

PRELIMINARY OFFICIAL STATEMENT DATED MARCH 19, 2026

**NEW ISSUE
BOOK-ENTRY ONLY**

NOT RATED

In the opinion of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Bond Counsel, assuming continuing compliance by the Borough of Seaside Park (the "Borough") with certain covenants described herein, under current law, interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for the purpose of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. No opinion is expressed regarding other federal tax consequences arising with respect to the Notes. Further, in the opinion of Bond Counsel, under current law interest on the Notes and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act. See "TAX MATTERS" herein.

**BOROUGH OF SEASIDE PARK
IN THE COUNTY OF OCEAN, NEW JERSEY
\$2,345,000 Bond Anticipation Notes, Series 2026
Consisting of:
\$2,072,300 General Capital Bond Anticipation Notes
\$272,700 Marina Utility Bond Anticipation Notes
(Bank Qualified) (Non-Callable)**

**Interest Rate: ___ %
Yield: ___ %
CUSIP*: _____**

Dated: Date of Delivery

Due: April 9, 2027

The Borough of Seaside Park, in the County of Ocean, State of New Jersey (the "Borough") is offering \$2,345,000 aggregate principal amount of Bond Anticipation Notes, Series 2026, consisting of (i) \$2,072,300 General Capital Bond Anticipation Notes, Series 2026 (the "General Capital Notes") and (ii) \$272,700 Marina Utility Bond Anticipation Notes, Series 2026 (the "Marina Utility Notes", and together with the General Capital Notes, the "Notes"), and are secured by a pledge of the full faith and credit of the Borough for payment of the principal thereof and interest thereon. The Notes are payable, if not paid from other sources, from ad valorem taxes which may be assessed upon all the taxable property within the Borough without limitation as to rate or amount.

The Notes shall be issued in the form of one certificate for each series of the Notes in the aggregate principal amount of the Notes and will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"), which will maintain a book-entry system for recording ownership interests of DTC Participants. Individual purchases of the beneficial ownership interests in the Notes may be in book-entry from only on the records of DTC and its Participants and only in the principal amount of \$5,000 or any integral multiple of \$1,000 in excess thereof (or such odd denominations as necessary). Beneficial Owners of the Notes will not receive certificates representing their interests in the Notes. As long as Cede & Co. is the registered owner, as nominee of DTC, references in this Official Statement to the registered owners shall mean Cede & Co., and not the Beneficial Owners of the Notes. See "BOOK-ENTRY ONLY SYSTEM" herein.

The Notes are offered when, as and if issued and delivered to the Purchaser, subject to prior sale, to withdrawal or modification of the offer without notice and to approval of legality by the law firm of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Paramus, New Jersey, and certain other conditions described herein. Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey, has served as Municipal Advisor to the Borough in connection with the issuance of the Notes. It is expected that the Notes will be available for delivery to DTC on or about April 9, 2026.

BIDS FOR THE NOTES, IN ACCORDANCE WITH THE FULL NOTICE OF SALE, WILL BE RECEIVED BY THE BOROUGH ON MARCH 26, 2026, ELECTRONICALLY VIA THE PARITY ELECTRONIC BID SUBMISSION SYSTEM OR BY EMAIL (AINVERSO@MUNIADVISORS.COM). FOR MORE DETAILS ON HOW TO BID ELECTRONICALLY, VIEW THE NOTICE OF SALE.

* Registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence. The CUSIP number listed above is being provided solely for the convenience of Noteholders only at the time of issuance of the Notes and the Borough does not make any representation with respect to such number or undertake any responsibility for its accuracy now or at any time in the future. The CUSIP number is subject to being changed after the issuance of the Notes as a result of procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Notes.

**BOROUGH OF SEASIDE PARK
1701 NORTH OCEAN AVENUE
SEASIDE PARK, NEW JERSEY 08752**

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Hamilton, New Jersey

No broker, dealer, salesperson or other person has been authorized by the Borough to give any information or to make any representations with respect to the Notes other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Borough. The information contained herein has been obtained from the Borough, DTC and other sources which are believed to be reliable; however, such information is not guaranteed as to accuracy or completeness, and is not to be construed as a representation or warranty of the Borough. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in any of the information herein since the date hereof, or the date as of which such information is given, if earlier.

References in this Official Statement to laws, rules, regulations, ordinances, resolutions, agreements, reports and documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein, and copies of which may be inspected at the offices of the Borough during normal business hours.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or amended by the Borough from time to time (collectively, the "Official Statement"), may be treated as a "Final Official Statement" with respect to the Notes described herein that is deemed final as of the date hereof (or of any such supplement or amendment) by the Borough.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes in any jurisdiction in which it is unlawful for any person to make such an offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representation other than as contained in this Official Statement. If given or made, such other information or representation must not be relied upon as having been authorized by the Borough or the Purchasers. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used in whole or in part for any other purpose.

DeCotiis, FitzPatrick, Cole & Giblin, LLP, has not participated in the preparation of the financial statements or statistical information contained in this official statement, nor has it verified the accuracy, completeness, or fairness thereof, and accordingly, express no opinion with respect thereto.

IN CONNECTION WITH THIS OFFERING, THE PURCHASERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE BOROUGH AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
THE NOTES.....	1
General Description	1
Prior Redemption	2
BOOK-ENTRY ONLY SYSTEM.....	2
Discontinuation of Book-Entry Only System	4
AUTHORIZATION AND PURPOSE OF THE NOTES.....	4
General Capital.....	4
Marina Utility.....	5
SECURITY AND SOURCE OF PAYMENT	6
NO DEFAULT	6
CERTAIN RISK FACTORS	6
Cyber Security.....	6
Climate Change.....	6
CERTAIN STATUTORY PROVISIONS - PROTECTION OF GENERAL OBLIGATION DEBT	7
Local Bond Law (N.J.S.A. 40A:2-1 et seq.)	7
The Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)	7
Debt Limits	7
Exceptions to Debt Limits-Extensions of Credit.....	7
Short-Term Financing	7
School Debt Subject to Voter Approval.....	8
MUNICIPAL BUDGET	8
The Local Budget Law (N.J.S.A. 40A:4-1 et seq.)	8
Real Estate Taxes	8
Miscellaneous Revenues	9
Limitations on Municipal Appropriations and Tax Levy.....	9
Deferral of Current Expense	9
Budget Transfers	10
Fiscal Year	10
Budget Process.....	10
TAX MATTERS.....	10
LITIGATION	12
THE FEDERAL BANKRUPTCY ACT.....	12
APPROVAL OF LEGAL PROCEEDINGS.....	13
CONTINUING DISCLOSURE.....	13
MUNICIPAL ADVISOR	13
FINANCIAL STATEMENTS	13
RATING	14
PURCHASER.....	14
PREPARATION OF OFFICIAL STATEMENT	14
ADDITIONAL INFORMATION.....	15
MISCELLANEOUS	15
APPENDIX A	
Economic and Demographic Information Relating to the Borough of Seaside Park, in the County of Ocean, New Jersey.....	A-1
APPENDIX B	
Financial Statements of the Borough of Seaside Park, in the County of Ocean, New Jersey	B-1
APPENDIX C	
Proposed Forms of Bond Counsel Opinions.....	C-1
APPENDIX D	
Form of Continuing Disclosure Certificate.....	D-1

OFFICIAL STATEMENT
OF THE
BOROUGH OF SEASIDE PARK
IN THE COUNTY OF OCEAN, NEW JERSEY

BOROUGH OF SEASIDE PARK
IN THE COUNTY OF OCEAN, NEW JERSEY
\$2,345,000 Bond Anticipation Notes, Series 2026
Consisting of:
\$2,072,300 General Capital Bond Anticipation Notes
\$272,700 Marina Utility Bond Anticipation Notes
(Bank Qualified) (Non-Callable)

INTRODUCTION

This Official Statement (the “Official Statement”) which includes the cover page and the appendices attached hereto, has been prepared by the Borough of Seaside Park (the “Borough”), in the County of Ocean (the “County”), State of New Jersey (the “State”), to provide certain information in connection with the sale and issuance by the Borough of its \$2,345,000 aggregate principal amount of Bond Anticipation Notes, Series 2026, consisting of (i) \$2,072,300 General Capital Bond Anticipation Notes, Series 2026 (the “General Capital Notes”) and (ii) \$272,700 Marina Utility Bond Anticipation Notes, Series 2026 (the “Marina Utility Notes”, and together with the General Capital Notes, the “Notes”), dated the date of delivery thereof.

This Official Statement is “deemed final”, as of its date, within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

THE NOTES

General Description

The Notes shall be dated and shall bear interest from their date of delivery and shall mature as shown on the cover hereof. The Notes shall bear interest at the rate set forth on the cover hereof, which interest is payable at maturity. The Notes will be issued as fully registered notes in book-entry only form and when issued, will be registered in the name of and held by Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as Securities Depository for the Notes. Purchases of beneficial interests in the Notes will be made in book-entry only form, without certificates, in denominations of \$5,000 or any integral multiple of \$1,000 in excess thereof (or such odd denomination as necessary). Under certain circumstances, such beneficial interests in the Notes are exchangeable for one or more fully registered Note certificates in authorized denominations.

The Note certificates will be on deposit with DTC. DTC will be responsible for maintaining a book-entry system for recording the interests of its Direct Participants and transfers of the interests among its Direct Participants. The Direct Participants and Indirect Participants will be responsible for maintaining records regarding the beneficial ownership interests in the Notes on behalf of the individual purchasers. Individual purchasers of the Notes will not receive certificates representing their beneficial ownership interests in the Notes, but each book-entry owner will receive a credit balance on the books of its nominee, and this credit balance will be confirmed by an initial transaction statement stating the details of the Notes purchased. So long as DTC or its nominee, Cede & Co., is the registered owner of the Notes, payments of the principal of and interest on the Notes will be made by the Borough or a duly designated paying agent directly to DTC or its nominee, Cede & Co., which will in turn remit such payments to Direct Participants, which will in turn remit such payments to the Beneficial owners of the Notes.

Prior Redemption

The Notes are not subject to redemption prior to their stated maturity.

BOOK-ENTRY ONLY SYSTEM

The description which follows of the procedures and recordkeeping with respect to beneficial ownership interest in the Notes, payment of principal and interest and other payments on the Notes to Direct and Indirect Participants (defined below) or Beneficial Owners (defined below), confirmation and transfer of beneficial ownership interests in the Notes and other related transactions by and between DTC, Direct Participants and Beneficial Owners, is based on certain information furnished by DTC to the Borough. Accordingly, the Borough does not make any representations as to the completeness or accuracy of such information.

DTC will act as securities depository for the Notes. The Notes will be issued as fully-registered notes registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate for each series of the Notes will be issued for each series of the Notes, in the aggregate principal amount of such series, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of the Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive

certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Borough as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Borough as Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Borough as Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, note certificates will be printed and delivered.

The Borough may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Borough believes to be reliable, but the Borough takes no responsibility for the accuracy thereof.

NEITHER THE BOROUGH NOR THE PAYING AGENT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS

NOMINEES WITH RESPECT TO THE PAYMENTS TO OR PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, OR THE INDIRECT PARTICIPANTS, OR BENEFICIAL OWNERS.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE NOTES, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE NOTEHOLDERS OR REGISTERED OWNERS OF THE NOTES (OTHER THAN UNDER THE CAPTION "TAX MATTERS") SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE NOTES.

Discontinuation of Book-Entry Only System

If the Borough, in its sole discretion, determines that DTC is not capable of discharging its duties, or if DTC discontinues providing its services with respect to the Notes at any time, the Borough will attempt to locate another qualified Securities Depository. If the Borough fails to find such Securities Depository, or if the Borough determines, in its sole discretion, that it is in the best interest of the Borough or that the interest of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued (the Borough undertakes no obligation to make an investigation to determine the occurrence of any events that would permit it to make such determination) the Borough shall notify DTC of the termination of the book-entry only system.

In the event that the book-entry only system for the Notes is discontinued upon receipt of the Note certificates from DTC and the Participant information, the Borough will authenticate (or cause to be authenticated) and deliver definitive Notes to the holders thereof, and the principal of and interest on the Notes will be payable and the Notes may thereafter be transferred or exchanged in the manner described in the note certificates so provided.

AUTHORIZATION AND PURPOSE OF THE NOTES

The Notes have been authorized and are issued pursuant to the laws of the State, including the Local Bond Law, Chapter 2 of Title 40A of the New Jersey Statutes, as amended (the "Local Bond Law"), and the various bond ordinances of the Borough, as set forth below. The bond ordinances were published in full or by summary after their final adoption along with the statement that the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such bond ordinances could be commenced began to run from the date of the first publication of such statement. The Local Bond Law provides, that after issuance, all obligations shall be conclusively presumed to be fully authorized and issued by all laws of the State, and all persons shall be estopped from questioning their sale, execution or delivery by the Borough.

General Capital

The proceeds of the General Capital Notes, along with certain available funds of the Borough in the amount of \$1,061,100, will be used to: (i) refund, on a current basis, the prior bond anticipation notes issued in the aggregate principal amount of \$2,925,000 on April 10, 2025 and maturing on April 10, 2026 (the "Prior Notes"); (ii) provide \$208,400 in new money to temporarily finance various capital improvements in and by the Borough; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Notes. The ordinances to be funded by the Notes are included in the table on the following page.

<u>Ordinance No.</u>	<u>Purpose</u>	<u>Amount of Prior Notes Being Refunded</u>	<u>Paydowns</u>	<u>Amount of New Money</u>	<u>Total Amount to be Issued</u>
01-2022	Acquisition of Real Property, finally adopted on February 24, 2022.	\$444,300.00	\$5,700.00	\$0.00	\$438,600.00
2022-15	Improvements to ballfields finally adopted on July 14, 2022.	497,550.00	92,200.00	0.00	405,350.00
2022-16	Improvements to Bayview Avenue – Phase I, finally adopted on July 14, 2022.	350,000.00	0.00	0.00	350,000.00
2022-17	Bayfront Improvements, finally adopted on July 14, 2022.	148,450.00	0.00	0.00	148,450.00
2022-18	Parking Lot Improvements, finally adopted on July 14, 2022.	950,000.00	950,000.00	0.00	0.00
2022-19	Improvements to boardwalk, finally adopted on July 14, 2022.	250,031.32	13,200.00	0.00	236,831.32
2024-16	Various capital improvements, finally adopted on May 16, 2024.	284,668.68	0.00	0.00	284,668.68
07-2021 as amended by 2022-05	Various capital improvements, finally adopted on April 15, 2021 and amended on April 14, 2022.	0.00	0.00	87,400.00	87,400.00
2024-26	Reconstruction of Stockton Avenue, finally adopted on December 19, 2024.	<u>0.00</u>	0.00	<u>121,000.00</u>	<u>121,000.00</u>
Total:		<u>\$2,925,000.00</u>	<u>\$1,061,100.00</u>	<u>\$208,400.00</u>	<u>\$2,072,300.00</u>

Marina Utility

The proceeds of the Marina Utility Notes will be used to: (i) provide \$272,700 in new money to temporarily finance various Marina Utility improvements in and by the Borough; and (iii) pay certain costs and expenses incidental to the issuance and delivery of the Notes. The ordinances to be funded by the Notes are included in the table on the following page.

<u>Ordinance No.</u>	<u>Purpose</u>	<u>Amount of New Money</u>	<u>Total Amount to be Issued</u>
04-2021	Marina Shoreline Stabilization Project, finally adopted on February 25, 2021.	\$272,700.00	\$272,700.00
Total:		<u>\$272,700.00</u>	<u>\$272,700.00</u>

SECURITY AND SOURCE OF PAYMENT

The Notes are general obligations of the Borough, and the Borough has pledged its full faith and credit for the payment of the principal of and the interest on the Notes. The Notes are direct obligations of the Borough and, to the extent that other monies are not available, the Borough is required by law to levy ad valorem taxes upon all the taxable property within the Borough for the payment of the principal of and interest on the Notes without limitation as to rate or amount.

NO DEFAULT

The Borough has never defaulted in the payment of any bonds or notes, nor are any payments of principal of or interest on the Borough's indebtedness past due.

CERTAIN RISK FACTORS

Cyber Security

The Borough relies on a rigorous technology environment to conduct its various operations. As a result, the Borough faces certain cyber security threats at various times including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and digital networks and systems. The Borough is insured through a joint insurance fund ("JIF") which provides access to various training, education and testing activities for personnel at the Borough. These precautions help mitigate, but cannot completely eliminate, the risks of any business operations impact and/or damage from cybersecurity incidents or cyber-attacks.

Climate Change

As a coastal community, the Borough is susceptible to the effects of extreme weather events and natural disasters, including coastal storms and flooding, which could result in negative economic impacts. These effects may be amplified by a prolonged global temperature increase over the next several decades, which scientific studies indicate may be occurring (commonly referred to as "climate change"). Scientific studies on climate change predict that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, and extreme weather events like Superstorm Sandy will become more frequent. Coastal areas like the Borough are at risk of substantial flood damage over time, potentially affecting private development and public infrastructure. The economic impacts resulting from such extreme weather events could include a loss of ad valorem tax revenue, interruption of municipal services, and escalated recovery costs. No assurance can be given as to whether future extreme weather events will occur that could materially adversely affect the financial condition of the Borough. The Borough has a level 7 rating from the Community Rating System ("CRS"). CRS is a voluntary program that provides ratings to municipalities based on their compliance and proactive measures in accordance with National Flood Insurance Program ("NFIP") policies.

CERTAIN STATUTORY PROVISIONS FOR THE PROTECTION OF GENERAL OBLIGATION DEBT

Local Bond Law (N.J.S.A. 40A:2-1 et seq.)

