

TOWN OF DOVER
COUNTY OF MORRIS
REPORT OF AUDIT
2025

NISIVOCIA LLP
CERTIFIED PUBLIC ACCOUNTANTS

TOWN OF DOVER
COUNTY OF MORRIS
REPORT OF AUDIT
2025

TOWN OF DOVER
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TOWN OF DOVER

PART I

FINANCIAL STATEMENTS

AND SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2025

Independent Auditors' Report

The Honorable Mayor and Members
of the Town Council
Town of Dover
Dover, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements – *regulatory basis* - of the various funds and account group of the Town of Dover in the County of Morris (the "Town") as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements as listed in the table of contents.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each fund and account group of the Town as of December 31, 2025 and 2024, and the results of operations and changes in fund balance, where applicable, of such funds and account group, thereof for the years then ended in accordance with the accounting practices prescribed or permitted, as described in Note 1, by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division").

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Basis for Opinions

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the Town on the basis of the financial reporting provisions prescribed or permitted by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Division's regulatory basis of accounting and the budget laws of New Jersey.

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

Emphasis of Matter

As discussed in Note 18 to the basic financial statements, the Town implemented Governmental Accounting Standards Board ("GASB") Statement No. 101, *Compensated Absences*, during the year ended December 31, 2025. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division to demonstrate compliance with the Division's regulatory basis of accounting, and the budget laws of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements of the various funds and account group that collectively comprise the Town's financial statements. The supplementary data schedules listed in the table of contents and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 25-12, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the various fund and account group financial statements. The information has been subjected to the auditing procedures applied in the audit of the various fund financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the various fund and account group financial statements or to the various fund and account group financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the various funds and account group financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2026 on our consideration of the Town of Dover's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Dover's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
July 13, 2026

Nisiroccia LLP
NISIVOCCIA LLP

John J. Mooney

John J. Mooney
Registered Municipal Accountant No. 560
Certified Public Accountant

TOWN OF DOVER

COUNTY OF MORRIS

2025

CURRENT FUND

TOWN OF DOVER
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	Ref.	2025	2024
<u>ASSETS</u>			
Regular Fund:			
Cash and Cash Equivalents	A-4	\$ 4,525,143.79	\$ 6,145,230.50
Change Funds		475.00	475.00
Local School Taxes Prepaid	A-12		89,412.77
		<u>4,525,618.79</u>	<u>6,235,118.27</u>
Receivables and Other Assets with Full Reserves:			
Delinquent Taxes	A-7	714,485.42	559,777.40
Tax Title Liens	A-8	585,914.92	545,833.78
Property Acquired for Taxes at Assessed Valuation		204,400.00	204,400.00
Revenue Accounts Receivable	A-9	60,578.07	59,863.88
Sewer Rents Receivable	A-10	91,394.11	64,350.81
Due from:			
Dover Housing Authority		19,118.88	4,479.84
Payroll Account			515,891.05
Water Utility Operating Fund	D		403,314.95
Parking Utility Operating Fund	E		1,361.98
		<u>1,675,891.40</u>	<u>2,359,273.69</u>
Total Receivables and Other Assets with Full Reserves			
		<u>1,675,891.40</u>	<u>2,359,273.69</u>
Deferred Charges:			
Overexpenditure of Appropriations		538,220.89	248,621.49
Grant Fund Expenditures without Appropriation		31,401.36	71,693.97
Special Emergency Authorizations:			
COVID-19 Emergency			360,402.15
Emergency Authorizations:			
Accrued Sick and Vacation Payout			120,000.00
Legal Fees		<u>425,000.00</u>	
		<u>994,622.25</u>	<u>800,717.61</u>
Total Deferred Charges			
		<u>994,622.25</u>	<u>800,717.61</u>
Total Regular Fund		<u>7,196,132.44</u>	<u>9,395,109.57</u>
Federal and State Grant Fund:			
Federal and State Grants Receivable	A-14	2,390,700.80	3,340,181.33
Due from Current Fund	A	1,183,966.87	1,683,027.08
Due from Other Trust Funds	B	<u>4,000.00</u>	<u>4,000.00</u>
Total Federal and State Grant Fund		<u>3,578,667.67</u>	<u>5,027,208.41</u>
<u>TOTAL ASSETS</u>		<u>\$ 10,774,800.11</u>	<u>\$ 14,422,317.98</u>

TOWN OF DOVER
CURRENT FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

<u>LIABILITIES, RESERVES AND FUND BALANCE</u>	<u>Ref.</u>	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
Regular Fund:			
Appropriation Reserves:			
Unencumbered	A-3;A-11	\$ 906,696.40	\$ 795,073.78
Encumbered	A-3;A-11	276,101.39	691,419.99
Total Appropriation Reserves		1,182,797.79	1,486,493.77
County Added and Omitted Taxes Payable			5,565.60
Prepaid Taxes		309,187.04	332,665.63
Tax Overpayments		37,521.26	5,697.95
Prepaid Sewer Rents		7,783.42	11,176.38
Prepaid Payment In Lieu of Taxes			50,000.00
Prepaid Cell Tower Rental		4,784.78	7,891.79
Accounts Payable - Vendors			41,044.96
Due to:			
Federal and State Grant Fund	A	1,183,966.87	1,683,027.08
Animal Control Fund	B	2.08	2.08
Other Trust Funds	B	416,074.49	361,046.21
General Capital Fund	C		199,467.98
State of NJ - Veterans' and Senior Citizens' Deductions		10,211.86	10,961.86
State of NJ - Marriage License Fees		2,050.00	2,925.00
State of NJ - DCA Building Fees		7,084.00	7,152.00
Reserve for Sale of Municipal Assets		204,292.73	204,292.73
		3,365,756.32	4,409,411.02
Special Emergency Notes Payable	A-13		480,402.15
Reserve for Receivables and Other Assets	A	1,675,891.40	2,359,273.69
Fund Balance	A-1	2,154,484.72	2,146,022.71
Total Regular Fund		7,196,132.44	9,395,109.57
Federal and State Grant Fund:			
Appropriated Reserves	A-15	2,986,672.42	4,046,828.85
Unappropriated Reserves	A-16	591,995.25	583,998.46
Encumbrances Payable	A-15		394,159.10
Unallocated Receipt			2,222.00
Total Federal and State Grant Fund		3,578,667.67	5,027,208.41
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 10,774,800.11</u>	<u>\$ 14,422,317.98</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

