residents to participate in said Programs.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Council of the Municipality of Allendale hereby notifies the Bergen County Division of Community Development of its decision to be included as a participant Municipality in the Urban County entitlement programs being the Community Development Block Grant Program (CDBG), the HOME Investment Partnership Program (HOME), and the Emergency Solutions Grant Program (ESG) for the **Fiscal Years 2027, 2028, and 2029 covering the period July 1, 2027 through June 30, 2030;** and

BE IT FURTHER RESOLVED that an original copy of this resolution be made available to the Director of the Bergen County Division of Community Development as soon as possible and no later than **MONDAY, JULY 20, 2026**.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

____

Linda Louise Cervino, RMC
Municipal Clerk

From:	Esposito, Robert
Subject:	TOP PRIORITY, OPEN IMMEDIATELY | 3-YEAR COOPERATIVE AGREEMENT RENEWAL | Bergen County Division of Community Development | All Required Documentation Due Online Monday, July 20, 2026
Date:	Wednesday, June 17, 2026 2:01:36 PM
Attachments:	image002.png BGN FY 27-29 CA RENEW - Overview, Instructions,Timetable MEMO 6.17.26.docx BGN FY 27-29 CA - MNCPL RESOLUTION 1, INCLUSION 6.17.26.docx BGN FY 27-29 CA - MNCPL RESOLUTION, 2 EXECUTION 6.17.26.docx BGN FY 27-29 CA - COOPERATIVE AGREEMENT for FY 27,28,29 6.17.26.docx
Importance:	High

TOP PRIORITY
3-YEAR COOPERATIVE AGREEMENT RENEWAL
INSTRUCTIONS, TIMELINE, AND DOCUMENTS

Dear Bergen County Mayors and Senior Municipal Staff:

As a follow-up to my **official email notification concerning the renewal of our 3-Year Cooperative Agreement sent to everyone on Friday, June 5th 2026,** attached please find:

- **A Memorandum Providing Instructions and a Timetable** for the 3-Year Cooperative Agreement Renewal Process;
- **A Copy of the 3-Year Cooperative Agreement "Municipal Resolution 1 — Inclusion"** for Governing Body Authorization;
- **A Copy of the 3-Year Cooperative Agreement "Municipal Resolution 2 — Execution"** for Governing Body Authorization; and
- **A Copy of the New 3-Year Cooperative Agreement for FY 27, 28, 29** for the Mayor's Signature and Municipal Clerk Witness/Affixing of Municipal Seal after the two Resolutions have been authorized by the Governing Body

The deadline for BCDCD to receive (1) the two Cooperative Agreement Municipal Resolutions (Inclusion and Execution); and (2) the new 3-Year Cooperative Agreement signed by each Municipality's Mayor and witnessed with the Municipal Seal affixed by each Municipal Clerk **is Monday, July 20 2026.**

Please email me the date of the meeting at which your governing body will consider the resolutions as soon as possible. If I have not received an email from you with the governing body meeting date by Monday, June

29, I will phone the Municipal Administrators/Managers/Clerks who are tardy, as all 70 towns must meet the submission deadline of Monday, July 20, 2026. Please help by responding now, so I don't have to make this extra effort.

As always, many thanks for your attention and assistance in completing this important undertaking that is fundamental to our continued receipt of Community Development Block Grant (CDBG), Home Investment Partnership Grant (HOME), and Emergency Solutions Grant (ESG) entitlement funding from HUD for the next three years.

You are welcome to reach out at any time with any questions or concerns. On behalf of everyone at BCDCD, our sincere appreciation again for your help!

NOTE: If you are among the **handful of towns that requested and received the two resolutions early** given your governing body's summer meeting schedule, please make certain you follow all the instructions and deadlines delineated in this email and the attachments.