The Local Bond Law governs the issuance of bonds and notes to finance certain municipal capital expenditures. Among its provisions are requirements that bonds must mature within the statutory period of usefulness of the projects bonded and that bonds be retired in serial installments. A 5% cash down payment is generally required to be appropriated for the financing of expenditures for municipal purposes for which bonds are authorized. All bonds and notes issued by the Borough are general full faith and credit obligations.

The Local Fiscal Affairs Law (N.J.S.A. 40A:5-1 et seq.)

This law regulates the non-budgetary financial activities of local governments. An annual, independent audit of the local unit's accounts for the previous year must be performed by a licensed Registered Municipal Accountant. The audit, conforming to the Division of Local Government Services "Requirements of Audit," includes recommendations for improvement of the local unit's financial procedures and must be filed with the Director within six months after the close of the fiscal year. A synopsis of the audit report, together with all recommendations made, must be published in a local newspaper within 30 days of its completion.

The chief financial officer of every local unit must file annually with the Director a verified statement of financial condition of the local unit and all constituent boards, agencies or commissions.

The annual audit report is filed with the Borough Clerk and is available for review during business hours.

Debt Limits

The authorized bonded indebtedness of a municipality in the State of New Jersey is limited by statute, subject to the exceptions noted below, to an amount equal to 3-1/2% of its equalized valuation basis. The equalized valuation basis of the municipality is set by statute as the average for the last three years of the equalized value of all taxable real property and improvements and certain class II railroad property within its boundaries as annually determined by the State Board of Taxation.

Certain categories of debt are permitted by statute to be deducted for purposes of computing the statutory debt limit.

Exceptions to Debt Limits-Extensions of Credit

The debt limit of the Borough may be exceeded with the approval of the Local Finance Board, in the Division of Local Government Services, Department of Community Affairs, State of New Jersey, a State regulatory agency (the "Local Finance Board"). If all or any part of a proposed debt authorization would exceed its debt limit, the Borough must apply to the Local Finance Board for an extension of credit. If the Local Finance Board determines that a proposed debt authorization would not materially impair the ability of the Borough to meet its obligations or to provide essential services, or makes other statutory determinations, approval is granted. In addition to the aforesaid, debt in excess of the debt limit may be issued without the approval of the Local Finance Board to fund certain bonds and notes, for self-liquidating purposes and, in each fiscal year, in an amount not exceeding two-thirds of the amount budgeted in such fiscal year for the retirement of outstanding obligations (exclusive of obligations issued for utility or assessment purposes).

Short-Term Financing

The Borough may issue bond anticipation notes to temporarily finance capital improvements. Bond anticipation notes, which are general obligations of the Borough, may be issued for a period not exceeding one

year. Generally, bond anticipation notes may not be outstanding longer than 10 years. Additionally, beginning in the third year, the amount of outstanding notes that may be renewed is decreased by not less than the minimum amount required for the first year principal payment of bonds in anticipation of which such notes are issued.

School Debt Subject to Voter Approval

State Law permits the school district, upon approval of the voters, to authorize school district debt, including, debt in excess of its independent debt limit by using the available borrowing capacity of the Borough. If such debt is in excess of the school district debt limit and the remaining borrowing capacity of the Borough, the State Commissioner of Education and the Local Finance Board must approve the proposed debt authorization before it is submitted to the voters.

MUNICIPAL BUDGET

Pursuant to the Local Budget Law (N.J.S.A. 40A:4-1 et seq.) the Borough is required to have a balanced budget in which debt service is included in full for each fiscal year.

The Local Budget Law (N.J.S.A. 40A:4-1 et seq.)

The foundation of the New Jersey local finance system is the annual cash basis budget. The Borough must adopt an operating budget in the form required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"). Items of revenue and appropriation are regulated by law and must be certified by the Director of the Division (the "Director") prior to final adoption of the budget. The Local Budget Law requires each local unit to appropriate sufficient funds for payment of current debt service and the Director is required to review the adequacy of such appropriations, among others, for certification.

The Director has no authority over individual operating appropriations, unless a specific amount is required by law, but the review functions focusing on anticipated revenues serve to protect the solvency of all local units. Local budgets, by law and regulation, must be in balance on a "cash basis". No budget or amendment thereof shall be adopted unless the Director shall have previously certified his approval thereof (N.J.S.A. 40A:4-10).

The principal sources of Borough revenues are real estate taxes and miscellaneous revenues.

In any year, the municipality may authorize, by resolution, the issuance of tax anticipation notes which may be issued in anticipation of the collection of taxes for such year. Tax anticipation notes are limited in amount by law and must be paid off in full by a municipality within one hundred and twenty (120) days after the close of the fiscal year.

Real Estate Taxes

The general principle that revenue cannot be anticipated in a budget in excess of that realized in the preceding year applies to delinquent property taxes. N.J.S.A. 40A:4-29 delineates anticipation of delinquent tax collections: "The maximum which may be anticipated is the sum produced by the multiplication of the amount of delinquent taxes unpaid and owing to the local unit on the first day of the current fiscal year by the percentage of collection of delinquent taxes for the year immediately preceding the current fiscal year."

Section 41 of the Local Budget Law provides with regard to current taxes that: "Receipts from the collection of taxes levied or to be levied in the municipality, or in the case of a county for general county purposes and payable in the fiscal year, shall be anticipated in an amount which is not in excess of the percentage of taxes levied and payable during the next preceding fiscal year which was received in cash by the last day of such preceding fiscal year."

The provision requires that an additional amount (the “reserve for uncollected taxes”) be added to the tax levy required to balance the budget so that when the percentage of the prior year's tax collection is applied to the combined total, the product will at least be equal to the tax levy required to balance the budget. The reserve requirement is calculated as follows:

$$\frac{\text{Levy required to balance budget}}{\text{Prior Year's Percentage of Current Tax Collection (or lesser \%)}} = \text{Total Taxes to be Levied}$$

Miscellaneous Revenues

Section 26 of the Local Budget Law provides: “no miscellaneous revenues from any source shall be included as an anticipated revenue in the budget in an amount in excess of the amount actually realized in cash from the same source during the next preceding fiscal year, unless the Director shall determine upon application by the governing body that the facts clearly warrant the expectation that such excess amount will actually be realized in cash during the fiscal year and shall certify such determination, in writing, to the local unit.” The exception to this is the inclusion of categorical grants-in-aid contracts for their face amount with an offsetting appropriation. The fiscal years for such grants rarely coincide with the municipality's calendar fiscal year.

Limitations on Municipal Appropriations and Tax Levy

A provision of law known as the New Jersey “Cap Law” (N.J.S.A. 40A:4-45.1 et seq.) imposes limitations on increases in municipal appropriations subject to various exceptions. The payment of debt service is an exception from this limitation. The Cap formula is somewhat complex, but basically, it permits a municipality to increase its overall appropriations by the lesser of 2.5% or the “cost-of-living adjustment”. The cost-of-living adjustment is the rate of annual percentage increase, rounded to the nearest one-half percent, in the Implicit Price Deflator for State and Local Government purchases of goods and services computed by the U.S. Department of Commerce. Exceptions to the limitations imposed by the Cap Law also exist for other things including capital expenditures; extraordinary expenses approved by the Local Finance Board for implementation of an interlocal services agreement; expenditures mandated as a result of certain emergencies; and certain expenditures for services mandated by law. Counties are also prohibited from increasing their tax levies by more than the lesser of 2.5% or the cost-of-living adjustment subject to certain exceptions. Municipalities by ordinance approved by a majority of the full membership of the governing body may increase appropriations up to 3.5% over the prior year’s appropriation and counties by resolution approved by a majority of the full membership of the governing body may increase the tax levy up to 3.5% over the prior years’ tax levy in years when the cost-of-living adjustment is 2.5% or less.

Additionally, P.L 2007, c. 62, effective April 3, 2007, imposed a 4% cap on the tax levy of a municipality, county, fire district, or solid waste collection district, with certain exclusions and allowing waivers by the Local Finance Board, and on July 13, 2010, P.L. 2010, c. 44 was approved, effective for budget years following enactment, reducing the tax levy cap to 2% and limiting the exclusions to amounts required to be raised by taxation for capital expenditures, including debt service as defined by law, certain pension contributions and health care costs in excess of 2% and extraordinary costs directly related to a declared emergency. Voter approval may be requested to increase the amount to be raised by taxation by more than the allowable adjusted tax levy.

Neither the tax levy limitation nor the “Cap Law” limits the obligation of the Borough to levy *ad valorem* taxes upon all taxable real property within the Borough to pay debt service on its bonds or notes.

Deferral of Current Expense

Emergency appropriations, those made after the adoption of the budget and determination of the tax rate, may be authorized by the governing body of the municipality. With minor exceptions, however, such

appropriations must be included in full in the following year's budget. When such appropriations exceed 3% of the adopted operating budget, consent of the Director must be obtained.

The exceptions are certain enumerated quasi-capital projects such as ice, snow and flood damage to streets, roads and bridges, which may be amortized over three years, and tax map preparation, revaluation of real property, codification of ordinances, master plan preparations and contractually required severance liabilities, which may be amortized over five years.

Budget Transfers

Budget transfers provide a degree of flexibility and afford a control mechanism. Transfers between major appropriation accounts are prohibited until the last two months of the year and, although sub-accounts within an appropriation are not subject to the same year-end transfer restriction, they are subject to internal review and approval by the governing body.

Fiscal Year

The Borough's fiscal year is the calendar year. Chapter 75 of the Pamphlet Laws of 1991 of New Jersey required municipalities with populations in excess of 35,000 or which received Municipal Revitalization Aid from the State in 1990 or 1991 to change their fiscal year from the calendar year to the State fiscal year (July 1 to June 30), unless an exemption is granted. Municipalities not meeting the criteria for a mandatory change have the option to choose to change to the State fiscal year. The Borough did not meet the criteria to change to the State fiscal year and does not presently intend to optionally make such a change in the future.

Budget Process

Primary responsibility for the Borough's budget process lies with the Borough Council. As prescribed by the Local Budget Law, adoption should occur by the end of March, however, extensions may be granted by the Division to any local governmental unit. In the first quarter in which the budget formulation is taking place, the Borough operates under a temporary budget which may not exceed 26.25% of the previous fiscal year's adopted budget. In addition to the temporary budget, the Borough may approve emergency temporary appropriations for any purpose for which appropriations may lawfully be made.

TAX MATTERS

The Borough has covenanted to comply with any continuing requirements that may be necessary to preserve the exclusion from gross income for purposes of federal income taxation of interest on the Notes under the Internal Revenue Code of 1986, as amended ("Code"). Failure to comply with certain requirements of the Code could cause interest on the Notes to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. In the opinion of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Bond Counsel, to be delivered at the time of original issuance of the Notes, assuming continuing compliance by the Borough with certain covenants described herein, under current law, interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.. No opinion is expressed regarding other federal tax consequences or other federal taxes arising with respect to the Notes.

The Code imposes certain significant ongoing requirements that must be met after the issuance and delivery of the Notes in order to assure that the interest on the Notes will be and remain excludable from gross income for federal income tax purposes. These requirements include, but are not limited to, requirements relating to use and expenditure of proceeds, yield and other restrictions on investments of gross proceeds, and

the arbitrage rebate requirement that certain excess earnings on investments of gross proceeds of the Notes be rebated to the federal government. Noncompliance with such requirements may cause interest on the Notes to become subject to federal income taxation retroactive to their date of issuance, regardless of the date on which such noncompliance occurs or is discovered. The Borough has covenanted that it shall do and perform all acts permitted by law that are necessary or desirable to assure that interest on the Notes will be and will remain excluded from gross income for federal income tax purposes. The Borough will deliver its Arbitrage and Tax Certificate concurrently with the issuance of the Notes, which will contain provisions relating to compliance with the requirements of the Code, including certain covenants in that regard by the Borough. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the Borough in connection with the Notes, and Bond Counsel has assumed compliance by the Borough with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Notes from gross income under Section 103 of the Code.

In the opinion of Bond Counsel, under current law interest on the Notes and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act.

The opinions of Bond Counsel are limited to and based upon the laws and judicial decisions of the State and the federal laws and judicial decisions of the United States of America as of the date of the opinions, and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for their opinions or to any laws or judicial decisions hereafter enacted or rendered. Bond Counsel assumes no obligation to update its opinions after the issue date to reflect any future action, fact or circumstance, or change in law or interpretation, or otherwise. Bond Counsel expresses no opinion on the effect of any action taken after the date of the opinions or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the Notes.

Bank Qualification. The Notes will be designated as qualified under Section 265 of the Code by the Borough for an exemption from the denial of deduction for interest paid by the financial institutions to purchase or to carry tax exempt obligations.

Branch Profits Tax. Section 884 of the Code imposes on foreign corporations a branch profits tax equal to 30 percent of the "dividend equivalent amount" for the taxable year, unless modified, reduced or eliminated by income tax treaty in certain instances. Interest on the Notes received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation for purposes of the branch profits tax.

S Corporation Tax. Section 1375 of the Code imposes a tax on the "excess net passive income" of certain S corporations with passive investment income in excess of 25 percent of gross receipts for a taxable year. The U.S. Department of Treasury has issued regulations indicating that interest on tax-exempt notes, such as the Notes, held by an S corporation would be included in the calculation of excess net passive income.

Other Federal Tax Consequences. Owners of the Notes should be aware that the ownership of tax-exempt obligations may result in other collateral federal income tax consequences to certain taxpayers, including property and casualty insurance companies, individual recipients of Social Security and Railroad Retirement benefits, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry tax-exempt obligations. Owners of the Notes should consult their own tax advisors as to the applicability and the effect on their federal income taxes of the branch profits tax and the tax on S corporations, as well as the applicability and the effect of any other federal income tax consequences.

Possible Government Action. Legislation affecting municipal bonds is regularly under consideration by the United States Congress. In addition, the Internal Revenue Service ("IRS") has established an expanded audit program for tax-exempt obligations. There can be no assurance that legislation enacted or proposed or an audit initiated or concluded by the IRS after the issue date of the Notes involving either the Notes or other tax-exempt bonds will not have an adverse effect on the tax-exempt status or market price of the Notes.

ALL POTENTIAL PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE.

LITIGATION

There is no litigation pending or, to the knowledge of Citta, Holzapfel & Zabarsky, Toms River, New Jersey (the "Borough Attorney"), threatened restraining or enjoining the issuance or the delivery of the Obligations or the levy or the collection of taxes to pay the Obligations or in any manner questioning the authority or the proceedings for the issuance of the Obligations or for the levy or the collection of taxes. There is at present no single action pending or threatened against the Borough which would impose an undue financial burden on the Borough. In New Jersey's courts of general jurisdiction, unliquidated money damages are pleaded generally without specifying a dollar amount. The Borough is a party-defendant in certain lawsuits, none of a kind unusual for a municipality of its size, and none of which, in the opinion of the Borough Attorney, would adversely impair the Borough's ability to pay its bond or note holders. All of the Borough's tort actions are being defended by the Borough under its self-insurance program. There are many pending municipal real estate tax appeals. Based upon the Borough's prior experience in tax appeals, and assuming that such tax appeals are resolved adversely to the interest of the Borough, such resolution would not in any way endanger the Borough's ability to pay its bond or note holders.

THE FEDERAL BANKRUPTCY ACT

The undertakings of the Borough should be considered with reference to Chapter IX of the Bankruptcy Act, 11 U.S.C. Section 901 et seq., as amended by Public Law 95-598, approved November 6, 1978, and as further amended on November 3, 1988, by an Act to Amend the Bankruptcy Law to Provide for Special Revenue Bonds, and for Other Purposes, and on October 22, 1994, by the Bankruptcy Reform Act of 1994, and by other bankruptcy laws affecting creditor's rights and municipalities in general. Chapter IX permits a state or any political subdivision, public agency, or instrumentality that is insolvent or unable to meet its debts to file a petition in a bankruptcy court for the ultimate purpose of effecting a plan to adjust its debts. Chapter IX directs such a petitioner to file with the Bankruptcy Court a list of the petitioner's creditors; provides that a petition filed under this chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner, with the exception that such petition does not operate as a stay of application of pledged special revenues to the payment of indebtedness secured by such revenues; grants priority to administrative and operational expenses and to debts owed for services or material, up to \$4,000 per individual or corporation, actually provided within ninety (90) days of the filing of the petition; directs a petitioner to file a plan for the adjustment of its debts; provides that any securities issued under a reorganization plan will be exempt from the securities laws and, therefore, exempt from registration requirements; permits the petitioner, during bankruptcy proceedings, to continue to pay pre-petition debt without prior court approval; and provides that the plan must be accepted by a class of creditors, in writing, by or on behalf of creditors holding at least two-thirds in amount and more than one-half in number of the allowed claims of such class held by creditors. A plan shall not be approved by the Bankruptcy Court unless it is in the best interests of creditors and is feasible.

Reference should also be made to N.J.S.A. 52:27-40 thru 52:27-45.11, which provides that any county, municipality, or other political subdivision of the State has the power to file a petition with any Bankruptcy Court, provided the approval of the municipal finance commission has been obtained, and such petition has been authorized by ordinance of the governing body of the political subdivision. The powers of the municipal finance commission have been vested in the Local Finance Board. The Bankruptcy Act specifically provides that Chapter IX does not limit or impair the power of a state to control, by legislation or otherwise, the procedures that a municipality must follow in order to take advantage of the provisions of the Bankruptcy Act. However, the Bankruptcy Act does provide that a municipality must obtain any regulatory or electoral approval necessary under constitutional, statutory, or charter provisions, for actions taken under the reorganization plan.

APPROVAL OF LEGAL PROCEEDINGS

All legal matters incident to the authorization, sale, issuance and delivery of the Bonds are subject to the approval of DeCotiis, FitzPatrick, Cole & Giblin, LLP, Paramus, New Jersey, Bond Counsel to the Borough, whose approving legal opinions will be substantially in the forms provided in Appendix C. Certain legal matters will be passed on for the Borough by the Borough Attorney.