	Year Ended December 31,	
	2025	2024
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 1,700,000.00	\$ 2,200,000.00
Miscellaneous Revenue Anticipated	9,065,820.39	8,766,361.22
Receipts from:		
Delinquent Taxes	572,562.03	472,777.39
Current Taxes	45,426,209.49	42,215,561.74
Nonbudget Revenue	825,121.71	218,109.43
Other Credits to Income:		
Interfunds and Other Receivables Returned	120,567.98	1,894,396.55
Unexpended Balance of Appropriation Reserves	376,935.35	282,324.17
Cancellation of:		
Prior Year Accounts Payable	41,044.96	
Federal and State Grant Fund Appropriated Reserves	555,608.87	
Federal and State Grant Fund Unallocated Receipt	2,222.00	
Due to State of NJ - Marriage License Fees		584.00
Tax Overpayments		12,492.14
Reserve for Third Party Liens		2,801.39
Total Income	<u>58,686,092.78</u>	<u>56,065,408.03</u>
<u>Expenditures</u>		
Budget Appropriations:		
Municipal Purposes	33,200,224.37	31,412,936.43
County Taxes	4,576,916.94	4,406,238.81
Local School District Taxes	19,683,136.00	17,833,896.00
Refund of Prior Years' Taxes	334,502.28	68,841.53
Refund of Prior Years' Revenues	4,322.03	5,828.00
Grant Fund Expenditures without Appropriation	31,401.36	
Interfunds and Other Receivables Advanced	14,639.04	612,849.82
Cancellation of Local School Taxes Prepaid	89,412.77	
Cancellation of Federal and State Grant Fund Receivables	37,698.23	
Total Expenditures	<u>57,972,253.02</u>	<u>54,340,590.59</u>

TOWN OF DOVER
CURRENT FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS
(Continued)

	<u>Ref.</u>	<u>Year Ended December 31,</u>	
		<u>2025</u>	<u>2024</u>
Excess in Revenue		\$ 713,839.76	\$ 1,724,817.44
Adjustments to Income Before Fund Balance:			
Expenditures Included above Which are by Statute			
Deferred Charges to Budget of Succeeding Year:			
Overexpenditure of Appropriations		538,220.89	248,621.49
Grant Fund Expenditures without Appropriation		31,401.36	
Emergency Authorization - Legal Fees		<u>425,000.00</u>	
Statutory Excess to Fund Balance		1,708,462.01	1,973,438.93
<u>Fund Balance</u>			
Balance January 1		<u>2,146,022.71</u>	<u>2,372,583.78</u>
		3,854,484.72	4,346,022.71
Decreased by:			
Utilized as Anticipated Revenue		<u>1,700,000.00</u>	<u>2,200,000.00</u>
Balance December 31	A	<u>\$ 2,154,484.72</u>	<u>\$ 2,146,022.71</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit*
Fund Balance Anticipated	\$ 1,700,000.00		\$ 1,700,000.00	
Miscellaneous Revenue:				
Licenses:				
Alcoholic Beverages	50,000.00		48,328.20	\$ 1,671.80 *
Other	80,000.00		76,657.00	3,343.00 *
Fees and Permits	135,000.00		134,886.39	113.61 *
Fines and Costs:				
Municipal Court	475,000.00		666,902.02	191,902.02
Interest and Costs on Taxes	105,000.00		115,544.58	10,544.58
Interest on Investments and Deposits	400,000.00		482,768.54	82,768.54
Payment In Lieu of Taxes:				
Mill Pond Towers - Senior Citizen Apartments	181,232.00			181,232.00 *
Guenther Mills	150,000.00		179,244.50	29,244.50
Mendia Transit Plaza	550,000.00		463,192.24	86,807.76 *
Sewer Rents	1,750,000.00		1,763,646.14	13,646.14
Energy Receipts Taxes	1,279,702.00		1,279,702.35	0.35
Uniform Construction Code Fees	545,000.00		390,784.00	154,216.00 *
Interlocal Services - Municipal Court	23,000.00		18,214.13	4,785.87 *
Victory Gardens Fire Department	39,000.00		35,000.00	4,000.00 *
School Resource Officer	299,000.00		284,010.00	14,990.00 *
Hotel Occupancy Tax	185,000.00		190,304.36	5,304.36
Cell Tower Rental	140,000.00		144,696.76	4,696.76
NJ Department of Transportation:				
Highway Safety Fund	19,990.00		19,990.00	
Pedestrian Safety Grant	21,499.52		21,499.02	0.50 *
Recycling Tonnage Grant	17,548.62		17,548.62	
FEMA Grant	17,708.23		17,708.23	
Clean Communities Program Grant	34,971.73		34,971.73	
Body Armor Replacement Grant	2,983.51		2,983.51	
Distracted Driving Grant	7,000.00		7,000.00	

TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	Budget	Added by NJSA 40A:4-87	Realized	Excess or Deficit*
Miscellaneous Revenue (Cont'd):				
National Opioid Settlement Grant	\$ 125,106.60		\$ 125,106.60	
Drive Sober or Get Pulled Over	7,000.00		7,000.00	
Stormwater Assistance Grant	15,000.00		15,000.00	
Local Recreation Improvement Grant	51,000.00		51,000.00	
Safe Streets to Transit - East Blackwell Street Phase II	91,395.09		91,395.09	
Utility Operating Surplus - Water Utility	240,000.00		240,000.00	
Utility Operating Surplus - Parking Utility	100,000.00		100,000.00	
Capital Fund Balance	50,000.00		50,000.00	\$ 7,911.89
Uniform Fire Safety Act	45,000.00		52,911.89	21,526.02 *
Ambulance Services	295,000.00		273,473.98	10,649.49 *
Cable TV Franchise Fee	125,000.00		114,350.51	
Capital Reserve to Pay Debt Service	750,000.00		750,000.00	
Water Utility Operating Fund Interfund	300,000.00		300,000.00	
Prepaid School Tax	89,000.00			89,000.00 *
Payroll Account Interfund	500,000.00		500,000.00	
Total Miscellaneous Revenue	9,292,137.30		9,065,820.39	226,316.91 *
Receipts from Delinquent Taxes	530,000.00		572,562.03	42,562.03
Amount to be Raised by Taxes for Support of Municipal Budget:				
Local Tax for Municipal Purposes	20,924,089.15		21,364,361.97	440,272.82
Minimum Library Tax	634,412.68		634,412.68	
	21,558,501.83		21,998,774.65	440,272.82
Budget Totals	33,080,639.13		33,337,157.07	\$ 256,517.94
Nonbudget Revenue			825,121.71	
	\$ 33,080,639.13	\$ - 0 -	\$ 34,162,278.78	

TOWN OF DOVER
CURRENT FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Allocation of Current Tax Collections:

Collection of Current Taxes	\$ 45,426,209.49
Allocated to School and County Taxes	<u>24,260,052.94</u>
Balance for Support of Municipal Budget	21,166,156.55
Add: Appropriation "Reserve for Uncollected Taxes"	<u>832,618.10</u>
Realized for Support of Municipal Budget	<u><u>\$ 21,998,774.65</u></u>

Analysis of Interest on Investments:

Treasurer	\$ 358,808.06
Received from Animal Control Fund	458.10
Received from Other Trust Funds	24,981.48
Received from General Capital Fund	<u>98,520.90</u>
	<u><u>\$ 482,768.54</u></u>

Analysis of Nonbudget Revenue

Miscellaneous Revenue Not Anticipated:

Treasurer:

Prior Year Revenue:

Payment In Lieu of Taxes:	
Guenther Mills	\$ 18,719.00
Victory Gardens Fire Department	35,000.00
School Resource Officer	14,990.00
Clerk Miscellaneous Revenue	26.34
Prior Year Refunds/Reimbursements and Insurance	
Reimbursements	589,303.46
Fire Prevention Inspection Fees	35,290.00
Morris County Shared Radio Communication Rental	19,853.82
Payment In Lieu of Taxes:	
Dover Veterans Urban Renewal	45,266.46
Basset Highway Urban Renewal	22,701.42
Vacant Property Registration	13,900.00
Cannabis License and Tax	29,174.92
Senior Citizen and Veteran Deductions Administrative Fee	700.00
NSF Check Fees	100.00
Other Receipts	<u>96.29</u>

\$ 825,121.71

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	Appropriations		Expended By		Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS":						
GENERAL GOVERNMENT:						
Mayor and Town Council:						
Salaries and Wages	\$ 143,575.00	\$ 143,575.00	\$ 131,089.40	\$ 12,485.60		
Other Expenses	75,840.00	75,840.00	75,840.00			
Administrative and Executive:						
Salaries and Wages	372,890.00	372,890.00	372,890.00			
Other Expenses	46,700.00	46,700.00	46,700.00			
Town Clerk:						
Salaries and Wages	212,180.00	144,337.00	117,029.74	27,307.26		
Other Expenses	49,750.00	49,750.00	39,260.64	10,489.36		
Financial Administration:						
Salaries and Wages	314,545.00	314,545.00	288,824.51	25,720.49		
Other Expenses	84,700.00	84,700.00	84,700.00			
Annual Audit	69,700.00	98,657.00	98,657.00			
Assessment of Taxes:						
Salaries and Wages	101,875.00	101,875.00	98,936.90	2,938.10		
Other Expenses	35,000.00	35,000.00	35,000.00			
Collection of Taxes:						
Salaries and Wages	94,700.00	98,820.00	98,812.14	7.86		
Other Expenses	11,700.00	19,171.00	19,170.33	0.67		
Legal Services and Costs:						
Legal Fees (Emergency N.J.S.A. 40A:4-46 +\$425,000.00)	350,000.00	825,000.00	824,465.84	534.16		
Municipal Prosecutor:						
Salaries and Wages	42,000.00	17,000.00	16,215.36	784.64		
Engineering Services and Costs:						
Salaries and Wages	320,000.00	195,000.00	175,643.87	19,356.13		
Other Expenses	65,000.00	69,750.00	69,720.84	29.16		