All Best,

Rob

Robert G. Esposito
Director

Bergen County Division of Community Development (BCDCD)
One Bergen County Plaza, Fourth Floor
Hackensack, New Jersey 07601

Office: (201) 336-7201
Cell: (201) 995-7078
Email: resposito@bergencountynj.gov

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-183

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH THE COUNTY OF BERGEN TO SUPERSEDE THE COOPERATIVE AGREEMENT DATED JULY 1, 2024, AND AMENDMENTS THERETO ESTABLISHING THE BERGEN COUNTY COMMUNITY DEVELOPMENT PROGRAM FOR FISCAL YEARS 2027, 2028 AND 2029

WHEREAS certain Federal funds are potentially available to the County of Bergen under Title I of the Housing and Community Development Act of 1974, as amended; the HOME Investment Partnership Act of 1990, as amended; and the Emergency Solutions Grant of 2012; and

WHEREAS it is necessary to supersede an existing Interlocal Services Cooperative Agreement for the County and its people to benefit from these Programs; and

WHEREAS, an Agreement has been proposed under which the Municipality of Allendale and the County of Bergen in cooperation with other Municipalities, will modify an Interlocal Services Program pursuant to N.J.S.A. 40A:65-1 et seq.; and

WHEREAS it is in the best interest of the Municipality of Allendale to enter into such an Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Municipality of Allendale that the Agreement entitled "Three Year Cooperative Agreement" (an Agreement superseding the Cooperative Agreement dated July 1, 2024 – June 30, 2027) to clarify the planning and implementation procedures and to enable the Municipality to make a Three Year irrevocable commitment to participate in the Community Development Block Grant Program (CDBG), the Home Investment Partnership Program (HOME), and the Emergency Solutions Grant Program (ESG) for the **Fiscal Years 2027, 2028, and 2029 covering the period July 1, 2027 through June 30, 2030,** be executed by the Mayor and Municipal Clerk in accordance with the provisions of law; and

BE IT FURTHER RESOLVED that this resolution shall take effect immediately in accordance with law and that an original copy be made available to the Director of the Bergen County Division of Community Development as soon as possible and no later than **MONDAY, JULY 20, 2026.**

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

From:	Esposito, Robert
Subject:	TOP PRIORITY, OPEN IMMEDIATELY | 3-YEAR COOPERATIVE AGREEMENT RENEWAL | Bergen County Division of Community Development | All Required Documentation Due Online Monday, July 20, 2026
Date:	Wednesday, June 17, 2026 2:01:36 PM
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Importance:	High

TOP PRIORITY
3-YEAR COOPERATIVE AGREEMENT RENEWAL
INSTRUCTIONS, TIMELINE, AND DOCUMENTS

Dear Bergen County Mayors and Senior Municipal Staff:

As a follow-up to my **official email notification concerning the renewal of our 3-Year Cooperative Agreement sent to everyone on Friday, June 5th 2026,** attached please find:

- **A Memorandum Providing Instructions and a Timetable** for the 3-Year Cooperative Agreement Renewal Process;
- **A Copy of the 3-Year Cooperative Agreement "Municipal Resolution 1 — Inclusion"** for Governing Body Authorization;
- **A Copy of the 3-Year Cooperative Agreement "Municipal Resolution 2 — Execution"** for Governing Body Authorization; and
- **A Copy of the New 3-Year Cooperative Agreement for FY 27, 28, 29** for the Mayor's Signature and Municipal Clerk Witness/Affixing of Municipal Seal after the two Resolutions have been authorized by the Governing Body

The deadline for BCDCD to receive (1) the two Cooperative Agreement Municipal Resolutions (Inclusion and Execution); and (2) the new 3-Year Cooperative Agreement signed by each Municipality's Mayor and witnessed with the Municipal Seal affixed by each Municipal Clerk **is Monday, July 20 2026.**

Please email me the date of the meeting at which your governing body will consider the resolutions as soon as possible. If I have not received an email from you with the governing body meeting date by Monday, June

29, I will phone the Municipal Administrators/Managers/Clerks who are tardy, as all 70 towns must meet the submission deadline of Monday, July 20, 2026. Please help by responding now, so I don't have to make this extra effort.