CONTINUING DISCLOSURE

The Borough has covenanted for the benefit of the holders and beneficial owners of the Notes to provide notices of the occurrence of certain enumerated events. The event notices will be provided to the Municipal Securities Rulemaking Board (the “MSRB”) and will be in an electronic format as prescribed by the MSRB and shall be accompanied by such identifying information as is prescribed by the MSRB. The specific nature of the information to be contained in the event notices is set forth in “APPENDIX D – Form of Continuing Disclosure Certificate”. These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5) (the “Rule”).

In the event that the Borough fails to comply with the above-described undertaking and covenants, the Borough shall not be liable for any monetary damages, the remedy of the beneficial owners of the Notes being specifically limited in the undertaking to specific performance of the covenants.

The undertaking may be amended by the Borough from time to time, without the consent of the Noteholders or the beneficial owners of the Notes, in order to make modifications required in connection with a change in legal requirements or change in law, which in the opinion of nationally recognized bond counsel complies with the Rule.

The Borough has previously entered into secondary market disclosure undertakings in accordance with the Rule. The Borough has engaged Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey to serve as continuing disclosure agent to assist in the filing of certain information on MSRB’s Electronic Municipal Market Access (“EMMA”) website as required under its prior secondary market disclosure undertakings.

MUNICIPAL ADVISOR

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Hamilton, New Jersey (the “Municipal Advisor”), has served as Municipal Advisor to the Borough in connection with the issuance of the Notes and has assisted in matters related to the planning, structuring and terms of the Notes. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the Appendices hereto. The Municipal Advisor is an Independent Registered Municipal Advisor pursuant to the Dodd-Frank Act and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

FINANCIAL STATEMENTS

Appendix “B” to this Official Statement contains certain unaudited financial data of the Borough for the Borough’s fiscal year ending December 31, 2025 (the “Unaudited Financial Statements”) and audited financial data of the Borough for the fiscal year ending December 31, 2024 (the “Financial Statements”). The Financial Statements have been prepared by Holman Frenia Allison, P.C., Lakewood, New Jersey, an independent auditor,

as stated in its report appearing in Appendix B to this Official Statement. The Auditor has not participated in the preparation of this Official Statement, nor has such firm verified the accuracy, completeness or fairness of the information contained herein (except for the audited financial statements appearing in Appendix B hereto) and, accordingly, will express no opinion with respect thereto. See “APPENDIX B - Financial Statements of the Borough of Seaside Park, in the County of Ocean, New Jersey”.

RATING

The Notes have not been rated. The Borough maintains a long-term rating of “Aa2” from Moody’s Investors Service (“Moody’s”) most recently assigned to the Borough’s General Obligation Bonds, Series 2024. Such long-term rating is neither applicable nor assigned to the Notes.

PURCHASER

The Notes have been purchased from the Borough, at a public sale, by _____, _____, _____ (the “Purchaser”), at a price of \$ _____. The Note Purchaser is obligated to purchase all of the Notes, if any are purchased.

The Purchaser intends to offer the Notes to the public initially at the offering yield set forth on the cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Purchaser reserves the right to join with dealers and other underwriters in offering the Notes to the public. The Purchaser may offer and sell Notes to certain dealers (including dealers depositing Notes into investment trusts) at a yield higher than the public offering yield set forth on the cover page, and such public offering yield may be changed, from time to time, by the Purchaser without prior notice.

PREPARATION OF OFFICIAL STATEMENT

The Borough hereby states that the descriptions and statements herein, including financial statements, are true and correct in all material respects and it will confirm to the Purchaser, by certificate signed by the Chief Financial Officer, that to their knowledge such descriptions and statements, as of the date of this Official Statement, are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading.

DeCotiis, FitzPatrick, Cole & Giblin, LLP, Paramus, New Jersey has not participated in the preparation of the financial or statistical information contained in this Official Statement, nor have they verified the accuracy, completeness or fairness thereof and, accordingly, expresses no opinion with respect thereto.

The Municipal Advisor has participated in the preparation and review of the information contained in this Official Statement, including the collection of financial, statistical and demographic information; however, it has not verified the accuracy, completeness or fairness thereof, and, accordingly, expresses no opinion or other assurance with respect thereto. Certain information set forth herein has been obtained from the Borough and other sources, which are deemed reliable, but no warranty, guaranty or other representation as to the accuracy or completeness is made as to such information contained herein. There is no assurance that any of the assumptions or estimates contained herein will be realized.

ADDITIONAL INFORMATION

Inquiries regarding this Official Statement including information additional to that contained herein may be directed to Jaimie Colson, Chief Financial Officer, Borough of Seaside Park, 416 New Jersey Avenue, Seaside Park, New Jersey, 08742, telephone (732) 793-3700, or to the Borough's Municipal Advisor, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 2000 Waterview Drive, Suite 101, Hamilton, New Jersey, 08691, telephone (609) 291-0130.

MISCELLANEOUS

All quotations from summaries and explanations of the provisions of the laws of the State herein do not purport to be complete and are qualified in their entirety by reference to the official compilation thereof.

This Official Statement is not to be construed as a contract or agreement between the Borough and the purchasers or holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there have been no changes in the affairs in the Borough, the County, the State or any of their agencies or authorities, since the date hereof.

This Official Statement has been duly executed and delivered on behalf of the Borough by the Chief Financial Officer.

**BOROUGH OF SEASIDE PARK,
THE COUNTY OF OCEAN, NEW JERSEY**

By: _____
Jaimie Colson
Chief Financial Officer

Dated: March __, 2026

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APPENDIX A

**ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING
TO THE BOROUGH OF SEASIDE PARK, IN THE COUNTY OF OCEAN, NEW JERSEY**

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INFORMATION REGARDING THE BOROUGH¹

The following material presents certain economic and demographic information of the Borough of Seaside Park (the “Borough”), in the County of Ocean (the “County”), State of New Jersey (the “State”).

General Information

The Borough was incorporated in 1898 and consists of an area approximately 0.77 square miles. The Borough is located on the Barnegat Barrier Island in the County along the Atlantic Ocean and Barnegat Bay, which bay is part of the inland waterway running along the eastern seaboard of the continental United States. The Borough of Seaside Heights forms the northern border of the Borough, the south Seaside Park area of the Township of Berkeley and Island Beach State Park form the Borough's southern border, Barnegat Bay forms the Borough's western border and the Atlantic Ocean forms the Borough's eastern border. The Borough is currently considering the request of the South Seaside Park area of Berkeley Township to be annexed to the Borough.

The Borough is primarily a residential community with a year-round population of just over 1,500 residents. Its main industry is summer tourism, with almost two miles of shoreline along the Atlantic Ocean, offering the wide beaches of Island Beach State Park on the Atlantic Ocean and the vast expanses of the Barnegat Bay and the Toms River for sailing and water sports.

With the opening of the Garden State Parkway and improvements to Federal, State and County highways and roadways after 1950, residential development within the County increased and commercial development followed soon thereafter. For several decades, the County's population and development have increased the fastest of all counties in the State. The Borough is located south of the New York-northern New Jersey metropolitan area and to the east of the Greater Philadelphia metropolitan area, each respectively being approximately 68 miles and 70 miles from the Borough.

The Borough is located along or near major transportation corridors to the south of the New York-northern New Jersey metropolitan area and to the east of the Greater Philadelphia metropolitan area. The principal north to south route in the Borough is Route 35. State Highway Route 37 runs westerly from the Borough to the Garden State Parkway, which proceeds north to the New York-northern New Jersey metropolitan area and south to Atlantic City and Cape May, as well as to State Highway Route 70, the principal State artery leading to the Greater Philadelphia metropolitan area. The Borough is located south of Interstate 195 and north of the Atlantic City Expressway. Interstate 195 proceeds westerly to Interstate 95 (New Jersey Turnpike) which is a major beltway serving the eastern seaboard of the United States. The Atlantic City Expressway connects Atlantic City with the Greater Philadelphia metropolitan area.

¹ Source: The Borough, unless otherwise indicated.

Area Economy

The U.S. Census PMSA Designation for the Counties of Monmouth and Ocean classifies the two-county region as sharing certain characteristics. Employment and housing integrate the two counties, with an estimated 75% of the worktrips initiated in each county and ending somewhere in the two-county region.

Form of Government

The Borough operates under the Borough form of government as provided by N.J.S.A. 40A:60-1 et seq. as amended and supplemented. The Borough is governed by a six (6) member Borough Council, whose members are elected at large for three year terms by the legally registered voters in the Borough. The Borough Council comprises the legislative body which formulates policy, appropriates funds and adopts ordinances and resolutions for the conduct of Borough business. The legally registered voters in the Borough also elect a Mayor at large for a four (4) year term. The Mayor operates as the chief executive officer of the Borough and presides at Borough Council meetings and may vote to break a tie. The Mayor also has veto powers over Borough ordinances.

Public Safety

The Borough's public safety needs are satisfied by the Borough's Police Department.

Volunteer Emergency Groups

The Borough is serviced by one (1) volunteer fire company. This fire company is known as the Seaside Park Volunteer Fire Company Number 1 (district 9, station 45), which serves residents of the Borough, the South Seaside Park section of the Township of Berkeley and Island Beach State Park. The fire company also houses a scuba team.

The Borough is also serviced by one (1) volunteer/paid rescue squad. This rescue squad is known as Tri-Boro First Aid Squad, which serves residents of the Borough, the South Seaside Park section of the Township of Berkeley, Seaside Heights and Island Beach State Park.

Department of Public Works

The Department of Public Works is responsible for the maintenance and repair of all Borough roads, parking meters, buildings and facilities, the maintenance and repair of beaches and playgrounds, the collection of trash, and the maintenance of the Borough's water and sewer utility.

Employment and Unemployment Comparisons

For the following years, the New Jersey Department of Labor reported the following annual average employment information for the Borough, the County, and the State:

	<u>Total Labor Force</u>	<u>Employed Labor Force</u>	<u>Total Unemployed</u>	<u>Unemployment Rate</u>
<u>Borough</u>				
2024	615	583	32	5.2%
2023	616	583	33	5.4%
2022	607	577	30	4.9%
2021	591	549	42	7.1%
2020	587	525	62	10.6%
<u>County</u>				
2024	293,284	280,025	13,259	4.5%
2023	292,457	279,888	12,569	4.3%
2022	287,161	275,556	11,605	4.0%
2021	279,507	260,912	18,595	6.7%
2020	274,842	248,481	26,361	9.6%
<u>State</u>				
2024	4,898,008	4,676,064	221,944	4.5%
2023	4,867,113	4,659,779	207,334	4.3%
2022	4,756,002	4,572,879	183,123	3.9%
2021	4,654,243	4,342,075	312,168	6.7%
2020	4,643,700	4,204,301	439,399	9.5%

Source: New Jersey Department of Labor, Office of Research and Planning, Division of Labor Market and Demographic Research, Bureau of Labor Force Statistics, Local Area Unemployment Statistics

Income (as of 2024)

	<u>Borough</u>	<u>County</u>	<u>State</u>
Median Household Income	\$84,375	\$89,863	\$103,556
Median Family Income	123,750	112,175	127,025
Per Capita Income	78,010	44,947	54,253

Source: US Bureau of the Census, 2024 American Community Survey 5-Year Estimates

Population

The following tables summarize population increases and the decreases for the Borough, the County, and the State.

<u>Year</u>	<u>Borough</u>		<u>County</u>		<u>State</u>	
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>
2024 est.	1,793	24.86%	654,362	2.69%	9,343,809	0.59%
2020	1,436	-9.06	637,229	10.52	9,288,994	5.65
2010	1,579	-30.23	576,567	12.85	8,791,894	4.49
2000	2,263	20.95	510,916	17.94	8,414,350	8.85
1990	1,871	4.23	433,203	25.19	7,730,188	4.96

Source: United States Department of Commerce, Bureau of the Census

Largest Taxpayers

The ten largest taxpayers in the Borough and their assessed valuations are listed below:

<u>Taxpayers</u>	<u>2025 Assessed Valuation</u>	<u>% of Total Assessed Valuation</u>
Friedland Family Trust	\$3,801,700	0.32%
Individual Taxpayer #1	3,778,100	0.32%
Joy-Jam inc C/O Windjammer	3,499,000	0.30%
Individual Taxpayer #2	2,931,900	0.25%
Individual Taxpayer #3	2,687,000	0.23%
Seaside Park Yacht Club	2,472,500	0.21%
Individual Taxpayer #4	2,390,800	0.20%
Individual Taxpayer #5	2,310,100	0.20%
Individual Taxpayer #6	2,299,400	0.20%
Individual Taxpayer #7	<u>2,275,000</u>	<u>0.19%</u>
Total	<u>\$28,445,500</u>	<u>2.42%</u>

Source: Annual Comprehensive Financial Report of the School District and Municipal Tax Assessor

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Current Year Collection</u>	<u>Current Year % of Collection</u>
2025U	\$20,483,620	\$20,280,298	99.01%
2024	19,230,774	19,051,034	99.07%
2023	18,843,994	18,370,907	97.49%
2022	18,065,074	17,830,003	98.70%
2021	17,597,231	17,473,237	99.30%

U: Unaudited
Source: Annual Audit Reports of the Borough

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Tax</u>	<u>Total Delinquent</u>	<u>% of Tax Levy</u>
2025U	\$0	\$202,456	\$202,456	0.99%
2024	0	177,273	177,273	0.92%
2023	0	468,480	468,480	2.49%
2022	0	209,349	209,349	1.16%
2021	0	119,732	119,732	0.68%

U: Unaudited
Source: Annual Audit Reports of the Borough

Property Acquired by Tax Lien Liquidation

<u>Year</u>	<u>Amount</u>
2025U	\$0
2024	0
2023	0
2022	0
2021	0

U: Unaudited
Source: Annual Audit Reports of the Borough

Tax Rates per \$100 of Net Valuations Taxable and Allocations

The table below lists the tax rates for Borough residents for the past five (5) years.

<u>Year</u>	<u>Municipal</u>	<u>Local School</u>	<u>Regional School</u>	<u>County</u>	<u>Total</u>
2025	\$0.677	\$0.050	\$0.468	\$0.540	\$1.735
2024	0.633	0.049	0.465	0.489	1.636
2023	0.588	0.049	0.508	0.464	1.609
2022	0.572	0.036	0.525	0.419	1.552
2021	0.553	0.039	0.520	0.407	1.519

Source: Abstract of Ratables and State of New Jersey – Property Taxes

Valuation of Property

<u>Year</u>	<u>Aggregate Assessed Value of Real Property</u>	<u>Aggregate True Value of Real Property</u>	<u>Ratio of Assessed to True Value</u>	<u>Assessed Value of Personal Property</u>	<u>Equalized Valuation</u>
2025	\$1,176,093,800	\$2,104,300,948	55.89%	\$0	\$2,104,300,948
2024	1,173,398,000	1,878,639,129	62.46	0	1,878,639,129
2023	1,166,529,000	1,680,635,355	69.41	0	1,680,635,355
2022	1,160,077,000	1,493,981,970	77.65	0	1,493,981,970
2021	1,155,477,800	1,276,066,041	90.55	0	1,276,066,041

Source: Abstract of Ratables and State of New Jersey – Table of Equalized Valuations

Classification of Ratables

The table below lists the comparative assessed valuation for each classification of real property within the Borough for the past five (5) years.

<u>Year</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartments</u>	<u>Total</u>
2025	\$21,984,900	\$1,114,269,900	\$0	\$32,707,400	\$0	\$7,131,600	\$1,176,093,800
2024	18,751,500	1,114,826,500	0	32,688,400	0	7,131,600	1,173,398,000
2023	19,165,000	1,103,772,400	0	35,492,100	0	8,099,500	1,166,529,000
2022	20,675,100	1,095,810,300	0	35,492,100	0	8,099,500	1,160,077,000
2021	22,313,100	1,088,745,900	0	36,380,700	0	8,038,100	1,155,477,800

Source: Abstract of Ratables and State of New Jersey – Property Value Classification

Financial Operations

The following table summarizes the Borough's Current Fund budget for the past five (5) fiscal years ending December 31. The following summary should be used in conjunction with the tables in the sourced documents from which it is derived.

Summary of Current Fund Budget

<u>Anticipated Revenues</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Fund Balance Utilized	\$2,000,000	\$2,100,000	\$2,140,000	\$1,450,000	\$1,000,000
Miscellaneous Revenues	2,922,642	3,164,871	3,183,342	3,970,770	4,643,717
Receipts from Delinquent Taxes	60,000	60,000	60,000	75,000	75,000
Amount to be Raised by Taxation	<u>6,388,845</u>	<u>6,638,181</u>	<u>6,863,153</u>	<u>7,421,020</u>	<u>7,959,711</u>
Total Revenue:	<u>\$11,371,487</u>	<u>\$11,963,052</u>	<u>\$12,246,495</u>	<u>\$12,916,790</u>	<u>\$13,678,427</u>
<u>Appropriations</u>					
General Appropriations	\$9,534,410	\$9,828,299	\$10,136,567	\$10,354,650	\$10,935,563
Operations (Excluded from CAPS)	293,325	424,363	652,058	929,106	788,124
Deferred Charges and Statutory Expenditures	0	0	0	0	0
Judgments	0	0	0	0	0
Capital Improvement Fund	448,000	629,000	442,705	251,600	675,000
Municipal Debt Service	745,752	731,390	769,065	837,598	875,893
Reserve for Uncollected Taxes	<u>350,000</u>	<u>350,000</u>	<u>246,100</u>	<u>543,836</u>	<u>403,847</u>
Total Appropriations:	<u>\$11,371,487</u>	<u>\$11,963,052</u>	<u>\$12,246,495</u>	<u>\$12,916,790</u>	<u>\$13,678,427</u>

Source: Annual Adopted Budgets of the Borough

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Fund Balance

Current Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Current Fund for the past five (5) fiscal years ending December 31.