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After</u>	<u>Paid or</u>	<u>Reserved</u>	<u>Balance</u>
		<u>Modification</u>	<u>Charged</u>		<u>Canceled</u>
					<u>Overexpended</u>
Operations Within "CAPS" (Continued):					
LAND USE ADMINISTRATION:					
Planning and Economic Development:					
Salaries and Wages	\$ 165,786.00	\$ 165,786.00	\$ 157,233.30	\$ 8,552.70	
Other Expenses	31,500.00	59,375.00	59,374.69	0.31	
Municipal Land Use Law (N.J.S.A.40:55D-1):					
Planning Board:					
Salaries and Wages	3,000.00	3,000.00		3,000.00	
Board of Adjustment:					
Salaries and Wages	3,000.00	3,000.00		3,000.00	
Other Expenses	2,000.00	6,955.00	6,951.07	3.93	
Insurance:					
General Liability	224,622.00	49,622.00	49,272.00	350.00	
Workers Compensation	394,673.00	464,098.00	464,075.85	22.15	
Employee Group Health	3,330,195.00	3,330,195.00	3,868,415.89		\$ 538,220.89
Health Benefit Waivers	54,375.00	4,375.00		4,375.00	
Code Enforcement:					
Salaries and Wages	427,966.00	327,966.00	323,780.09	4,185.91	
Other Expenses	10,000.00	11,210.00	11,209.65	0.35	
PUBLIC SAFETY:					
Police:					
Salaries and Wages	6,130,781.00	6,030,781.00	6,023,494.27	7,286.73	
Other Expenses	320,000.00	352,175.00	352,152.84	22.16	
Office of Emergency Management:					
Other Expenses	2,500.00	2,500.00	439.72	2,060.28	

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Within "CAPS" (Continued):						
PUBLIC SAFETY:						
Public Defender:						
Other Expenses	\$ 25,000.00	\$ 25,000.00	\$ 23,183.37	\$ 1,816.63		
Uniform Fire Safety Act (P.L. 1983, Ch. 383):						
Salaries and Wages	21,632.00	21,632.00	12,508.32	9,123.68		
Other Expenses	1,000.00	1,000.00	1,000.00			
Fire:						
Salaries and Wages	1,906,500.00	2,143,100.00	2,142,796.30	303.70		
Other Expenses	300,000.00	150,000.00	141,974.99	8,025.01		
Municipal Court:						
Salaries & Wages	303,151.00	337,351.00	337,328.98	22.02		
Other Expenses	66,009.00	66,009.00	42,581.98	23,427.02		
HEALTH & WELFARE:						
Board of Health:						
Salaries and Wages	420,789.00	376,978.00	365,006.45	11,971.55		
Other Expenses	20,000.00	20,000.00	20,000.00			
Solid Waste and Recycling:						
Salaries and Wages	115,250.00	115,250.00	97,052.93	18,197.07		
Other Expenses	1,751,304.00	1,676,304.00	1,670,635.48	5,668.52		
RECREATION & EDUCATION:						
Shade Trees:						
Salaries and Wages	3,000.00	3,000.00		3,000.00		
Other Expenses						
Senior Citizens Transportation:						
Salaries and Wages	50,625.00	50,625.00	38,897.21	11,727.79		
Other Expenses	6,500.00	6,500.00	2,676.52	3,823.48		

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	<u>Appropriations</u>		<u>Expended By</u>		<u>Unexpended</u>
	<u>Budget</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Balance Canceled</u>
Operations Within "CAPS" (Continued):					
RECREATION & EDUCATION:					
Recreation Department:					
Salaries and Wages	\$ 269,569.00	\$ 401,169.00	\$ 401,123.25	\$ 45.75	
Other Expenses	300,000.00	300,000.00	222,275.13	77,724.87	
Historic Preservation:					
Other Expenses	200.00	3,883.00	3,883.00		
DEPARTMENT OF PUBLIC WORKS:					
Division of Streets and Roads:					
Salaries and Wages	858,610.00	858,610.00	855,481.12	3,128.88	
Other Expenses	239,030.00	139,030.00	128,188.92	10,841.08	
Division of Sewer Maintenance:					
Salaries and Wages	371,556.00	371,556.00	371,556.00		
Other Expenses	35,000.00	35,000.00	4,994.17	30,005.83	
Buildings and Grounds:					
Salaries and Wages	560,360.00	623,810.00	623,787.07	22.93	
Other Expenses	147,490.00	97,490.00	78,020.42	19,469.58	
Snow and Ice Removal:					
Other Expenses	78,775.00	95,950.00	95,941.05	8.95	
State Uniform Construction Code:					
Construction Official:					
Salaries and Wages	387,392.00	317,392.00	315,495.12	1,896.88	
Other Expenses	25,300.00	25,300.00	9,808.05	15,491.95	
Unclassified:					
Utility Expenses & Bulk Purchases	511,000.00	474,400.00	469,828.73	4,571.27	
Computer Maintenance and Internet	200,000.00	170,600.00	157,278.57	13,321.43	
VOIP Telephone System	55,200.00	55,200.00	55,200.00		

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	Appropriations		Expended By		Unexpended
	Budget	Budget After Modification	Paid or Charged	Reserved	Balance Canceled
Total Operations Within "CAPS"	\$ 22,520,795.00	\$ 22,465,787.00	\$ 22,597,859.07	\$ 406,148.82	\$ 538,220.89
Detail:					
Salaries and Wages	13,600,732.00	13,539,048.00	13,364,982.33	165,512.97	
Other Expenses	8,920,063.00	8,926,739.00	9,232,876.74	240,635.85	538,220.89
Deferred Charges and Statutory Expenditures - Municipal within "CAPS":					
Deferred Charges:					
Overexpenditures of Current Appropriations	259,638.43	259,638.43	248,621.49		\$ 11,016.94
Overexpenditures of Federal and State Reserves	71,693.97	71,693.97	71,693.97		
Statutory Expenditures:					
Contributions to:					
Public Employees' Retirement System	365,273.00	459,084.00	459,083.59	0.41	
Social Security System (O.A.S.I.)	631,206.00	571,456.00	571,449.98	6.02	
Police and Fireman's Retirement					
System of New Jersey	2,188,041.00	2,274,011.00	2,274,010.26	0.74	
State Unemployment Insurance	30,000.00	385,077.00	385,077.00		
Defined Contribution Retirement Program	24,500.00				
Total Deferred Charges and Statutory Expenditures - Municipal Within "CAPS"	3,570,352.40	4,020,960.40	4,009,936.29	7.17	11,016.94
Total General Appropriations for Municipal Purposes Within "CAPS"	26,091,147.40	26,486,747.40	26,607,795.36	406,155.99	538,220.89