As always, many thanks for your attention and assistance in completing this important undertaking that is fundamental to our continued receipt of Community Development Block Grant (CDBG), Home Investment Partnership Grant (HOME), and Emergency Solutions Grant (ESG) entitlement funding from HUD for the next three years.

You are welcome to reach out at any time with any questions or concerns. On behalf of everyone at BCDCD, our sincere appreciation again for your help!

NOTE: If you are among the **handful of towns that requested and received the two resolutions early** given your governing body's summer meeting schedule, please make certain you follow all the instructions and deadlines delineated in this email and the attachments.

All Best,

Rob

Robert G. Esposito
Director

Bergen County Division of Community Development (BCDCD)
One Bergen County Plaza, Fourth Floor
Hackensack, New Jersey 07601

Office: (201) 336-7201
Cell: (201) 995-7078
Email: resposito@bergencountynj.gov

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-184

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

- ☐ Carried
- ☐ Defeated
- ☐ Tabled
- ☐ Approved on Consent Agenda

RESOLUTION AUTHORIZING THE RESCHEDULED DATE FOR THE HOLIDAY OBSERVERS' 2026 JULY 4TH CELEBRATION

WHEREAS, the Mayor and Council previously adopted a resolution authorizing the Holiday Observers' 2026 July 4th Celebration, including a fireworks display at Crestwood Lake on Saturday, July 4, 2026, with a rain date of Sunday, July 5, 2026; and

WHEREAS, due to inclement weather, the fireworks display and celebration could not be held on either the scheduled date or the designated rain date; and

WHEREAS, the Holiday Observers have requested approval to reschedule the fireworks display and celebration to Saturday, September 26, 2026, with a rain date of Sunday, September 27, 2026;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Allendale that the Holiday Observers are hereby authorized to conduct the rescheduled fireworks display and celebration at Crestwood Lake commencing at dusk on Saturday, September 26, 2026, with a rain date of Sunday, September 27, 2026; and

BE IT FURTHER RESOLVED that all conditions contained in the original resolution shall remain in full force and effect, including the requirement for appropriate insurance coverage and receipt of all necessary permits and approvals from the Allendale Bureau of Fire Prevention.

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

RESOLUTION
BOROUGH OF ALLENDALE
BERGEN COUNTY, NJ

DATE: 07/16/2026

RESOLUTION# 26-185

Council	Motion	Second	Yes	No	Abstain	Absent
O'Connell						
O'Toole						
Lovisolo						
Homan						
Daloisio						
Yaccarino						
Mayor Wilczynski	-----	-----				

☐ Carried
☐ Defeated
☐ Tabled
☐ Approved on Consent Agenda

APPROVAL OF JULY 16, 2026 LIST OF BILLS

NOW, THEREFORE BE IT RESOLVED by the Mayor and Council of the Borough of Allendale, County of Bergen, State of New Jersey, that it hereby approves the Bill List dated July 16, 2026 in the amounts of:

Bill List Numbers		**July 16, 2026**
Current Fund	$	4,219,921.13
Payroll Account		428,982.91
General Capital		205,500.22
Animal Fund		
Grant Fund		369.60
COAH/Housing Trust		120.00
Improvement & Beautification		3,177.28
Unemployment Fund		
Trust Fund		4,061.51
Water Operating		
Open Space		
Total	**$**	**4,862,132.65**

I hereby certify the above to be a true copy of a Resolution adopted by the Governing Body of the Borough of Allendale on July 16, 2026.

Linda Louise Cervino, RMC
Municipal Clerk

THE BOROUGH OF ALLENDALE

NEW JERSEY

500 WEST CRESCENT AVENUE, ALLENDALE, NJ 07401

WWW.ALLENDALENJ.GOV

OFFICE OF TAX COLLECTOR
OFFICE OF CHIEF FINANCIAL OFFICER

201-818-4400 EXT 205

I, Alison Altano, Chief Financial Officer of the Borough of Allendale, having reviewed the bill list for the Borough, do hereby certify that funds are available in the accounts so designated.

Certified 7/10/26

Alison Altano

Alison Altano
Chief Financial Officer