<u>Year</u>	<u>Current Fund</u>	
	<u>Balance</u> <u>12/31</u>	<u>Utilized in Budget</u> <u>of Succeeding Year</u>
2025U	\$2,645,532	N/A
2024	2,792,192	1,000,000
2023	1,708,498	1,450,000
2022	2,669,087	2,140,000
2021	3,066,539	2,100,000

U: Unaudited

Source: Annual Audit Reports of the Borough

Water-Sewer Utility Operating Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Water-Sewer Utility Operating Fund for the past five (5) fiscal years ending December 31.

<u>Year</u>	<u>Water/Sewer Utility Operating Fund</u>	
	<u>Balance</u> <u>12/31</u>	<u>Utilized in Budget</u> <u>of Succeeding Year</u>
2025U	\$1,018,771	N/A
2024	1,325,750	400,000
2023	953,212	700,000
2022	945,196	600,000
2021	1,180,365	800,000

U: Unaudited

Source: Annual Audit Reports of the Borough

Marina Utility Operating Fund

The following table lists the Borough's fund balance and the amount utilized in the succeeding year's budget for the Marina Utility Operating Fund for the past five (5) fiscal years ending December 31.

	Balance	Utilized in Budget
<u>Year</u>	<u>12/31</u>	<u>of Succeeding Year</u>
2025U	\$503,777	N/A
2024	506,758	150,000
2023	526,103	150,000
2022	490,001	75,000
2021	361,557	75,000

U: Unaudited
Source: Annual Audit Reports of the Borough

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Borough Indebtedness as of December 31, 2025

General Purpose Debt

Serial Bonds	\$5,390,000
Bond Anticipation Notes	2,925,000
Bonds and Notes Authorized but Not Issued	23,500,782
Other Bonds, Notes and Loans	2,125
Total:	<u>\$31,817,907</u>

Local School District Debt

Serial Bonds	\$0
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	0
Total:	<u>\$0</u>

Regional School District Debt

Serial Bonds	\$0
Temporary Notes Issued	0
Bonds and Notes Authorized but Not Issued	0
Total:	<u>\$0</u>

Self-Liquidating Debt

Serial Bonds	\$360,000
Bond Anticipation Notes	0
Bonds and Notes Authorized but Not Issued	6,030,101
Other Bonds, Notes and Loans	10,763,939
Total:	<u>\$17,154,041</u>

TOTAL GROSS DEBT

\$48,971,948

Less: Statutory Deductions

General Purpose Debt	\$1,104,782
Local School District Debt	0
Self-Liquidating Debt	17,154,041
Total:	<u>\$18,258,823</u>

TOTAL NET DEBT

\$30,713,125

Source: Annual Debt Statement of the Borough

Overlapping Debt (as of December 31, 2025)²

<u>Name of Related Entity</u>	<u>Related Entity Debt Outstanding</u>	<u>Borough Percentage</u>	<u>Borough Share</u>
Local School District	\$0	100.00%	\$0
Regional School District	0	13.91%	0
Ocean County	591,152,854	1.10%	6,501,647
Ocean County Utilities Authority (2024)	57,899,776	1.10%	<u>636,796</u>
Net Indirect Debt			\$7,138,443
Net Direct Debt			<u>30,713,125</u>
Total Net Direct and Indirect Debt			<u>\$37,851,568</u>

Debt Limit

Average Equalized Valuation Basis (2023, 2024, 2025)	\$1,887,858,477
Permitted Debt Limitation (3 1/2%)	66,075,047
Less: Net Debt	<u>30,713,125</u>
Remaining Borrowing Power	<u>\$35,361,922</u>
Percentage of Net Debt to Average Equalized Valuation	1.627%
Gross Debt Per Capita based on 2020 population of 1,436	\$34,103
Net Debt Per Capita based on 2020 population of 1,436	\$21,388

Source: Annual Debt Statement of the Borough

² Borough percentage of County debt is based on the Borough's share of total equalized valuation in the County.

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APPENDIX B

**FINANCIAL STATEMENTS OF THE BOROUGH OF SEASIDE PARK,
IN THE COUNTY OF OCEAN, NEW JERSEY**

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**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025**

(With Independent Accountant's Compilation Report Thereon)

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**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN**

PART I

**INDEPENDENT ACCOUNTANT'S COMPILATION REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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Certified Public Accountants + Advisors

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

Honorable Mayor and Members
of the Borough Council
Borough of Seaside Park
County of Ocean
Seaside Park, New Jersey

Management is responsible for the accompanying financial statements of the Borough of Seaside Park, County of Ocean, State of New Jersey, which comprise the statement of assets, liabilities reserves and fund balance—regulatory basis as of December 31, 2025 and 2024, and the related statement of operations and changes in fund balance—regulatory basis for the years then ended and the related statement of revenues-regulatory basis, statement of expenditures-regulatory basis for the year ended December 31, 2025 and the related notes to the financial statements in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements were prepared in accordance with accounting principles and practices 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 comply with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. As a result, the financial statements may not be suitable for another purpose.

Management has elected to omit certain disclosures related to pensions and other post-employment benefits because updated information has not been provided by the New Jersey Division of Pension and Benefits. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Borough's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'Jerry W. Conaty', is written over a white background.

Jerry W. Conaty
Certified Public Accountant
Registered Municipal Accountant
RMA No. 581

March 18, 2026
Lakewood, New Jersey

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BASIC FINANCIAL STATEMENTS

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**BOROUGH OF SEASIDE PARK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Operating Fund:		
Cash - Treasurer	\$ 7,255,863.63	\$ 6,604,422.83
Petty Cash	1,675.05	1,675.05
Change Fund	<u>6,274.00</u>	<u>6,274.00</u>
Due To/From State of New Jersey - Seniors' and Veterans' Deductions	<u>750.00</u>	<u>-</u>
	<u>7,264,562.68</u>	<u>6,612,371.88</u>
Receivables With Full Reserves:		
Taxes Receivable	202,456.10	177,273.33
Revenue Accounts Receivable	8,666.91	6,450.14
Due From:		
Animal Control Trust	-	253.00
Payroll	119,962.40	55,024.01
Grant Fund	<u>475,377.50</u>	<u>174,753.25</u>
	<u>806,462.91</u>	<u>413,753.73</u>
Deferred Charge		
Overexpenditure	<u>-</u>	<u>10,826.65</u>
	<u>-</u>	<u>10,826.65</u>
Total Operating Fund	<u>8,071,025.59</u>	<u>7,036,952.26</u>
Grant Fund:		
Grants Receivable	1,215,371.13	870,226.13
Interfund Receivable - General Capital Fund	-	222,645.00
Deferred Charge		
Overexpenditure of Grant Appropriated	<u>-</u>	<u>36,388.76</u>
Total Grant Fund	<u>1,215,371.13</u>	<u>1,129,259.89</u>
Total Assets	<u>\$ 9,286,396.72</u>	<u>\$ 8,166,212.15</u>

**BOROUGH OF SEASIDE PARK
CURRENT FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Liabilities, Reserves and Fund Balance</u>		
Operating Fund:		
Appropriation Reserves	\$ 838,604.92	\$ 841,558.57
Encumbrances Payable	345,349.40	79,431.63
Due To/From State of New Jersey - Seniors' and Veterans' Deductions	-	1,750.00
Prepaid Beach Badges	188,725.70	198,138.16
Prepaid Taxes	310,175.40	288,239.48
Tax Overpayments	30,608.18	47,825.26
Accounts Payable	1,465.42	119,968.93
County Taxes Payable	24,363.56	10,094.30
Regional District High School Tax Payable	1,290,864.01	1,270,026.41
Local District School Tax Payable	196,804.00	192,946.00
Due To State of New Jersey -	11,751.00	11,277.00
Due to the Federal Government	80,751.79	80,751.79
Interfunds Payable		
Grant	-	-
Trust Other	81,445.00	10.00
Due General Capital	916,401.33	416,050.78
Water Utility Operating Fund	33,067.32	-
Water Utility Capital Fund	60,438.94	60,438.94
Reserve for:		
FEMA Sandy Overpayments	188,010.68	188,010.68
Municipal Relief	-	21,540.06
Insurance Proceeds	2,500.00	2,500.00
Other Reserves	23,445.27	449.04
	<u>4,624,771.92</u>	<u>3,831,007.03</u>
Reserve for Receivables	806,462.91	413,753.73
Fund Balance	<u>2,639,790.76</u>	<u>2,792,191.50</u>
	<u>3,446,253.67</u>	<u>3,205,945.23</u>
Total Operating Fund	<u>8,071,025.59</u>	<u>7,036,952.26</u>
Grant Fund:		
Reserve for Grants:		
Unappropriated	42,720.06	265,365.06
Appropriated	490,472.86	687,371.58
Interfund Payable - Current Fund	475,377.50	174,753.25
Encumbrances Payable	206,800.71	1,770.00
Total Grant Fund	<u>1,215,371.13</u>	<u>1,129,259.89</u>
Total Liabilities, Reserves and Fund Balance	<u>\$ 9,286,396.72</u>	<u>\$ 8,166,212.15</u>

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 1,000,000.00	\$ 1,450,000.00
Miscellaneous Revenue Anticipated	4,339,241.90	4,800,091.31
Receipts From Delinquent Taxes	178,023.33	404,042.32
Receipts From Current Taxes	20,280,298.13	19,051,033.87
Non-Budget Revenue	201,940.63	233,151.31
Other Credits To Income:		
Unexpended Balance of Appropriation Reserves	764,848.68	1,020,556.63
Cancellation of Accounts Payable	119,968.93	-
	<hr/>	<hr/>
Total Revenue	26,884,321.60	26,958,875.44
	<hr/>	<hr/>
Expenditures:		
Budget Appropriations	13,304,469.83	12,444,030.89
County Taxes	6,350,683.42	5,737,585.74
Regional District High School Tax	5,503,465.00	5,451,371.00
Local District School Tax	590,412.00	578,836.00
Amount Due County for Added and Omitted Taxes	24,363.56	10,416.01
Interfunds Advanced	263,328.56	204,806.84
	<hr/>	<hr/>
Total Expenditures	26,036,722.37	24,427,046.48
	<hr/>	<hr/>
Excess in Revenue	847,599.23	2,531,828.96
	<hr/>	<hr/>
Adjustments To Income Before Fund Balance		
Expenditures Included Above Which Are By Statute Deferred Charges To Budget of Succeeding Year	-	1,864.11
	<hr/>	<hr/>
Statutory Excess To Fund Balance	847,599.23	2,533,693.07
	<hr/>	<hr/>
Fund Balance, January 1	2,792,191.53	1,708,498.46
	<hr/>	<hr/>
	3,639,790.76	4,242,191.53
Decreased By:		
Utilized as Anticipated Revenue	1,000,000.00	1,450,000.00
	<hr/>	<hr/>
Fund Balance, December 31	<u>\$ 2,639,790.76</u>	<u>\$ 2,792,191.53</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Budget</u>	<u>Special</u> N.J.S.40A:4-87	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	\$ 1,000,000.00	\$ -	\$ 1,000,000.00	\$ -
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	12,000.00	-	10,180.00	(1,820.00)
Fees and Permits	250,000.00	-	184,863.70	(65,136.30)
Fines and Costs:				
Municipal Court	100,000.00	-	143,913.15	43,913.15
Interest and Costs on Taxes	55,000.00	-	57,615.97	2,615.97
Parking Meters	850,000.00	-	903,985.19	53,985.19
Interest on Investments and Deposits	293,999.57	-	244,047.90	(49,951.67)
Beach Badges	1,938,000.00	-	1,732,243.19	(205,756.81)
Fire Protection Contract	35,000.00	-	35,000.00	-
Cable Television Franchise Fees	18,000.00	-	23,261.00	5,261.00
Energy Receipts Tax (P.L. 1997, Ch. 62 & 67)	208,980.00	-	208,980.06	0.06
Reserve for Municipal Relief Aid	21,540.06	-	21,540.06	-
Uniform Construction Code Fees	200,000.00	-	176,082.00	(23,918.00)
Utility Operating Surplus	150,000.00	-	150,000.00	-
Federal, State & Local Grants:				
Clean Communities Grant	13,713.80	-	13,713.80	-
Recycling Tonnage Grant	4,502.88	-	4,502.88	-
FY 2023 NJDOT Grant - Bayview Ave Phase II	222,645.00	-	222,645.00	-
Local Recreation Improvement Grant	90,000.00	-	90,000.00	-
Community Energy Plan Grant	10,000.00	-	10,000.00	-
Municipal Alliance on Alcoholism and Drug Abuse State Share	6,668.00	-	6,668.00	-
Ocean County "Circle of Life" Barnegat Bay Sewerage Pump Out Vessel Program	70,000.00	30,000.00	100,000.00	-
Total Miscellaneous Revenues	4,550,049.31	30,000.00	4,339,241.90	(240,807.41)
Receipts From Delinquent Taxes	75,000.00	-	178,023.33	103,023.33
Amount to be Raised by Taxes for Support of Municipal Budget	7,959,710.52	-	8,215,221.40	255,510.88
Budget Totals	13,584,759.83	-	13,732,486.63	117,726.80
Non-Budget Revenue	-	-	201,940.63	201,940.63
	\$ 13,584,759.83	\$ 30,000.00	\$ 13,934,427.26	\$ 319,667.43

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
CURRENT FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Analysis of Realized Revenue

Revenue From Collections		\$	20,280,298.13
Allocated To:			
Regional District School	\$		590,412.00
Regional District High School			5,503,465.00
County Taxes			6,375,046.98
			12,468,923.98
Balance for Support of Municipal Budget Purposes			7,811,374.15
Add: Appropriation Reserve for Uncollected Taxes			403,847.25
			8,215,221.40
Amount for Support of Municipal Budget Appropriations		\$	8,215,221.40

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:			
NSF Check Fees		\$	60.00
Police Off-Duty Administrative Fees			14,962.95
DPW/Recycling			19,865.86
Senior and Veteran Administrative Fee			310.00
Clerk Copies, OPRA, & Other Fees			36,835.00
Finance Miscellaneous			1,639.98
Merchant Fees			261.14
Miscellaneous			100,256.59
Prior Year Refunds			9,258.82
Prior Year Revenue Received			18,490.29
			18,490.29
		\$	201,940.63

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
GENERAL GOVERNMENT						
Administration and Executive:						
Salaries and Wages	\$ 290,000.00	\$ 222,000.00	\$ 219,726.02	\$ -	\$ 2,273.98	\$ -
Other Expenses	157,000.00	157,000.00	123,673.02	30,523.95	2,803.03	-
Mayor & Council						
Salaries and Wages	52,500.00	52,500.00	48,897.42	-	3,602.58	-
Other Expenses	2,800.00	2,800.00	2,099.57	-	700.43	-
Financial Administration:						
Salaries and Wages	120,000.00	167,500.00	160,149.67	-	7,350.33	-
Other Expenses	130,000.00	175,000.00	153,861.41	19,053.75	2,084.84	-
Audit Services:						
Other Expenses	76,000.00	62,000.00	57,000.00	5,000.00	-	-
Tax Collection Administration:						
Salaries and Wages	60,000.00	65,000.00	64,382.02	-	617.98	-
Other Expenses	6,000.00	10,000.00	8,850.88	134.34	1,014.78	-
Tax Assessment Administration:						
Salaries and Wages	22,000.00	23,000.00	22,226.88	-	773.12	-
Other Expenses	8,000.00	8,000.00	2,321.11	1,905.00	3,773.89	-
Legal Services:						
Other Expenses	200,000.00	190,600.00	159,239.51	21,365.29	9,995.20	-
Engineering Services:						
Other Expenses	110,000.00	110,000.00	46,176.25	26,263.50	37,560.25	-
Land Use Administration:						
 Planning Board:						
Other Expenses	12,500.00	12,500.00	5,674.88	6,579.75	245.37	-
 Other Code Enforcement:						
Other Expenses	53,000.00	53,000.00	43,732.25	9,005.25	262.50	-

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Insurance:						
General Liability Insurance	223,709.00	223,709.00	223,709.00	-	-	-
Worker's Compensation Insurance	543,235.00	543,235.00	543,235.00	-	-	-
Employee Group Insurance	1,047,000.00	1,047,000.00	848,444.14	4,049.56	194,506.30	-
Other Expenses	50,000.00	50,000.00	44,551.83	3,861.85	1,586.32	-
Health Benefits Waiver	15,000.00	21,000.00	21,000.00	-	-	-
Public Safety:						
Police:						
Salaries and Wages	2,475,000.00	2,475,000.00	2,362,085.27	-	112,914.73	-
Other Expenses	302,650.00	302,650.00	250,623.53	37,428.69	14,597.78	-
Office of Emergency Management:						
Other Expenses	6,900.00	6,900.00	4,688.82	133.32	2,077.86	-
Aid to Volunteer Ambulance Service:						
Other Expenses	125,000.00	125,000.00	125,000.00	-	-	-
Fire Department:						
Other Expenses - Clothing Allowance	10,000.00	10,000.00	10,000.00	-	-	-
Other Expenses - Miscellaneous	165,564.00	165,564.00	117,719.75	43,263.11	4,581.14	-
Municipal Prosecutor's Office:						
Other Expenses	35,000.00	35,000.00	28,875.00	2,875.00	3,250.00	-
Municipal Court:						
Salaries and Wages	95,000.00	95,000.00	85,100.23	-	9,899.77	-
Other Expenses	15,000.00	15,000.00	8,676.16	2,764.45	3,559.39	-
Public Defender:						
Other Expenses	2,000.00	5,000.00	3,872.01	1,127.99	-	-
Streets and Road Maintenance:						
Other Expenses	25,000.00	25,000.00	8,796.79	3,256.20	12,947.01	-