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Operations Excluded from "CAPS":						
Rockaway Valley Regional Sewerage Authority Contribution	\$ 1,491,516.00	\$ 1,491,516.00	\$ 1,327,641.00	\$ 163,875.00		
Maintenance of Free Public Library (Ch. 82 and 541, P.L. 1985)	634,412.68	663,812.68	663,812.27	0.41		
Health Benefits Exclusion	48,996.00	48,996.00	48,996.00			
Shared Municipal Service Agreements:						
Interlocal Services - Municipal Court	23,000.00	23,000.00	23,000.00			
Victory Gardens Fire Department	39,000.00	39,000.00	39,000.00			
School Resource Officer	299,000.00	299,000.00	299,000.00			
Animal Control Services - Township of Randolph	29,430.00	29,430.00	17,765.00	11,665.00		
Morris County Communications Center Dispatch Services	325,000.00	325,000.00		325,000.00		
Public and Private Programs Offset by Revenue:						
NJ Department of Transportation:						
Highway Safety Fund	19,990.00	19,990.00	19,990.00			
Safe Streets to Transit - East Blackwell Street Phase II	91,395.09	91,395.09	91,395.09			
Clean Communities Program Grant	34,971.73	34,971.73	34,971.73			
Drive Sober or Get Pulled Over	7,000.00	7,000.00	7,000.00			
Recycling Tonnage Grant	17,548.62	17,548.62	17,548.62			
Local Recreation Improvement Grant	51,000.00	51,000.00	51,000.00			
National Opioid Settlement	125,106.60	125,106.60	125,106.60			
Pedestrian Safety Grant	21,499.02	21,499.02	21,499.02			
FEMA Grant	17,708.23	17,708.23	17,708.23			
Stormwater Assistance Grant	15,000.00	15,000.00	15,000.00			
Distracted Driving Grant	7,000.00	7,000.00	7,000.00			
Body Armor Replacement Fund	2,983.51	2,983.51	2,983.51			
Total Operations Excluded from "CAPS"	3,301,557.48	3,330,957.48	2,830,417.07	500,540.41		
Detail:						
Other Expenses	3,301,557.48	3,330,957.48	2,830,417.07	500,540.41		

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	Appropriations		Expended By		Unexpended Balance Canceled	Overexpended
	Budget	Budget After Modification	Paid or Charged	Reserved		
Capital Improvements - Excluded from "CAPS":						
Capital Improvement Fund	\$ 285,000.00	\$ 285,000.00	\$ 285,000.00			
Total Capital Improvements - Excluded from "CAPS"	285,000.00	285,000.00	285,000.00			
Municipal Debt Service Excluded from "CAPS":						
Payment of Bond Principal	305,000.00	305,000.00	305,000.00			
Payment of Bond Anticipation Notes	848,420.00	848,420.00	848,420.00			
Interest on Bonds	55,200.00	55,200.00	55,200.00			
Interest on Notes	857,340.00	857,340.00	857,340.00			
Special Emergency Note Interest	23,954.00	23,954.00	23,953.39		\$ 0.61	
Total Municipal Debt Service - Excluded from "CAPS"	2,089,914.00	2,089,914.00	2,089,913.39		0.61	
Deferred Charges - Municipal - Excluded from "CAPS":						
Special Emergency Authorizations - 5 Years	480,402.15	480,402.15	480,402.15			
Total Deferred Charges - Municipal - Excluded from "CAPS"	480,402.15	480,402.15	480,402.15			
Total General Appropriations Excluded from "CAPS"	6,156,873.63	6,186,273.63	5,685,732.61	\$ 500,540.41	0.61	
Subtotal General Appropriations	32,248,021.03	32,673,021.03	32,293,527.97	906,696.40	11,017.55	\$ 538,220.89
Reserve for Uncollected Taxes	832,618.10	832,618.10	832,618.10			
Total General Appropriations	\$ 33,080,639.13	\$ 33,505,639.13	\$ 33,126,146.07	\$ 906,696.40	\$ 11,017.55	\$ 538,220.89

Ref.

A

TOWN OF DOVER
CURRENT FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025
(Continued)

	<u>Ref.</u>	Analysis of	
		<u>Budget After Modification</u>	<u>Paid or Charged</u>
Adopted Budget		\$ 33,080,639.13	
Emergency Authorizations N.J.S.A. 40A: 4-53		425,000.00	
		<u>\$ 33,505,639.13</u>	
Cash Disbursed			\$ 32,649,140.66
Reserve for Uncollected Taxes			832,618.10
Deferred Charges:			
Overexpenditure of Appropriations:			
Current Fund			248,621.49
Expenditure Without Appropriation:			
Federal and State Grant Fund			71,693.97
Encumbrances	A		276,101.39
Transfer to Appropriated Grant Reserves:			
Federal and State Grants			411,202.80
			<u>34,489,378.41</u>
Less: Appropriation Refunds			<u>1,363,232.34</u>
			<u>\$ 33,126,146.07</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2025

TRUST FUNDS

TOWN OF DOVER
TRUST FUNDS
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Animal Control Fund:			
Cash and Cash Equivalents	B-4	\$ 11,388.73	\$ 7,318.71
Due from Current Fund	A	2.08	2.08
		<u>11,390.81</u>	<u>7,320.79</u>
Other Trust Funds:			
Cash and Cash Equivalents	B-4	1,608,441.25	819,526.94
Community Development Block Grant Receivable		58,190.00	58,190.00
Due from Current Fund	A	416,074.49	361,046.21
		<u>2,082,705.74</u>	<u>1,238,763.15</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,094,096.55</u>	<u>\$ 1,246,083.94</u>
<u>LIABILITIES AND RESERVES</u>			
Animal Control Fund:			
Reserve for Animal Control Fund Expenditures	B-6	\$ 11,390.81	\$ 7,320.79
		<u>11,390.81</u>	<u>7,320.79</u>
Other Trust Funds:			
Due to Federal and State Grant Fund	A	4,000.00	4,000.00
Reserve for:			
Other Deposits		1,375,128.34	793,579.60
Recycling		189,821.55	121,343.12
Forfeited Assets Deposits		95,999.18	85,179.68
Fire Penalty Fees		27,614.76	26,614.76
Recreation		174,376.25	8,977.38
Historical Preservation		4,408.00	4,408.00
Accumulated Absences		105,478.83	105,478.83
Tax Sale Premiums		103,900.00	86,900.00
Unemployment Compensation		1,978.83	2,281.78
		<u>2,082,705.74</u>	<u>1,238,763.15</u>
<u>TOTAL LIABILITIES AND RESERVES</u>		<u>\$ 2,094,096.55</u>	<u>\$ 1,246,083.94</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
ASSESSMENT TRUST FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
ASSESSMENT TRUST FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

ASSESSMENT TRUST FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2025

GENERAL CAPITAL FUND

TOWN OF DOVER
GENERAL CAPITAL FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	C-2	\$ 6,058,560.07	\$ 748,929.14
Due from Current Fund	A		199,467.98
Due from Water Utility Operating Fund	D	46,527.74	
Deferred Charges to Future Taxation:			
Funded		2,297,000.00	2,602,000.00
Unfunded	C-4	<u>25,266,828.97</u>	<u>25,402,748.97</u>
<u>TOTAL ASSETS</u>		<u>\$ 33,668,916.78</u>	<u>\$ 28,953,146.09</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	C-8	\$ 2,297,000.00	\$ 2,602,000.00
Bond Anticipation Notes Payable	C-7	24,553,879.00	19,052,000.00
Improvement Authorizations:			
Funded	C-5	1,264,222.12	1,226,722.12
Unfunded	C-5	3,335,836.59	3,306,802.18
Capital Improvement Fund	C-6	384,981.85	137,481.85
Downpayments on Improvements	C-6A	792.20	792.20
Due to Water Utility Capital Fund	D	147,107.12	
Encumbrances Payable		355,288.89	753,946.09
Reserve to Pay Debt Service		497,007.45	1,247,007.45
Fund Balance	C-1	<u>832,801.56</u>	<u>626,394.20</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 33,668,916.78</u>	<u>\$ 28,953,146.09</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
GENERAL CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2024	C	\$ 626,394.20
Increased by:		
Premium Received on Sale of Bond Anticipation Notes		256,407.36
		<u>882,801.56</u>
Decreased by:		
Realized as Current Fund Anticipated Revenue		50,000.00
		<u>50,000.00</u>
Balance December 31, 2025	C	<u><u>\$ 832,801.56</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2025

WATER UTILITY FUND

TOWN OF DOVER
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	<u>Ref.</u>	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	D-4	\$ 4,826,632.56	\$ 5,094,585.92
Collector's Change Fund		100.00	100.00
		<u>4,826,732.56</u>	<u>5,094,685.92</u>
Receivables and Inventory with Full Reserves:			
Consumer Accounts Receivable	D-6	199,802.95	126,985.98
Inventory	D-7	<u>142,328.63</u>	<u>142,328.63</u>
Total Receivables and Inventory with Full Reserves		<u>342,131.58</u>	<u>269,314.61</u>
Deferred Charges - Overexpenditure of Appropriations			<u>118,863.64</u>
Total Operating Fund		<u>5,168,864.14</u>	<u>5,482,864.17</u>
Capital Fund:			
Cash and Cash Equivalents	D-4	186,662.62	15,190.96
Due from General Capital Fund	C	147,107.12	
Due from Water Utility Operating Fund	D		455,307.87
Fixed Capital	D-8	20,784,300.11	17,784,300.11
Fixed Capital Authorized and Uncompleted	D-9	<u>9,810,000.00</u>	<u>12,810,000.00</u>
Total Capital Fund		<u>30,928,069.85</u>	<u>31,064,798.94</u>
<u>TOTAL ASSETS</u>		<u>\$ 36,096,933.99</u>	<u>\$ 36,547,663.11</u>

TOWN OF DOVER
WATER UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS
(Continued)

		December 31,	
	<u>Ref.</u>	<u>2025</u>	<u>2024</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	D-3;D-10	\$ 137,223.11	\$ 677,628.19
Encumbered	D-3;D-10	104,777.59	159,834.89
Total Appropriation Reserves		242,000.70	837,463.08
Accounts Payable			38,212.18
Due to Current Fund	A		403,314.95
Due to General Capital Fund	C	46,527.74	
Due to Water Utility Capital Fund	D		455,307.87
Due to Payroll Account		1,797.60	1,797.60
Water Rent Overpayments		13,296.89	15,878.12
Accrued Interest on Notes		445,121.49	450,526.88
Accrued Interest on Bonds		21,381.25	24,378.13
Accrued Interest on Loans		968.28	1,164.88
Third Party Lien		213.49	213.49
		771,307.44	2,228,257.18
Reserve for Receivables and Inventory	D	342,131.58	269,314.61
Fund Balance	D-1	4,055,425.12	2,985,292.38
Total Operating Fund		5,168,864.14	5,482,864.17
Capital Fund:			
Serial Bonds Payable	D-14	2,387,000.00	2,737,000.00
Bond Anticipation Notes Payable	D-15	10,535,420.00	10,695,000.00
NJ Infrastructure Bank Loans Payable	D-16	201,644.38	246,036.42
Improvement Authorizations:			
Funded	D-11	57,817.61	57,817.61
Unfunded	D-11	1,407,420.78	1,419,418.39
Capital Improvement Fund	D-12	1,113,773.48	1,013,773.48
Encumbrances Payable	D-11	204,656.76	576,495.36
Reserve for:			
Amortization		14,211,270.45	13,766,298.41
Deferred Amortization	D-13	361,000.00	252,000.00
Fund Balance	D-1A	448,066.39	300,959.27
Total Capital Fund		30,928,069.85	31,064,798.94
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 36,096,933.99</u>	<u>\$ 36,547,663.11</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