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Public Works Functions:						
Public Works:						
Salaries and Wages	1,010,000.00	1,010,000.00	950,103.32	-	59,896.68	-
Other Expenses	20,000.00	40,000.00	21,550.48	9,772.84	8,676.68	-
Recycling Program:						
Other Expenses	3,500.00	3,500.00	2,099.50	307.50	1,093.00	-
Public Buildings and Grounds Maintenance:						
Other Expenses	78,000.00	78,000.00	60,350.95	11,753.08	5,895.97	-
Vehicle Maintenance:						
Other Expenses	100,000.00	100,000.00	53,015.67	23,271.30	23,713.03	-
Health and Human Services:						
Animal Control Services:						
Other Expenses	250.00	650.00	647.44	-	2.56	-
Aid to Domestic Violence Shelter (N.J.S.A. 14-11)						
Other Expenses	1,000.00	1,000.00	70.00	195.00	735.00	-
Parks and Recreation:						
Recreation:						
Salaries and Wages	30,000.00	30,000.00	24,696.10	-	5,303.90	-
Other Expenses	45,000.00	45,000.00	38,534.84	2,850.72	3,614.44	-
Seasonal Beach Operations:						
Salaries and Wages:						
Beach Patrol	520,000.00	506,000.00	505,677.86	-	322.14	-
Beach Control	400,000.00	335,000.00	330,951.27	-	4,048.73	-

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Other Expenses:						
Beach Patrol	35,620.00	52,120.00	32,236.10	18,442.87	1,441.03	-
Beach Control	68,750.00	68,750.00	45,189.17	2,215.54	21,345.29	-
Beach Clean Up	45,000.00	5,000.00	-	-	5,000.00	-
Beach Bathroom Operations						
Other Expenses	1,500.00	1,500.00	816.20	-	683.80	-
Beach, Bayfront, Boardwalk and Dock Maintenance						
Other Expenses	25,000.00	25,000.00	7,575.03	4,625.73	12,799.24	-
Other Common Operating Functions:						
Information Technology:						
Other Expenses	30,000.00	51,500.00	20,110.86	954.14	30,435.00	-
Uniform Construction Code - Appropriations						
Offset by Dedicated Revenues (N.J.A.C. 5:23-4.17):						
Code Enforcement and Construction:						
Salaries and Wages	290,000.00	292,000.00	288,966.89	-	3,033.11	-
Other Expenses	59,250.00	79,250.00	58,229.49	20,622.71	397.80	-
Unclassified:						
Utilities:						
Electricity	40,000.00	47,500.00	42,185.17	5,314.83	-	-
Street Lighting	65,000.00	70,000.00	61,844.93	7,686.48	468.59	-
Telephone	65,000.00	65,000.00	39,518.52	2,257.67	23,223.81	-
Natural Gas	18,000.00	20,000.00	10,833.15	7,087.29	2,079.56	-
Gasoline	125,000.00	125,000.00	65,445.65	7,203.82	52,350.53	-
Solid Waste Disposal Costs:						
Garbage and Trash Removal:						
Other Expenses	173,000.00	173,000.00	117,238.68	246.88	55,514.44	-
Accumulated Leave Compensation:						
Salaries and Wages	25,000.00	25,000.00	25,000.00	-	-	-
Total Operations - Within "CAPS"	9,709,728.00	9,705,728.00	8,607,275.69	343,399.40	755,052.91	-

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Detail:						
Salaries and Wages	5,379,500.00	5,273,000.00	5,062,962.95	-	210,037.05	-
Other Expenses	4,330,228.00	4,432,728.00	3,544,312.74	343,399.40	545,015.86	-
<hr/>						
Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"						
Deferred Charge - Overexpenditure of Appropriation	10,826.65	10,826.65	10,826.65	-	-	-
Deferred Charge - Overexpenditure of Trust Fund	16,427.20	16,427.20	16,427.20	-	-	-
Deferred Charge - Overexpenditure of Grant Fund	36,388.76	36,388.76	36,388.76	-	-	-
Contribution To:						
Public Employees' Retirement System	200,910.00	200,910.00	200,508.98	-	401.02	-
Social Security System (O.A.S.I.)	400,000.00	400,000.00	380,210.51	-	19,789.49	-
Police & Firemen's Retirement System	558,782.53	558,782.53	558,782.53	-	-	-
Defined Contribution Retirement Program	2,500.00	6,500.00	5,048.68	-	1,451.32	-
<hr/>						
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	1,225,835.14	1,229,835.14	1,208,193.31	-	21,641.83	-
<hr/>						
Total General Appropriations for Municipal Purposes - Within "CAPS"	10,935,563.14	10,935,563.14	9,815,469.00	343,399.40	776,694.74	-
<hr/>						
Operations Excluded from "CAPS"						
LOSAP:						
Other Expenses	10,000.00	16,000.00	15,882.12	-	117.88	-
Interlocal Municipal Service Agreements:						
Berkeley Township - Animal Control Service	9,184.38	9,184.38	9,184.38	-	-	-
Borough of Lavalette Court Administrator	70,943.13	76,943.13	75,481.45	-	1,461.68	-
Borough of Seaside Heights - Chief Financial Officer	79,000.00	66,500.00	19,665.70	-	46,834.30	-
Manchester Township - Firearms Range	1,000.00	1,500.00	600.00	500.00	400.00	-

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Ocean County:						
Board of Health - Animal Shelter Services	800.00	800.00	-	-	800.00	-
Road Department - Road Materials and Paving	15,000.00	15,000.00	1,732.88	1,450.00	11,817.12	-
Fire/Police 911 Dispatch Services	183,000.00	183,000.00	182,520.80	-	479.20	-
Total Other Operations - Excluded from "CAPS"	368,927.51	368,927.51	305,067.33	1,950.00	61,910.18	-
Public and Private Programs Offset By Revenues:						
Municipal Alliance on Alcoholism and Drug Abuse:						
State Share	6,668.00	6,668.00	6,668.00	-	-	-
Local Share	1,667.00	1,667.00	1,667.00	-	-	-
Ocean County "Circle of Life" Barnegat Bay						
Sewerage Pump Out Vessel Program	70,000.00	100,000.00	100,000.00	-	-	-
Recycling Tonnage	4,502.88	4,502.88	4,502.88	-	-	-
Clean Communities Grant	13,713.80	13,713.80	13,713.80	-	-	-
Community Energy Plan Grant	10,000.00	10,000.00	10,000.00	-	-	-
Local Recreation Improvement Grant	90,000.00	90,000.00	90,000.00	-	-	-
NJ Dot Bayview Ave	222,645.00	222,645.00	222,645.00	-	-	-
Total Public and Private Programs Offset By Revenues	419,196.68	449,196.68	449,196.68	-	-	-
Total Operations - Excluded from "CAPS"	788,124.19	818,124.19	754,264.01	1,950.00	61,910.18	-
Detail:						
Other Expenses	788,124.19	818,124.19	754,264.01	1,950.00	61,910.18	-
Capital Improvements - Excluded From "CAPS"						
Capital Improvement Fund	675,000.00	675,000.00	675,000.00	-	-	-
Total Capital Improvements - Excluded From "CAPS"	675,000.00	675,000.00	675,000.00	-	-	-

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
 COUNTY OF OCEAN, NEW JERSEY
 CURRENT FUND
 STATEMENT OF EXPENDITURES - REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			Unexpended Balance Canceled
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	
Municipal Debt Service - Excluded From "CAPS"						
Interest on Notes						
Payment of Bond Principal	505,000.00	505,000.00	505,000.00	-	-	-
Payment of Bond Anticipation Notes	5,700.00	5,700.00	5,700.00	-	-	-
Interest on Bonds	221,900.00	221,900.00	221,900.00	-	-	-
Interest on Notes	139,000.00	139,000.00	138,890.00	-	-	110.00
Green Trust Loan Program:						
Loan Repayments for Principal and Interest	4,292.50	4,292.50	4,292.50	-	-	-
Total Municipal Debt Service - Excluded From "CAPS"	875,892.50	875,892.50	875,782.50	-	-	110.00
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	2,339,016.69	2,369,016.69	2,305,046.51	1,950.00	61,910.18	110.00
Subtotal General Appropriations	13,274,579.83	13,304,579.83	12,120,515.51	345,349.40	838,604.92	110.00
Reserve for Uncollected Taxes	403,847.25	403,847.25	403,847.25	-	-	-
Total General Appropriations	\$ 13,678,427.08	\$ 13,708,427.08	\$ 12,524,362.76	\$ 345,349.40	\$ 838,604.92	\$ 110.00
Budget as Adopted		\$ 13,678,427.08				
Appropriated by N.J.S. 40A:4-87		<u>30,000.00</u>				
		<u>\$ 13,708,427.08</u>				
Analysis of Paid or Charged:						
Cash Disbursements			\$ 10,932,676.22			
Due General Capital			675,000.00			
Deferred Charge			63,642.61			
Reserve for:						
Uncollected Taxes			403,847.25			
Grants Appropriated			<u>449,196.68</u>			
			<u>\$ 12,524,362.76</u>			

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Assessment Trust Fund:		
Cash	\$ -	\$ 93,667.25
Total Assessment Trust Fund	<u>-</u>	<u>93,667.25</u>
Animal Control Trust Fund:		
Cash	<u>525.15</u>	<u>591.15</u>
Total Animal Control Fund	<u>525.15</u>	<u>591.15</u>
Trust - Other Funds:		
Cash	317,272.01	248,402.97
Due From Current	81,445.00	10.00
Deferred Charge - Overexpenditure of Trust Funds	<u>-</u>	<u>16,427.20</u>
Total Trust - Other Fund	<u>398,717.01</u>	<u>264,840.17</u>
Length of Service Award Program Fund ("LOSAP"):		
Investments	<u>626,380.10</u>	<u>561,073.55</u>
Total LOSAP	<u>626,380.10</u>	<u>561,073.55</u>
Total Assets	<u>\$ 1,025,622.26</u>	<u>\$ 920,172.12</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
TRUST FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Liabilities, Reserves and Fund Balance</u>		
Assessment Trust Fund:		
Fund Balance	\$ -	\$ 93,667.25
Total Assessment Trust Fund	-	93,667.25
Animal Control Trust Fund:		
Due To:		
Current Fund	-	253.00
State - License Fee	-	10.80
Reserve for Animal Control Fund Expenditures	525.15	327.35
Total Animal Control Fund	525.15	591.15
Trust - Other Funds:		
Due to Water=Sewer Operating	2,397.65	-
Various Reserves	396,319.36	264,840.17
Total Trust - Other Fund	398,717.01	264,840.17
Length of Service Award Program Fund ("LOSAP"):		
Miscellaneous Reserves	626,380.10	561,073.55
Total LOSAP	626,380.10	561,073.55
Total Liabilities, Reserves and Fund Balance	\$ 1,025,622.26	\$ 920,172.12

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
TRUST FUND
STATEMENT OF ASSESSMENT FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025 AND 2024**

Balance, December 31, 2024	\$ 93,667.25
Decreased By:	
Payment To Current Fund	<u>93,667.25</u>
Balance, December 31, 2025	<u><u>\$ -</u></u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Cash - Treasurer	\$ 1,662,849.27	\$ 892,788.55
Grants Receivable	14,628.69	514,537.69
NJEIT Loan Receivable	10,373,188.62	-
Due From Water Operating Fund	134,837.48	-
Due From Water Capital Fund	981,904.85	2,981,904.85
Due from Current Fund	916,401.33	416,050.78
Deferred Charges To Future Taxation:		
Funded	5,392,125.00	5,901,312.09
Unfunded	26,425,781.75	22,306,610.75
	<hr/>	<hr/>
Total Assets	<u>\$ 45,901,716.99</u>	<u>\$ 33,013,204.71</u>
 <u>Liabilities, Reserves and Fund Balance</u>		
Serial Bonds	\$ 5,390,000.00	\$ 5,895,000.00
Bond Anticipation Notes	2,925,000.00	3,268,000.00
Green Trust Loans Payable	2,125.00	6,312.09
NJEIT Interim Construction Loan	12,300,000.00	-
Due to Grant Fund	-	222,645.00
Reserve for Encumbrances	3,791,316.93	270,921.20
Improvement Authorizations:		
Funded	641,477.12	905,971.96
Unfunded	19,123,923.40	20,984,421.61
Capital Improvement Fund	257,521.44	24,232.44
Reserve to Pay Debt Service	994,128.25	930,932.48
Fund Balance	476,224.85	504,767.93
	<hr/>	<hr/>
Total Liabilities, Reserves and Fund Balance	<u>\$ 45,901,716.99</u>	<u>\$ 33,013,204.71</u>

There were bonds and notes authorized but not issued on December 31, 2025 in the amount of \$23,500,781.75 and December 31, 2024 in the amount of \$19,088,610.75.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance, December 31, 2024	\$ 504,767.93
Increased By:	
Premium on Bond Proceeds	<u>21,456.92</u>
	526,224.85
Decreased By:	
Appropriated to Finance Improvement Authorization	<u>50,000.00</u>
Balance, December 31, 2025	<u><u>\$ 476,224.85</u></u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Operating Fund:		
Cash - Treasurer	\$ 2,417,571.23	\$ 2,882,803.44
Cash - Change Fund	200.00	200.00
Interfund - Current Fund	33,067.32	-
Interfund - Trust Other	2,397.65	-
	<u>2,453,236.20</u>	<u>2,883,003.44</u>
Receivables With Full Reserves:		
Consumer Accounts Receivable	<u>210,407.53</u>	<u>201,391.75</u>
Deferred Charges:		
Overexpenditure	<u>-</u>	<u>140,014.05</u>
Total Operating Fund	<u>2,663,643.73</u>	<u>3,224,409.24</u>
Capital Fund:		
Cash	1,356,115.37	1,448,605.15
Performance Deposit - N.J. DOT	50,000.00	50,000.00
Performance Deposit - Ocean County Utilities Authority	2,000.00	2,000.00
Due From Current Fund	60,438.94	60,438.94
Due From Water Operating	1,142,649.97	1,142,649.97
Fixed Capital	23,827,090.60	23,827,090.60
Fixed Capital Authorized & Uncompleted	<u>14,382,907.00</u>	<u>13,588,407.00</u>
Deferred Charges:		
Expenditure without Authorization	-	42,765.50
Capital Appropriation (CIF)	<u>68,325.00</u>	<u>-</u>
Total Capital Fund	<u>40,889,526.88</u>	<u>40,161,957.16</u>
Total Assets	<u>\$ 43,553,170.61</u>	<u>\$ 43,386,366.40</u>

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Liabilities, Reserves and Fund Balances</u>		
Operating Fund:		
Appropriation Reserves	\$ 24,022.06	\$ 328,088.97
Encumbrances Payable	31,842.19	33,342.06
Accrued Interest Payable	81,290.62	131,255.92
Due to General Capital Fund	134,837.48	-
Due to Water Capital Fund	1,142,649.97	1,142,649.97
Customer Overpayments	18,737.77	8,345.22
Accounts Payable	1,085.00	53,585.00
	1,434,465.09	1,697,267.14
Reserve for Receivables	210,407.53	201,391.75
Fund Balance	1,018,771.11	1,325,750.35
	2,663,643.73	3,224,409.24
Total Operating Fund		
	2,663,643.73	3,224,409.24
Capital Fund:		
Serial Bonds	320,000.00	480,000.00
USDA Loans Payable	6,817,545.79	2,235,625.75
NJEIT Interim Construction Loan	3,946,393.86	4,635,743.90
Bond Anticipation Notes	-	2,509,000.00
Improvement Authorizations:		
Funded	632,433.22	263,159.80
Unfunded	4,849,783.34	4,736,881.64
Reserve for Amortization	20,257,285.95	19,284,855.95
Deferred Reserve for Amortization	1,367,170.52	863,845.52
Reserve for Encumbrances	435,194.68	839,125.08
Due to General Capital Fund	981,904.85	2,981,904.85
Reserve for Debt Service	628,566.14	628,566.14
Fund Balance	653,248.53	703,248.53
	40,889,526.88	40,161,957.16
Total Capital Fund	40,889,526.88	40,161,957.16
Total Liabilities, Reserves and Fund Balances	\$ 43,553,170.61	\$ 43,386,366.40

There were bonds and notes authorized but not issued on December 31, 2025 in the amount of \$5,697,601.48 and on December 31, 2024 in the amount of \$7,406,426.48.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 400,000.00	\$ 700,000.00
Water/Sewer Rents	2,397,137.16	2,502,051.13
Elevated Tank Lease	184,792.46	506,755.30
Miscellaneous Revenue Anticipated	141,007.21	234,698.31
Miscellaneous Revenue Not Anticipated	7,858.64	-
Unexpended Balance of Appropriation Reserves	235,965.90	395,198.42
Cancelled Accrued Interest Payable	4,131.98	-
Cancelled Accounts Payable	53,585.00	-
	<hr/>	<hr/>
Total Revenue	3,424,478.35	4,338,703.16
	<hr/>	<hr/>
Expenditures:		
Operating	1,264,123.25	1,405,971.15
Capital Improvements	360,000.00	470,800.00
Debt Service	1,285,378.54	1,203,876.23
Deferred Charges and Statutory Expenditures	223,398.00	227,233.68
Cash Refund of Prior Year's Revenue	48,557.80	-
Surplus - General Budget	150,000.00	-
	<hr/>	<hr/>
Total Expenditures	3,331,457.59	3,307,881.06
	<hr/>	<hr/>
Excess in Revenue	93,020.76	1,030,822.10
Adjustment to Income Before Fund Balance:		
Expenditure Included Above Which Are By Statute Deferred Charges to Budget of Succeeding Year:		
Overexpenditure - Principal and Interest on Notes and Loans	-	41,715.81
	<hr/>	<hr/>
Fund Balance, January 1	1,325,750.35	953,212.44
	<hr/>	<hr/>
Decreased By:	1,418,771.11	2,025,750.35
Utilized as Anticipated Revenue	400,000.00	700,000.00
	<hr/>	<hr/>
Fund Balance, December 31	<u>\$ 1,018,771.11</u>	<u>\$ 1,325,750.35</u>