		Year Ended December 31,	
	<u>Ref.</u>	2025	2024
<u>Revenue and Other Income Realized</u>			
Fund Balance Utilized		\$ 475,739.00	\$ 366,275.00
Rents		5,536,247.70	4,591,138.94
Nonbudget Revenue		154,674.18	292,101.69
Other Credits to Income:			
Cancellation of Prior Year Accounts Payable		38,212.18	
Unexpended Balance of Appropriation Reserves		599,883.69	443,085.73
Total Income		6,804,756.75	5,692,601.36
<u>Expenditures</u>			
Budget Expenditures:			
Operating		3,364,600.00	3,326,970.00
Capital Improvements		125,000.00	285,000.00
Debt Service		1,090,021.37	909,707.36
Deferred Charges and Statutory Expenditures		439,263.64	286,825.00
Total Expenditures		5,018,885.01	4,808,502.36
Excess in Revenue		1,785,871.74	884,099.00
<u>Fund Balance</u>			
Balance January 1		2,985,292.38	2,701,468.38
		4,771,164.12	3,585,567.38
Decreased by:			
Utilized as Anticipated Revenue		475,739.00	366,275.00
Utilized as Anticipated Revenue - Current Fund		240,000.00	234,000.00
Balance December 31	D	\$ 4,055,425.12	\$ 2,985,292.38

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2024	D	\$ 300,959.27
Increased by:		
Due from General Capital Fund:		
Premium on Sale of Bond Anticipation Notes		<u>147,107.12</u>
Balance December 31, 2025	D	<u><u>\$ 448,066.39</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 475,739.00	\$ 475,739.00	
Water Rents	<u>4,550,000.00</u>	<u>5,536,247.70</u>	<u>\$ 986,247.70</u>
Budget Totals	5,025,739.00	6,011,986.70	986,247.70
Nonbudget Revenue	<u> </u>	<u>154,674.18</u>	<u>154,674.18</u>
	<u><u>\$ 5,025,739.00</u></u>	<u><u>\$ 6,166,660.88</u></u>	<u><u>\$ 1,140,921.88</u></u>

Analysis of Water Rents Revenue:

Collected	\$ 5,533,666.47
Water Rent Overpayments Applied	<u>2,581.23</u>
	<u><u>\$ 5,536,247.70</u></u>

Analysis of Nonbudget Revenue:

Miscellaneous	\$ 46,664.71
Interest on Investments:	
Water Operating	102,044.96
Water Capital	<u>5,964.51</u>
Total Nonbudget Revenue	<u><u>\$ 154,674.18</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
WATER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	Appropriations		Expended by		Unexpended Balance Canceled
	Budget	Budget After Modification	Paid or Charged	Reserved	
Operating:					
Salaries and Wages	\$ 1,354,600.00	\$ 1,314,600.00	\$ 1,255,632.68	\$ 58,967.32	
Other Expenses	2,010,000.00	2,050,000.00	2,040,545.52	9,454.48	
Capital Improvements:					
Capital Improvement Fund	100,000.00	100,000.00	100,000.00		
Capital Outlay	25,000.00	25,000.00		25,000.00	
Debt Service:					
Payment of Bond Principal	350,000.00	350,000.00	350,000.00		
Payment of Bond Anticipation Notes	159,580.00	159,580.00	159,580.00		
Interest on Bonds	58,250.00	58,250.00	58,240.62		\$ 9.38
Interest on Notes	481,275.00	481,275.00	475,869.61		5,405.39
NJIB Principal and Interest	47,770.00	47,770.00	46,331.14		1,438.86
Deferred Charges and Statutory Expenditures:					
Deferred Charges:					
Overexpenditure of Appropriations	118,864.00	118,864.00	118,863.64		0.36
Statutory Expenditures:					
Contribution to:					
Public Employees' Retirement System	200,000.00	200,000.00	200,000.00		
Social Security System (O.A.S.I.)	105,000.00	105,000.00	76,300.06	28,699.94	
State Unemployment Insurance	10,000.00	10,000.00	298.63	9,701.37	
State Disability Insurance	5,400.00	5,400.00		5,400.00	
	<u>\$ 5,025,739.00</u>	<u>\$ 5,025,739.00</u>	<u>\$ 4,881,661.90</u>	<u>\$ 137,223.11</u>	<u>\$ 6,853.99</u>
				D	
Cash Disbursed			\$ 4,081,704.30		
Due to General Capital Fund			44,392.04		
Encumbrances			104,777.59		
Deferred Charges - Overexpenditure of Appropriations			118,863.64		
Accrued Interest on Bonds			58,240.62		
Accrued Interest on Notes			475,869.61		
Accrued Interest on Loans			1,939.10		
			<u>4,885,786.90</u>		
			4,125.00		
Less: Appropriation Refunds			<u>\$ 4,881,661.90</u>		

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER

COUNTY OF MORRIS

2025

PARKING UTILITY FUND

TOWN OF DOVER
PARKING UTILITY FUND
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