See independent accountant's compilation report and accompanying notes to financial statements.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance, December 31, 2024	\$ 703,248.53
Decreased By:	
Appropriated to Finance Improvement Authorization	<u>50,000.00</u>
Balance, December 31, 2025	<u><u>\$ 653,248.53</u></u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	\$ 400,000.00	\$ 400,000.00	\$ -
Water/Sewer Rents	2,450,000.00	2,397,137.16	(52,862.84)
Elevated Tank Lease	415,679.34	184,792.46	(230,886.88)
Miscellaneous Revenue Anticipated	50,000.00	141,007.21	91,007.21
	<u>\$ 3,315,679.34</u>	<u>\$ 3,122,936.83</u>	<u>\$ (192,742.51)</u>

Miscellaneous:

Interest on Investments	\$ 117,475.55
Temporary Service Disconnect	1,700.00
Water Tap Fees	1,780.00
NSF Charges	20.00
Interest on Delinquent Accounts	15,541.66
Miscellaneous Receipts	4,490.00
	<u>\$ 141,007.21</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	Appropriations		Expended			
	Original Budget	Budget After Modifications	Paid or Charged	Encumbered	Reserved	Cancelled
Operating:						
Salaries and Wages	\$ 433,000.00	\$ 350,195.00	\$ 345,537.40	\$ -	\$ 4,657.60	\$ -
Other Expenses	440,271.75	448,928.25	402,656.30	31,842.19	14,429.76	-
Ocean County Utilities Authority	450,000.00	465,000.00	462,220.00	-	2,780.00	-
Total Operating	1,323,271.75	1,264,123.25	1,210,413.70	31,842.19	21,867.36	-
Capital Improvements:						
Capital Outlay	50,000.00	50,000.00	50,000.00	-	-	-
Capital Improvement Fund	310,000.00	310,000.00	310,000.00	-	-	-
Total Capital Improvements	360,000.00	360,000.00	360,000.00	-	-	-
Debt Service:						
Payment of Bonds	160,000.00	160,000.00	160,000.00	-	-	-
Payment of Notes	29,000.00	29,000.00	29,000.00	-	-	-
Interest on Bonds	14,400.00	14,400.00	14,400.00	-	-	-
Interest on Notes	106,632.50	106,632.50	106,632.50	-	-	-
NJEIT - Loan Principal	689,350.04	689,350.04	689,350.04	-	-	-
NJEIT - Loan Interest	115,967.50	130,761.50	130,761.50	-	-	-
USDA Level Debt Payment - Principal	47,623.46	94,079.96	94,079.96	-	-	-
USDA Level Debt Payment - Interest	61,154.54	61,154.54	61,154.54	-	-	-
Total Debt Service	1,224,128.04	1,285,378.54	1,285,378.54	-	-	-
Statutory Expenditures:						
Contributions To:						
Public Employees' Retirement System	40,000.00	40,000.00	40,000.00	-	-	-
Unemployment Compensation Insurance	5,500.00	5,500.00	5,500.00	-	-	-
Social Security System (O.A.S.I.)	30,000.00	27,898.00	25,743.30	-	2,154.70	-
Total Statutory Expenditures	75,500.00	73,398.00	71,243.30	-	2,154.70	-
Water Surplus (General Budget)	150,000.00	150,000.00	150,000.00	-	-	-
Total Water Surplus	150,000.00	150,000.00	150,000.00	-	-	-
Total Water Utility Appropriations	\$ 3,132,899.79	\$ 3,132,899.79	\$ 3,077,035.54	\$ 31,842.19	\$ 24,022.06	\$ -
Analysis of Paid or Charged:						
Cash Disbursements			\$ 2,375,087.00			
Due Water Sewer Capital			389,000.00			
Accrued Interest Payable			312,948.54			
			\$ 3,077,035.54			

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY OPERATING FUND
STATEMENTS OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Operating Fund:		
Cash - Treasurer	\$ 912,705.15	\$ 1,150,072.43
Change Fund	600.00	600.00
	<u>913,305.15</u>	<u>1,150,672.43</u>
Total Operating Fund		
Capital Fund:		
Cash	791,911.41	401,126.63
Due From Marina Utility Operating Fund		297,800.00
Fixed Capital	4,024,387.39	4,024,387.39
Fixed Capital Authorized and Uncompleted	1,250,000.00	590,000.00
	<u>6,066,298.80</u>	<u>5,313,314.02</u>
Total Capital Fund		
Total Assets	<u>\$ 6,979,603.95</u>	<u>\$ 6,463,986.45</u>
<u>Liabilities, Reserves and Fund Balances</u>		
Operating Fund:		
Appropriation Reserves	\$ 160,137.51	\$ 94,137.15
Prepaid Slip Rental Fees	234,938.52	223,280.79
Reserve for Encumbrances	10,802.62	25,220.00
Due To Marina Utility Capital Fund	-	297,800.00
Accrued Interest Payable	150.00	225.00
Accounts Payable	1,548.00	124.13
Sales Tax Payable	1,951.35	3,127.25
	<u>409,528.00</u>	<u>643,914.32</u>
Fund Balance	<u>503,777.15</u>	<u>506,758.11</u>
Total Operating Fund	<u>913,305.15</u>	<u>1,150,672.43</u>
Capital Fund:		
Serial Bonds	40,000.00	60,000.00
Reserve for Debt Service	9,230.50	9,230.50
Improvement Authorizations:		
Funded	768,955.53	240,000.00
Unfunded	59,768.00	59,188.75
Reserve for Encumbrances	3,450.00	-
Capital Improvement Fund	199,875.45	639,875.45
Reserve for Amortization	3,984,387.39	3,964,387.39
Deferred Reserve for Amortization	917,500.00	257,500.00
Fund Balance	83,131.93	83,131.93
	<u>6,066,298.80</u>	<u>5,313,314.02</u>
Total Capital Fund		
Total Liabilities, Reserves and Fund Balances	<u>\$ 6,979,603.95</u>	<u>\$ 6,463,986.45</u>

There were bonds and notes authorized but not issued on December 31, 2025 in the amount of \$332,500.00 and on December 31, 2024 in the amount of \$332,500.00.

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY OPERATING FUND
STATEMENTS OF OPERATIONS AND CHANGES IN FUND BALANCE
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenue and Other Income Realized:		
Fund Balance Utilized	\$ 150,000.00	\$ 150,000.00
Boat Slip Rental Fees	367,654.28	363,010.68
Miscellaneous Revenue Anticipated	146,604.65	149,152.32
Miscellaneous Revenue Not Anticipated	25,125.50	-
Unexpended Balance of Appropriation Reserves	57,812.30	68,064.63
Cancelled Accrued Interest	75.00	427.47
Cancelled Accounts Payable	285.07	-
	<hr/>	<hr/>
Total Revenue	747,556.80	730,655.10
	<hr/>	<hr/>
Expenditures:		
Operating	349,400.00	270,847.00
Capital Improvements	220,000.00	297,800.00
Debt Service	21,800.00	22,750.00
Deferred Charges and Statutory Expenditures	8,800.00	8,603.00
Refund of Prior Years' Revenue	537.76	-
	<hr/>	<hr/>
Total Expenditures	600,537.76	600,000.00
	<hr/>	<hr/>
Excess in Revenue	147,019.04	130,655.10
	<hr/>	<hr/>
Fund Balance, January 1	506,758.11	526,103.01
	<hr/>	<hr/>
	653,777.15	656,758.11
Decreased By:		
Utilized as Anticipated Revenue	150,000.00	150,000.00
	<hr/>	<hr/>
Fund Balance, December 31	<u>\$ 503,777.15</u>	<u>\$ 506,758.11</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Balance, December 31, 2025 & 2024

\$ 83,131.93

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY OPERATING FUND
STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Budget</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Fund Balance Anticipated	\$ 150,000.00	\$ 150,000.00	\$ -
Rents	400,000.00	367,654.28	(32,345.72)
Miscellaneous Revenue Anticipated	50,000.00	146,604.65	96,604.65
	<u>\$ 600,000.00</u>	<u>\$ 664,258.93</u>	<u>\$ 64,258.93</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
MARINA UTILITY FUND
STATEMENT OF APPROPRIATIONS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Appropriations</u>		<u>Expended</u>		
	<u>Original Budget</u>	<u>Budget After Modifications</u>	<u>Paid or Charged</u>	<u>Encumbered</u>	<u>Reserved</u>
Operating:					
Salaries and Wages	\$ 116,391.00	\$ 116,391.00	\$ 103,402.10	\$ -	\$ 12,988.90
Other Expenses	233,009.00	233,009.00	76,032.18	10,802.62	146,174.20
Total Operating	<u>349,400.00</u>	<u>349,400.00</u>	<u>179,434.28</u>	<u>10,802.62</u>	<u>159,163.10</u>
Capital Improvements:					
Capital Improvement Fund	220,000.00	220,000.00	220,000.00	-	-
Total Capital Improvements	<u>220,000.00</u>	<u>220,000.00</u>	<u>220,000.00</u>	<u>-</u>	<u>-</u>
Debt Service:					
Payment of Bond Principal	20,000.00	20,000.00	20,000.00	-	-
Interest on Bonds	1,800.00	1,800.00	1,800.00	-	-
Total Debt Service	<u>21,800.00</u>	<u>21,800.00</u>	<u>21,800.00</u>	<u>-</u>	<u>-</u>
Statutory Expenditures:					
Contributions To:					
Social Security System (O.A.S.I.)	8,800.00	8,800.00	7,825.59	-	974.41
Total Statutory Expenditures	<u>8,800.00</u>	<u>8,800.00</u>	<u>7,825.59</u>	<u>-</u>	<u>974.41</u>
Total Marina Utility Appropriations	<u>\$ 600,000.00</u>	<u>\$ 600,000.00</u>	<u>\$ 429,059.87</u>	<u>\$ 10,802.62</u>	<u>\$ 160,137.51</u>

Analysis of Paid or Charged:

Cash Disbursements	\$ 207,259.87
Due To Marina Utility Capital Fund	220,000.00
Accrued Interest on Payable	<u>1,800.00</u>
	<u>\$ 429,059.87</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
PAYROLL FUND
STATEMENTS OF ASSETS, LIABILITIES AND RESERVES -
REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Cash	\$ -	\$ 30,241.32
Due From Various Agencies	-	24,782.69
	<hr/>	<hr/>
Total Assets	<u>\$ -</u>	<u>\$ 55,024.01</u>
 <u>Liabilities and Reserves</u>		
Due to Various Agencies	\$ -	\$ -
Due To Current Fund	-	55,024.01
	<hr/>	<hr/>
Total Liabilities and Reserves	<u>\$ -</u>	<u>\$ 55,024.01</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY
GENERAL FIXED ASSETS ACCOUNT GROUP
STATEMENT OF ASSETS, LIABILITIES, RESERVES
AND FUND BALANCE - REGULATORY BASIS
DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
<u>Assets</u>		
Land	\$ 22,271,252.82	\$ 22,271,252.82
Riparian Grants - Land	121,992,200.00	121,992,200.00
Buildings	10,082,931.00	10,082,931.00
Machinery & Equipment	<u>6,995,707.39</u>	<u>6,995,707.39</u>
Total Assets	<u>\$ 161,342,091.21</u>	<u>\$ 161,342,091.21</u>
<u>Fund Balance</u>		
Investment in Fixed Assets	<u>\$ 161,342,091.21</u>	<u>\$ 161,342,091.21</u>
Total Fund Balance	<u>\$ 161,342,091.21</u>	<u>\$ 161,342,091.21</u>

**BOROUGH OF SEASIDE PARK
COUNTY OF OCEAN, NEW JERSEY**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

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**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies

Description of Financial Reporting Entity

The Borough of Seaside Park, County of Ocean, New Jersey (hereafter referred to as the "Borough") is governed by the Borough form of government, with a mayor and a 6-member Borough Council. Administrative responsibilities are assigned to the Borough Manager. Policy is determined by Council and the Manager is responsible for carrying out such policy.

Component Units - GASB Statement 14, as amended by GASB Statements 39, 61, 80, 90, and 97, establishes criteria to be used in determining the component units, which should be included in the financial statements of a primary government. The financial statements of the Borough are not presented in accordance with GAAP (as discussed below). Therefore, the Borough had no component units as defined by GASB Statement No. 14, as amended by GASB Statements 39, 61, 80, 90 and 97.

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the Borough contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit 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. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United State of America applicable to local government units. The more significant differences are explained further in this note.

In accordance with the "Requirements", the Borough accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund – This fund accounts for revenues and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

Trust Assessment Fund– This fund accounts for the financing of local improvements deemed to benefit the properties against which assessments are levied.

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

Water/Sewer Utility Operating and Capital Funds – These funds accounts for utility operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the utility to the general public be financed through user fees. Operations relating to the acquisition of capital facilities for utility purposes are recorded in the Utility Capital Fund.

Marina Utility Operating and Capital Funds – These funds accounts for the operations and acquisition of capital facilities of the municipality owned marina utility.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1. Summary of Significant Accounting Policies (continued)

Public Assistance Fund – This fund accounts for receipts and disbursements that provide assistance to certain residents of the Borough pursuant to Title 44 of New Jersey Statutes

General Fixed Asset Account Group – The Fixed Asset Account Group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other funds of the Borough.

Payroll Fund – This fund accounts for receipts and disbursements to account for the payroll and payroll tax liabilities of the Borough.

Budgets and Budgetary Accounting - The Borough must adopt an annual budget for its Current and Utility Funds in accordance with *N.J.S.A.40A:4* et seq. *N.J.S.A.40A:4-5* requires the governing body to introduce and approve the annual municipal budget no later than February 10th of each year. At introduction, the governing body must fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with *N.J.S.A.40A:4-9*. Amendments to adopted budgets, if any are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of Local Government Services, with the permission of the Local Finance Board. Budgets are adopted on the same basis of accounting utilized for the preparation of the Borough's financial statements. Once a budget is approved it may be amended after November 1, by a resolution adopted by the governing body.

Cash, Cash Equivalents and Investments - Cash and Cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Under GAAP, investments are reported at fair value but under regulatory basis of accounting, investments are stated at cost with the exception of LOSAP investments which are reported at fair value. Therefore unrealized gains or losses on investments have not been recorded.

New Jersey municipal units are required by *N.J.S.A.40A:5-14* to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. *N.J.S.A.40A:5-15.1* provides a list of investments, which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

N.J.S.A.17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1. Summary of Significant Accounting Policies (continued)

The cash management plan adopted by the Borough requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves, which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories and Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets – Accounting for governmental fixed assets, as required by *N.J.A.C.5:30-5.6*, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The Borough has adopted a capitalization threshold of \$5,000.00, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. In some instances, assets are valued at the assessed valuation of the property at the time of acquisition, which approximates fair value. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the capital funds until such time as the construction is completed and put into operation. The Borough is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements, and transfers of fixed assets. In addition, a statement of general fixed assets, reflecting the activity for the year, must be included in the Borough's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. All fixed assets must be adequately controlled to safeguard against loss, damage, or theft.

Utility Fixed Assets – Property and equipment purchases by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition. The amounts shown do not represent replacement cost or current value. The reserve for amortization and deferred reserve for amortization in the utility capital fund represent the cost of the utility fixed assets reduced by the outstanding balances of bonds, loans, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

See independent accountant's compilation report.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1. Summary of Significant Accounting Policies (continued)

Foreclosed Property – Foreclosed Property or “Property Acquired for Taxes” is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the Borough to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the General Fixed Assets Account Group. If such property is converted to a municipal use, it will be recorded in the General Fixed Assets Account Group.

Deferred Charges – The recognition of certain expenditures is deferred to future periods. These expenditures or deferred charges are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with *N.J.S.A.40A:4-46* et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Fund Balance – Fund Balance included in the Current and Utility Operating Funds represent the amount available for anticipation as revenue in future year’s budgets, with certain restrictions.

Revenues – are recorded when received in cash except for certain amounts, which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Borough’s budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Borough’s Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Borough, which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenues when received.

Water/Sewer Utility Revenues – Utility charges are levied quarterly based upon a flat service charge and if applicable, an excess consumption or usage 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/Sewer utility operating fund.

Marina Utility Revenues – Utility charges are based upon storage fees and slip rentals. 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 Marina utility operating fund.

Property Tax Revenues – are collected in quarterly installments due February 1, May 1, August 1 and November 1. The amount of tax levied includes not only the amount required in support of the Borough’s annual budget, but also the amounts required in support of the budgets of the County of Ocean, Local School District and Shore Regional School District. Unpaid property taxes are subject to tax sale in accordance with statutes.

County Taxes – The municipality is responsible for levying, collecting and remitting County taxes for the County of Ocean. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10th of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10th of the current year and due to be paid to the County by February 15th of the following year.

School Taxes – The municipality is responsible for levying, collecting and remitting school taxes for the Local School District and Shore Regional School District. Operations are charged for the full amount required to be raised from taxation to operate the local and regional school district July 1 to June 30.

See independent accountant’s compilation report.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 1. Summary of Significant Accounting Policies (continued)

Deferred School Taxes – School taxes raised in advance in the Current Fund for a school fiscal year (July 1 to June 30) which remain unpaid at December 31 of the calendar year levied may be deferred to fund balance to the extent of not more than 50% of the annual levy providing no requisition has been made by the school district for such amount.

Reserve for Uncollected Taxes – The inclusion of the “Reserve for Uncollected Taxes” appropriation in the Borough’s annual budget protects the Borough from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

Expenditures – Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for “other expenses”, an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves. Appropriations for interest payments on outstanding general capital bonds and notes are provided on the cash basis. Appropriations for interest payments on outstanding utility capital bonds and notes are provided on the accrual basis.

Appropriation Reserves – Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts, which may be cancelled by the governing body. Appropriation reserves and reserve for encumbrances at current year end are available until December 31st of the succeeding year to meet specific claims, commitments or contracts incurred during the preceding year. Any unspent balances at this time are lapsed appropriation reserves and recorded as income.

Long-Term Debt - Long-Term Debt relative to the acquisition of capital assets, is recorded as a liability in the General and Utility Capital Funds. Where an improvement is a “local improvement”, i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

Compensated Absences – Expenditures relating to obligations for unused vested accumulated vacation and sick leave are not recorded until paid; however, municipalities may establish and budget reserve funds subject to NJSA 40A:4-39 for the future payment of compensated absences.

Recent Accounting Pronouncements – The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB adopts 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 their financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

See independent accountant’s compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 1. Summary of Significant Accounting Policies (continued)

Accounting Pronouncements Adopted in Current Year

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

- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

Management has determined the implementation of this Statement did not have a significant impact on the Borough's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

The following accounting pronouncements will become effective in future reporting periods:

- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
- Statement No. 105, *Subsequent Events*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

Management has not yet determined the potential impact these Statements will have on the Borough's financial statements.

Note 2. Deposits and Investments

The Borough is governed by the deposit and investment limitations of New Jersey state law.

Deposits

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the Borough's deposits may not be returned. Although the Borough does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public funds owned by the Borough in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds or funds that may pass to the Borough relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 2. Deposits and Investments (continued)

As of December 31, 2025, the Borough’s bank balance of \$16,046,043.07 was insured or collateralized as follows:

Insured under FDIC and GUDPA	\$ 15,711,461.32
Uninsured and Uncollateralized	<u>334,581.75</u>
	<u><u>\$ 16,046,043.07</u></u>

Investments

Under the regulatory basis of accounting, investments are measured at cost in the Borough’s financial statements. However, had the financial statements been prepared in accordance with generally accepted accounting principles (GAAP), investments would be reported at fair value (except for fully benefit-responsive investment contracts, which would be reported at contract value). Contract value is the relevant measure for the portion of the Length of Service Awards Program (LOSAP) Plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the LOSAP Plan.

Investments at Fair Value – The fair value measurements of investments are required to be reported based on the hierarchy established by GAAP. Under GAAP, investments are required to be categorized based on the fair value of inputs of Levels 1, 2 and 3. Under Level 1 inputs, investments are required to be categorized based on quoted market prices in active markets for identical investments. Level 2 inputs are based primarily on using observable measurement criteria, including quoted market prices of similar investments in active and inactive markets and other observable corroborated factors. Level 3 inputs are assets measured at fair value on a recurring basis using significant unobservable measurement criteria based on the best information available. As of December 31, 2025, the Borough had no investments held at Level 2.

Following is a description of the valuation methodologies used for investments measured at fair value.

Mutual Funds: Valued at quoted market prices which represent the net asset value (“NAV”) shares held by the Borough at year-end.

<u>Investment type</u>	<u>Carrying Value</u>	<u>Fair Value as of December 31, 2025</u>			<u>Investment Maturities (in Years)</u>
		<u>Level 1</u>	<u>Level 3</u>	<u>Total</u>	<u>Less Than 1 Year</u>
Mutual Funds	\$ 577,577.93	\$ 577,577.93	\$ -	\$ 577,577.93	\$ 577,577.93
Fixed Account Investment Contract	48,802.17	-	48,802.17	48,802.17	48,802.17
	<u>\$ 626,380.10</u>	<u>\$ 577,577.93</u>	<u>\$ 48,802.17</u>	<u>\$ 626,380.10</u>	<u>\$ 626,380.10</u>
Trust Fund - LOSAP	626,380.10	577,577.93	48,802.17	626,380.10	626,380.10
	<u>\$ 626,380.10</u>	<u>\$ 577,577.93</u>	<u>\$ 48,802.17</u>	<u>\$ 626,380.10</u>	<u>\$ 626,380.10</u>

See independent accountant’s compilation report.

BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Note 2. Deposits and Investments (continued)

Investments at Contract Value - The Borough held a fully benefit-responsive investment contract with the Lincoln Financial Group (Lincoln) totaling \$48,802.17 as of December 31, 2025. Lincoln maintains the contributions in the group fixed annuity contract (fixed account). The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The traditional investment contract held by the Borough is a guaranteed investment contract. The contract issuer is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed to the LOSAP Plan. The Borough's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the contract issuer's ability to meet its financial obligations. The fixed account continues in-force until they are terminated by Lincoln or the LOSAP Plan and do not define a maturity date. The Borough does not policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

No events are probable of occurring that might limit the ability of the LOSAP Plan to transact at contract value with the contract issuer and also limit the ability of the LOSAP Plan to transact at contract value with participants. This contract meets the fully benefit-responsive investment contract criteria and therefore is reported at contract value. The total Trust Fund LOSAP value held by the Borough at December 31, 2025 was as follows:

Trust Fund - LOSAP (Fair Value)	\$ 577,577.93
Trust Fund - LOSAP (Contract Value)	<u>48,802.17</u>
Total Trust Fund - LOSAP	<u>\$ 626,380.10</u>

Custodial credit risk related to Investments - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the Borough will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough has no investment policy to limit exposure to custodial credit risk.

Interest rate risk - This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Other than the rules and regulations promulgated by N.J.S.A. 40A:5-15.1, the Borough does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer to an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 40A; 5-15.1, the Borough's investment policies place no limit in the amount the Borough may invest in any one issuer. More than 5% of the Borough's investments are in Money Markets and Fixed Asset Account Investments. These investments represent 100% of the Borough's total investments.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 3. Property Taxes

The following is a three-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous two years.

Comparison Schedule of Tax Rates

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax Rate	<u>\$ 1.735</u>	<u>\$ 1.636</u>	<u>\$ 1.609</u>
Apportionment of Tax Rate:			
Municipal	0.677	0.633	0.588
County General	0.540	0.489	0.464
Local School	0.050	0.049	0.049
Regional School	0.468	0.465	0.508

Assessed Valuation

<u>Year</u>	<u>Amount</u>
2025	\$ 1,176,093,800.00
2024	1,173,398,000.00
2023	1,166,529,000.00

Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2025	\$ 20,483,619.91	\$ 20,280,298.13	99.00%
2024	19,230,773.80	19,051,033.87	99.06%
2023	18,843,994.00	18,370,907.40	97.48%

Delinquent Taxes and Tax Title Liens

<u>Year</u>	<u>Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage Of Tax Levy</u>
2025	\$ 202,456.10	\$ 202,456.10	0.99%
2024	177,273.33	177,273.33	0.92%
2023	468,480.00	468,480.00	2.49%

Note 4. Property Acquired By Tax Title Lien Liquidation

The Borough had no properties acquired by liquidation of tax title liens as of December 31, 2025, 2024 or 2023.

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 5. Utility Service Charges

The following are three-year comparisons of utility charges (rents) and collections for the current and previous two years.

WATER/SEWER UTILITY

<u>Year</u>	<u>Beginning Balance</u>	<u>Water/Sewer Charges</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2025	\$ 201,391.75	\$ 2,406,152.94	\$ 2,607,544.69	\$ 2,397,137.16	91.93%
2024	219,824.43	2,483,618.45	2,703,442.88	2,502,051.13	92.55%
2023	279,992.42	2,370,576.70	2,650,569.12	2,430,744.69	91.70%

MARINA UTILITY

<u>Year</u>	<u>Beginning Balance</u>	<u>Marina Charges</u>	<u>Total</u>	<u>Cash Collections</u>	<u>Percentage Of Collection</u>
2025	\$ -	\$ 367,654.28	\$ 367,654.28	\$ 367,654.28	100.00%
2024	-	363,010.68	363,010.68	363,010.68	100.00%
2023	-	359,268.48	359,268.48	359,268.48	100.00%

Note 6. Fund Balances Appropriated

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

<u>Year</u>	<u>Balance December 31,</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
Current Fund:			
2025	\$ 2,639,790.76	***	***
2024	2,792,191.50	1,000,000.00	35.81%
2023	1,708,498.46	1,450,000.00	84.87%
Water/Sewer Utility Operating Fund:			
2025	\$ 1,018,771.11	***	***
2024	1,325,750.35	400,000.00	30.17%
2023	953,212.44	700,000.00	73.44%
Marina Utility Operating Fund:			
2025	\$ 503,777.15	***	***
2024	506,758.11	150,000.00	29.60%
2023	526,103.01	150,000.00	28.51%

*** As of the Date of this report, the 2026 budget has not been adopted.

Note 7. Disaggregated Receivable and Payable Balances

There are no significant components of receivable and payable balances reported in the financial statements.

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 8. Interfund Receivables, Payables and Transfers

The following interfund balances were recorded in the various statements of assets liabilities, reserves and fund balances at December 31, 2025:

Fund	Interfund Receivable	Interfund Payable
Current Fund	\$ 595,339.90	\$ 1,091,352.59
State and Federal Grant Fund	-	475,377.50
Trust Other Fund	81,445.00	2,397.65
Payroll Fund	-	119,962.40
General Capital Fund	2,033,143.66	-
Water Sewer Operating Fund	35,464.97	1,277,487.45
Water Sewer Capital Fund	1,203,088.91	981,904.85
	<u>\$ 3,948,482.44</u>	<u>\$ 3,948,482.44</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

Fund	Transfers In	Transfers Out
Current Fund	\$ 615,105.87	\$ 365,562.64
State and Federal Grant Fund	523,269.25	-
Animal Control Trust	-	253.00
Trust Other Fund	2,397.65	81,435.00
Payroll Trust Fund	64,938.39	-
General Capital	2,000,000.00	857,833.03
Water Sewer Operating	134,837.48	35,464.97
Water Sewer Capital	-	2,000,000.00
Marina Utility Operating Fund	-	297,800.00
Marina Utility Capital Fund	297,800.00	-
	<u>\$ 3,638,348.64</u>	<u>\$ 3,638,348.64</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

Note 9. Fixed Assets

The following is a summary of changes in the General Fixed Assets Account Group for the year ended December 31, 2025.

	Balance December 31, <u>2024</u>	<u>Additions</u>	Balance December 31, <u>2025</u>
Land	\$ 22,271,252.82	\$ -	\$ 22,271,252.82
Riparian Grants - Land	121,992,200.00	-	121,992,200.00
Buildings and Improvements	10,082,931.00	-	10,082,931.00
Machinery & Equipment	6,995,707.39	-	6,995,707.39
	<u>\$ 161,342,091.21</u>	<u>\$ -</u>	<u>\$ 161,342,091.21</u>

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt

The following schedule represents the Borough's summary of debt, as filed in the Borough's Annual Debt Statement required by the Local Bond Law of New Jersey for the current and two previous years:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
Issued:			
General:			
Bonds, Notes and Loans	\$ 8,317,125.00	\$ 9,169,312.09	\$ 9,228,416.68
Water/Sewer Utility:			
Bonds, Notes and Loans	11,083,939.65	9,860,369.65	10,810,332.71
Marina Utility:			
Bonds, Notes and Loans	40,000.00	60,000.00	80,000.00
	<hr/>	<hr/>	<hr/>
Total Debt Issued	19,441,064.65	19,089,681.74	20,118,749.39
	<hr/>	<hr/>	<hr/>
Authorized but not issued:			
General:			
Bonds, Notes and Loans	23,500,781.75	19,038,610.75	5,299,275.00
Water/Sewer Utility:			
Bonds, Notes and Loans	5,697,601.48	7,406,426.48	7,406,426.48
Marina Utility:			
Bonds, Notes and Loans	332,500.00	332,500.00	332,500.00
	<hr/>	<hr/>	<hr/>
Total Authorized But Not Issued	29,530,883.23	26,777,537.23	13,038,201.48
	<hr/>	<hr/>	<hr/>
Total Gross Debt	<u>\$ 48,971,947.88</u>	<u>\$ 45,867,218.97</u>	<u>\$ 33,156,950.87</u>
	<hr/>	<hr/>	<hr/>
Deductions:			
General:			
Reserve for Debt Service	\$ 994,128.25	\$ 930,932.48	\$ 435,932.48
Utility:			
Self Liquidating Debt	17,154,041.13	17,659,296.13	18,629,259.19
	<hr/>	<hr/>	<hr/>
Total Deductions	18,148,169.38	18,590,228.61	19,065,191.67
	<hr/>	<hr/>	<hr/>
Total Net Debt	<u>\$ 30,823,778.50</u>	<u>\$ 27,276,990.36</u>	<u>\$ 14,091,759.20</u>

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (Continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The following schedule is a summary of the previous schedule and is prepared in accordance with the required method of setting up the Annual Debt Statement:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General Debt	\$ 31,817,906.75	\$ 994,128.25	\$ 30,823,778.50
Utility Debt	17,154,041.13	17,154,041.13	-
	\$ 48,971,947.88	\$ 18,148,169.38	\$ 30,823,778.50

Net Debt \$30,823,778.50 divided by the average Equalized Valuation Basis per N.J.S.A 40A:2-2 as amended, \$1,887,858,477.33 equals 1.633%. New Jersey statute 40A:2-6, as amended, limits the debt of a Municipality to 3.5% of the last three preceding year's average equalized valuations of real estate, including improvements and the assessed valuation of Class II Railroad Property. The remaining borrowing power in dollars at December 31, 2025 is calculated as follows:

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

3 1/2% of Equalized Valuation Basis (Municipal)	\$ 66,075,046.71
Net Debt	30,823,778.50
Remaining Borrowing Power	\$ 35,251,268.21

Self-Liquidating Water/Sewer Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 3,122,936.83
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Deductions:

Operating and Maintenance Costs	\$ 1,487,521.25
Debt Service	1,285,378.54

Total Deductions	2,772,899.79
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Excess/(Deficit) in Revenue	\$ 350,037.04
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*If Excess in Revenues all Utility Debt is Deducted

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (Continued)

Self-Liquidating Marina Utility Calculation per N.J.S.A. 40A:2-46

Cash Receipts From Fees, Rents or Other Charges for the Year		\$ 664,258.93
Deductions:		
Operating and Maintenance Costs	\$ 358,200.00	
Debt Service	21,800.00	
Total Deductions		380,000.00
Excess/(Deficit) in Revenue		\$ 284,258.93

*If Excess in Revenues all Utility Debt is Deducted

General Debt

A. Serial Bonds Payable

On December 6, 2017, the Borough issued \$3,361,000.00 of General Improvement Bonds. The General Improvement Bonds were issued at an interest rate of 3.000% and mature on November 15, 2027.

On April 11, 2024, the Borough issued \$4,805,000 of General Improvement Bonds. The General Improvement Bonds were issued at an interest rate of 4.000% and mature on April 11, 2044.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 510,000.00	\$ 205,250.00	\$ 715,250.00
2027	525,000.00	188,450.00	713,450.00
2028	190,000.00	170,400.00	360,400.00
2029	190,000.00	162,800.00	352,800.00
2030	205,000.00	154,900.00	359,900.00
2031-2035	1,160,000.00	642,000.00	1,802,000.00
2036-2040	1,415,000.00	383,700.00	1,798,700.00
2041-2044	1,195,000.00	95,900.00	1,290,900.00
	\$ 5,390,000.00	\$ 2,003,400.00	\$ 7,393,400.00

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (Continued)

B. Bond Anticipation Notes Payable – Short Term Debt

The following is a summary of bond anticipation notes payable accounted for in the General Capital Fund at December 31, 2025:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Rate</u>	<u>Balance December 31, 2025</u>
Acquisition of Real Property	4/10/2025	4/11/2026	4.00%	\$ 444,300.00
Improvements to Ballfields	4/10/2025	4/11/2026	4.00%	497,550.00
Improvements to Parking Lots	4/10/2025	4/11/2026	4.00%	950,000.00
Boardwalk Improvements	4/10/2025	4/11/2026	4.00%	250,031.32
Improvements to Bayview Avenue - Phase I	4/10/2025	4/11/2026	4.00%	350,000.00
Bayfront Improvements	4/10/2025	4/11/2026	4.00%	148,450.00
Various Capital Improvements	4/10/2025	4/11/2026	4.00%	284,668.68
				<u>\$ 2,925,000.00</u>

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2025, the Borough had \$23,500,781.75 in various General Capital bonds and notes authorized but not issued.

D. Loans Payable

Green Trust Loans

The Borough has entered into the following Green Trust Loan Agreement with the State of New Jersey:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Balance December 31, 2025</u>
Bayview Ave Development	6/24/2006	3/30/2026	<u>\$ 2,125.00</u>

The loans are payable over 20 years at an interest rate of 2.000%.

Principal and interest due on the outstanding loans is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,125.00	\$ 21.25	\$ 2,146.25
	<u>\$ 2,125.00</u>	<u>\$ 21.25</u>	<u>\$ 2,146.25</u>

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (Continued)

Water/Sewer Utility Debt

A. Serial Bonds Payable

On December 6, 2017, the Borough issued \$1,430,000.00 of Utility Improvement Bonds. The Bonds were issued at an interest rate of 3.000% and mature on November 15, 2027.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 160,000.00	\$ 9,600.00	\$ 169,600.00
2027	160,000.00	4,800.00	164,800.00
	\$ 320,000.00	\$ 14,400.00	\$ 334,400.00
	\$ 320,000.00	\$ 14,400.00	\$ 334,400.00

B. Bond Anticipation Notes Payable – Short Term Debt

The Borough had no bond anticipation notes outstanding in the Water/Sewer Utility Fund at December 31, 2025

C. Bonds and Notes Authorized But Not Issued

As of December 31, 2025 the Borough had \$5,697,601.48 in various Water/Sewer Utility bonds and notes authorized but not issued.

D. Loans Payable

New Jersey Environmental Infrastructure Trust

In 2007 the Borough finalized one loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2007 New Jersey Environmental Infrastructure Trust (NJEIT) Financing Program.

The loan consists of two agreements, a Trust Loan Agreement of \$4,095,000.00 to be repaid over a 20 year period at interest rates ranging from 4.25% to 5.00%, and a no interest Fund Loan Agreement of \$3,861,964.00 to be repaid over a 20 year period. The proceeds of the loans are to provide for Water/Sewer System Improvements.

In 2012 the Borough finalized one loan agreement with the State of New Jersey Department of Environmental Protection, pursuant to the 2012 New Jersey Environmental Infrastructure Trust Financing Program.

The loan consists of two agreements, a Trust Loan Agreement of \$1,600,000.00 to be repaid over a 20 year period at interest rates ranging from 3.00% to 5.00%, and a no interest Fund Loan Agreement of \$1,746,000 to be repaid over a 20 year period. The proceeds of the loans are to provide for Water/Sewer System Improvements.

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (Continued)

D. Loans Payable (Continued)

Principal and interest due on the outstanding loans is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 706,423.54	\$ 97,867.50	\$ 804,291.04
2027	619,764.62	78,767.50	698,532.12
2028	248,575.58	60,567.50	309,143.08
2029	248,591.58	56,267.50	304,859.08
2030	253,148.58	51,830.00	304,978.58
2031-2035	508,762.57	207,650.00	716,412.57
2036-2040	342,684.45	169,750.00	512,434.45
2041-2045	382,684.45	126,000.00	508,684.45
2046-2050	437,684.45	70,750.00	508,434.45
2051-2052	198,074.04	9,500.00	207,574.04
	<u>\$ 3,946,393.86</u>	<u>\$ 928,950.00</u>	<u>\$ 4,875,343.86</u>

U.S. Department of Agriculture – Rural Development Program

The Borough has also entered into three agreements with U.S. Department of Agriculture – Rural Development Program.

The first loan is dated June 10, 2015 for Water System Improvements. The agreement provides for an interest-bearing loan not to exceed \$1,653,700.00 at an interest rate of 2.750%.

The second loan is dated June 10, 2015 for the Sewer System Improvements. This agreement provides for an interest bearing loan not to exceed \$975,000.00 at an interest rate of 2.750%.

The third loan is dated May 22, 2025 for Watermain Improvements. This agreement provides for an interest bearing loan not to exceed \$4,676,000.00 at an interest rate of 1.125%.

Principal and interest due on the outstanding loans is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 93,698.43	\$ 112,974.11	\$ 206,672.54
2027	143,697.61	110,598.39	254,296.00
2028	146,121.77	108,174.23	254,296.00
2029	148,595.51	105,700.49	254,296.00
2030	151,120.01	103,175.99	254,296.00
2030-2034	795,330.25	476,149.75	1,271,480.00
2035-2039	866,787.54	404,692.46	1,271,480.00
2040-2044	946,109.26	325,370.74	1,271,480.00
2045-2049	1,034,296.61	237,183.39	1,271,480.00
2050-2054	1,132,488.79	138,991.21	1,271,480.00
2055-2059	723,777.93	58,201.07	781,979.00
2060-2064	635,522.08	17,978.07	653,500.15
	<u>\$ 6,817,545.79</u>	<u>\$ 2,199,189.90</u>	<u>\$ 9,016,735.69</u>

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 10. Municipal Debt (Continued)

Marina Utility Debt

A. Serial Bonds Payable

On December 6, 2017, the Borough issued \$199,000.00 of Marina Improvement Bonds. The Marina Improvement Bonds were issued at an interest rate of 3.000% and mature on November 15, 2027.

Principal and interest due on the outstanding bonds is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 20,000.00	\$ 1,200.00	\$ 21,200.00
2027	20,000.00	600.00	20,600.00
	<u>\$ 40,000.00</u>	<u>\$ 1,800.00</u>	<u>\$ 41,800.00</u>

B. Bond Anticipation Notes Payable – Short Term Debt

The Borough had no bond anticipation notes outstanding in the Marina Utility Fund at December 31, 2025

C. Bonds and Notes Authorized But Not Issued

The Borough had \$332,500.00 in bonds and notes authorized but not issued in the Marina Utility Fund at December 31, 2025.

Summary of Debt Principal

A summary of the changes in long-term and short term debt of the Borough is as follows:

	Balance December 31, <u>2024</u>	Accrued/ <u>Increases</u>	Retired/ <u>Decreases</u>	Balance December 31, <u>2025</u>	Balance Due Within <u>One Year</u>
General Capital:					
General Bonds	\$ 5,895,000.00	\$ -	\$ 505,000.00	\$ 5,390,000.00	\$ 510,000.00
Bond Anticipation Notes	3,268,000.00	2,925,000.00	3,268,000.00	2,925,000.00	2,925,000.00
Green Trust Loans	6,312.09	-	4,187.09	2,125.00	2,125.00
	<u>\$ 9,169,312.09</u>	<u>\$ 2,925,000.00</u>	<u>\$ 3,777,187.09</u>	<u>\$ 8,317,125.00</u>	<u>\$ 3,437,125.00</u>
Water/Sewer Utility Capital:					
Utility Bonds	\$ 480,000.00	\$ -	\$ 160,000.00	\$ 320,000.00	\$ 160,000.00
Bond Anticipation Notes	2,509,000.00	-	2,509,000.00	-	-
NJEIT Loans	4,635,743.90	-	689,350.04	3,946,393.86	706,423.54
USDA Loans	2,235,625.75	4,676,000.00	94,079.96	6,817,545.79	93,698.43
	<u>\$ 9,860,369.65</u>	<u>\$ 4,676,000.00</u>	<u>\$ 3,452,430.00</u>	<u>\$ 11,083,939.65</u>	<u>\$ 960,121.97</u>
Marina Utility Capital:					
Utility Bonds	\$ 60,000.00	\$ -	\$ 20,000.00	\$ 40,000.00	\$ -
	<u>\$ 60,000.00</u>	<u>\$ -</u>	<u>\$ 20,000.00</u>	<u>\$ 40,000.00</u>	<u>\$ -</u>

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 11. Deferred School Taxes

School taxes have been raised and the liability deferred by statutes. The balance of unpaid local and regional school taxes levied, amount deferred and the amount reported as a liability (payable) at December 31, are as follows:

	Balance, December 31,	
<u>Local School Taxes</u>	<u>2025</u>	<u>2024</u>
Total Balance of Local Tax	\$ 196,804.00	\$ 192,946.00
Local Tax Payable	\$ 196,804.00	\$ 192,946.00
	Balance, December 31,	
<u>Regional High School Tax</u>	<u>2025</u>	<u>2024</u>
Total Balance of Regional Tax	\$ 2,201,387.01	\$ 2,180,549.41
Deferred Taxes	910,523.00	910,523.00
Regional Tax Payable	\$ 1,290,864.01	\$ 1,270,026.41

Note 12. Deferred Compensation Salary Account

The Borough offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency. Amounts deferred under Section 457 plans must be held in trust for the exclusive benefits of participating employees and not be accessible by the Borough or its creditors. Since the Borough does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Borough's financial statements.

Note 13. Accrued Sick, Vacation and Compensation Time

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Borough's liability related to unused vacation, sick pay and compensation time. The Borough permits certain employees, within limits, to accumulate unused vacation, sick pay and compensation time, which may be taken as time off or paid at a later date at an agreed upon rate. In accordance with New Jersey accounting principles, this unused accumulated absence amount is not reported as a liability in the accompanying financial statements.

Under current policies and in accordance with N.J.S.A. 40A:9-10.2, unused sick leave is paid at an agreed upon rate upon separation of employment. Excess unused sick leave above the statutory cap is not paid out upon separation and lapses unless used. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$1,123,179.18 at December 31, 2025.

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 13. Accrued Sick, Vacation and Compensation Time (Continued)

This estimate includes leave that is expected to be paid upon separation from service, and sick leave and compensation time to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

Note 14. Risk Management

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

Joint Insurance Pool

The Borough is a member of the Ocean County Municipal Joint Insurance Fund. The Fund provides the Borough with the following primary coverage and limits:

Crime	\$50,000
Commercial General Liability	\$300,000
Law Enforcement Professional Liability	\$300,000
Bodily Injury and Property Damage Liability (Auto)	\$300,000
Workers Compensation	\$300,000
Environmental Legal Liability	various

The following “excess” coverage and limits are provided to the Fund’s member local units by their membership in the Municipal Excess Liability Joint Insurance Fund (MEL):

Worker’s Compensation	\$5,000,000
Commercial General Liability	\$5,000,000
Law Enforcement Professional Liability	\$5,000,000
Employer’s Liability	\$5,000,000
Auto Liability	\$5,000,000
Crime	\$1,000,000

Contributions to the Funds are payable in two installments and are based on actuarial assumptions determined by the Funds’ actuaries. The Fund publishes its own financial report for the year ended December 31, 2025 which can be obtained on the Fund’s website.

New Jersey Unemployment Compensation Insurance

The Borough has elected to fund its New Jersey Unemployment Compensation Insurance under the “Reimbursement Method”. Under this plan, the Borough is required to reimburse the New Jersey Unemployment Trust Fund, dollar-for-dollar, for unemployment benefits paid to its former employees who were laid off or furloughed and charged to its account with the State. The Borough is billed quarterly for amounts due to the State.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 15. Contingencies

Grantor Agencies

The Borough receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency.

Litigation

The Borough is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Borough, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Tax Appeals

Losses arising from tax appeals 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. There are no significant pending tax appeals as of December 31, 2025.

Note 16. Length of Service Awards Program

The Borough's length of service awards program ("LOSAP") is reported in the Borough's trust fund Statement of Assets, Liabilities, Reserves and Fund Balance - Regulatory Basis. The LOSAP provides tax deferred income benefits to active volunteer firefighters and emergency medical personnel.

The tax deferred income benefits for the active volunteer firefighters and emergency medical personnel serving the residents of the Borough come from contributions made solely by the governing body of the Borough, on behalf of those volunteers who meet the criteria of a plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Contributions - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually. The Borough elected to contribute between \$0.00 and \$1,705.00 for the year ended December 31, 2025 per eligible volunteer, into the Plan, depending on how many years the volunteer has served. During the year ended December 31, 2025, the Borough contributed a total of \$0.00 to the plan. Participants direct the investment of the contributions into various investment options offered by the Plan.

The Borough has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the plan administrator.

Participant Accounts - Each participant's account is credited with the Borough's contribution and Plan earnings, and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

See independent accountant's compilation report.

**BOROUGH OF SEASIDE PARK
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

Note 16. Length of Service Awards Program (continued)

The Borough has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the Borough’s creditors until distributed as benefit payments, are not available for funding the operations of the Borough. The funds may also be used to pay the administrative fees charged by the Plan Administrator. Lincoln Financial Group (“Plan Administrator”), an approved Length of Service Awards Program provider, is the administrator of the Plan. The Borough’s practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

Vesting - Benefits, plus actual earnings thereon, are one hundred percent (100%) vested after five (5) years of service.

Payment of Benefits - Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

Forfeited Accounts – During the year ended December 31, 2025, no accounts were forfeited.

Plan Information - Additional information about the Borough’s length of service awards program can be obtained by contacting the Plan Administrator.

Note 17. Deferred Charges to be Raised in Succeeding Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. As of the date of this report, the 2026 budget has not been adopted. The amounts shown in the table below will be raised in the 2026 budget upon adoption. At December 31, 2025 the following deferred charges are shown on the statement of assets, liabilities, reserves and fund balances of the following funds:

<u>Description</u>	<u>Balance December 31, 2025</u>	<u>2026 Budget Appropriation</u>	<u>Balance to Succeeding Budgets</u>
Water/Sewer Utility Capital Fund:			
Overexpenditure of Capital Improvement Fund	\$ 68,325.00	\$ 68,325.00	\$ -
	<u>\$ 68,325.00</u>	<u>\$ 68,325.00</u>	<u>\$ -</u>

Note 18. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2025 and March 18, 2026, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

See independent accountant’s compilation report.

APPENDIX C
PROPOSED FORMS OF BOND COUNSEL OPINION

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*An opinion in substantially the following form
will be delivered at Closing, assuming no
material changes in facts or law*

_____, 2026

Mayor and Council of the
Borough of Seaside Park, in the
County of Ocean, New Jersey

Re: Borough of Seaside Park, in the County of Ocean, New Jersey
\$2,345,000 Bond Anticipation Notes, Series 2026

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the Borough of Seaside Park, in the County of Ocean, New Jersey (the “Borough” or the “Issuer”), of its \$2,345,000 Bond Anticipation Notes, Series 2026, consisting of \$2,072,300 General Capital Bond Anticipation Notes and \$272,700 Marin Utility Bond Anticipation Notes (collectively, the “Notes”). The Notes are general obligations of the Issuer and the full faith, credit and taxing power of the Issuer are available to pay the principal of and the interest on the Notes. The Notes are issued in registered form and are dated April __, 2026, mature on April 9, 2027, bear interest at a rate of __. __% per annum payable at maturity, and are not subject to redemption prior to maturity.

The Notes are issued under the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, effective January 1, 1962 and the acts amendatory thereof and supplemental thereto (the “Act”), and ordinances of the Issuer numbered 04-2021, 1-2022, 2022-15, 2022-16, 2022-17, 2022-19, 2024-16, 07-2021 as amended by 2022-05 and 2024-26 (collectively, the “Ordinances”). The Notes are issued for the purpose of financing and refinancing previously authorized capital improvement projects as described in the Ordinances. The Issuer has designated the Notes as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

In our capacity as Bond Counsel and as a basis for the opinions set forth below, we have examined the proceedings relating to the authorization and issuance of the Notes, including: (a) copies of the Ordinances; (b) such matters of law, including, inter alia, the Act and the Code; and (c) such other agreements, proceedings, certificates, records, approvals, resolutions, and documents as to various matters with respect to the issuance of the Notes, as we have deemed necessary. We have further assumed and relied upon the genuineness, accuracy and completeness of all of the documents and other instruments which we have examined. As to questions of fact material to our opinion, we have relied on the forms of the proceedings and other certifications of public officials to be executed and furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that:

1. The Notes have been duly authorized, issued, executed and sold by the Issuer; the Ordinances have been duly authorized and adopted by the Issuer; and the Notes and the Ordinances are legal, valid and binding obligations enforceable in accordance with their respective terms.

2. Interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Code and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Notes may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

3. Under current law, interest on the Notes and any gain on the sale thereof are not includable as gross income under the New Jersey Gross Income Tax Act.

4. The power and obligation of the Issuer to pay the Notes is unlimited, and, unless paid from other sources, the Issuer shall be obligated to levy ad valorem taxes upon all the taxable property within the Borough of Seaside Park for the payment of the principal of and interest on the Notes, without limitation as to rate or amount.

For purposes of this opinion, the enforceability (but not the validity) of the documents mentioned herein may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws now or hereafter enacted by any state or by the federal government affecting the enforcement of creditors' rights generally, and by equitable principles, and the phrase "enforceable in accordance with their respective terms" shall not mean that specific performance would necessarily be available as a remedy in every situation.

Other than as set forth in Paragraphs 2 and 3, we express no opinion regarding other federal and state tax consequences arising with respect to the Notes.

The opinions expressed herein are limited to and based upon the laws and judicial decisions of the State of New Jersey and the federal laws and judicial decisions of the United States of America as of the date hereof, and are subject to any amendment, repeal or other modification of the applicable laws or judicial decisions that served as the basis for our opinions or to any laws or judicial decisions hereafter enacted or rendered.

We express no opinion herein as to the adequacy or accuracy of any official statement, private placement memorandum or other offering material pertaining to the offering of the Notes.

DECOTIIS, FITZPATRICK, COLE & GIBLIN, LLP

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

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CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Borough of Seaside Park, in the County of Ocean, New Jersey (the “Issuer”), in connection with the issuance by the Issuer of \$2,345,000 principal amount of the Issuer’s Bond Anticipation Notes, Series 2026, consisting of: \$2,072,300 General Capital Bond Anticipation Notes and \$272,700 Marina Utility Bond Anticipation Notes (collectively, the “Notes”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Noteholders and Beneficial Owners of the Notes and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

Section 2. Definitions. The following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

“Dissemination Agent” shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“EMMA” means the MSRB’s Electronic Municipal Markets Access System.

“Financial Obligation” means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b); provided, however that the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 3(a) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Noteholder” shall mean any person who is the registered owner of any Note, including holders of beneficial interests in the Note.

“Participating Underwriter” shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 3, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on the debt service reserves reflecting financial difficulties;
4. unscheduled draws on the credit enhancements reflecting financial difficulties;
5. substitution of the credit or liquidity providers or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes or other material events affecting the tax status of the Notes;
7. modifications to rights of Noteholders;
8. note calls, if material, and tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Notes, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the Issuer;
13. the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. appointment of a successor or additional trustee, or the change of name of a trustee, if material;

15. incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Bonds, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall file or cause to be filed a notice of such occurrence with the MSRB through EMMA in a timely manner not in excess of ten (10) business days after the occurrence of such event. The notice shall be filed in an electronic format as prescribed by the MSRB and shall be accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Notes.

Section 4. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes. If such termination occurs prior to the final maturity of the Notes, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 3(b).

Section 5. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Notes, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Noteholders or Beneficial Owners of the Notes.

Section 7. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future or notice of occurrence of a Listed Event.

Section 8. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Noteholder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default on the Notes, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 9. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section 9 shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and the Noteholders and Beneficial Owners from time to time of the Notes and shall create no rights in any other person or entity.

Dated: _____, 2026

BOROUGH OF SEASIDE PARK, IN THE COUNTY
OF OCEAN, NEW JERSEY

By: _____
Jaimie Colson, Chief Financial Officer