		December 31,	
	Ref.	2025	2024
<u>ASSETS</u>			
Operating Fund:			
Cash and Cash Equivalents:			
Treasurer	E-4	\$ 198,015.38	\$ 413,929.30
Deferred Charges:			
Special Emergency Authorization - COVID 19	E-15		66,668.85
Overexpenditure of Appropriation	E-3	20,202.69	14,472.17
Overexpenditure of Appropriation Reserve	E-8	3,653.40	
Total Operating Fund		<u>221,871.47</u>	<u>495,070.32</u>
Capital Fund:			
Cash and Cash Equivalents	E-4	257,572.85	257,572.85
Fixed Capital	E-6	1,475,115.40	1,475,115.40
Fixed Capital Authorized and Uncompleted	E-7	1,462,929.00	462,929.00
Total Capital Fund		<u>3,195,617.25</u>	<u>2,195,617.25</u>
<u>TOTAL ASSETS</u>		<u>\$ 3,417,488.72</u>	<u>\$ 2,690,687.57</u>
<u>LIABILITIES, RESERVES AND FUND BALANCES</u>			
Operating Fund:			
Appropriation Reserves:			
Unencumbered	E-3;E-8	\$ 6.07	\$ 7,960.88
Encumbered	E-3	16,298.75	2,648.08
Total Appropriation Reserves		<u>16,304.82</u>	<u>10,608.96</u>
Due to Current Fund	A		1,361.98
Due to Payroll Account		13.85	13.85
Accrued Interest on Bonds		3,060.00	3,878.75
		<u>19,378.67</u>	<u>15,863.54</u>
Special Emergency Note Payable	E-15		66,668.85
Fund Balance	E-1	202,492.80	412,537.93
Total Operating Fund		<u>221,871.47</u>	<u>495,070.32</u>
Capital Fund:			
Serial Bonds Payable	E-12	343,000.00	433,000.00
Improvement Authorizations:			
Funded	E-9	232,123.76	232,123.76
Unfunded	E-9	1,000,000.00	
Capital Improvement Fund	E-10	17,668.23	17,668.23
Encumbrances Payable	E-9	2,300.00	2,300.00
Reserve for Amortization		1,529,115.40	1,439,115.40
Reserve for Deferred Amortization	E-11	65,929.00	65,929.00
Fund Balance	E-1A	5,480.86	5,480.86
Total Capital Fund		<u>3,195,617.25</u>	<u>2,195,617.25</u>
<u>TOTAL LIABILITIES, RESERVES AND FUND BALANCE</u>		<u>\$ 3,417,488.72</u>	<u>\$ 2,690,687.57</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - REGULATORY BASIS

	Year Ended December 31,	
	2025	2024
<u>Revenue and Other Income Realized</u>		
Fund Balance Utilized	\$ 171,509.00	
Revenue - Parking Meters	317,728.84	\$ 268,356.55
Miscellaneous	138,732.34	143,594.22
Other Credits to Income:		
Appropriation Reserves Lapsed	0.14	15,035.09
Total Income	627,970.32	426,985.86
<u>Expenditures</u>		
Budget Expenditures:		
Operating	355,572.69	200,547.40
Deferred Charges and Statutory Expenditures	127,021.02	73,203.43
Debt Service	104,115.43	108,496.25
Overexpenditure of Appropriation Reserve	3,653.40	
Total Expenditures	590,362.54	382,247.08
Excess in Revenue	37,607.78	44,738.78
Adjustments to Income before Fund Balance:		
Expenditures Included Above Which are by Statute		
Deferred Charges to Budget of Succeeding Year:		
Overexpenditure of Appropriation	20,202.69	11,547.40
Overexpenditure of Appropriation Reserve	3,653.40	
Statutory Excess to Fund Balance	61,463.87	56,286.18
<u>Fund Balance</u>		
Balance January 1	412,537.93	356,251.75
	474,001.80	412,537.93
Decreased by:		
Utilized as Anticipated Revenue	171,509.00	
Prior Year Fund Balance Anticipated as		
Current Fund Revenue	100,000.00	
Balance December 31	E \$ 202,492.80	\$ 412,537.93

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
STATEMENT OF FUND BALANCE - REGULATORY BASIS

	<u>Ref.</u>	
Balance December 31, 2024	E	<u>\$ 5,480.86</u>
Balance December 31, 2025	E	<u><u>\$ 5,480.86</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
STATEMENT OF REVENUE - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	<u>Anticipated</u>	<u>Realized</u>	<u>Excess</u>
Fund Balance Anticipated	\$ 171,509.00	\$ 171,509.00	
Revenue - Parking Meters	265,000.00	317,728.84	\$ 52,728.84
Miscellaneous	<u>130,000.00</u>	<u>138,732.34</u>	<u>8,732.34</u>
	<u><u>\$ 566,509.00</u></u>	<u><u>\$ 627,970.18</u></u>	<u><u>\$ 61,461.18</u></u>

Analysis of Miscellaneous Revenue:

Collector:

Parking Permits - Decals	\$ 113,564.00
Interest on Investments:	
Parking Utility Operating Fund	16,139.92
Parking Utility Capital Fund	<u>9,028.42</u>
	<u><u>\$ 138,732.34</u></u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2025

	<u>Appropriations</u>		<u>Expended by</u>			
	<u>Budget</u>	<u>Modification</u>	<u>Budget After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Canceled</u>
Operating:						
Salaries and Wages	\$ 191,400.00	\$ 151,595.00	\$ 151,595.00	\$ 151,591.74	\$ 3.26	
Other Expenses	147,750.00	183,775.00		203,977.69		\$ 20,202.69
Debt Service:						
Payment of Bond Principal	90,000.00	90,000.00	90,000.00	90,000.00		
Interest on Bonds	7,732.00	10,792.00	10,792.00	10,791.25	\$ 0.75	
Special Emergency Note Interest	3,325.00	3,325.00	3,325.00	3,324.18	0.82	
Deferred Charges:						
Special Emergency Authorizations	66,669.00	66,669.00	66,669.00	66,668.85	0.15	
Overexpenditure of Appropriations	14,473.00	14,473.00	14,473.00	14,472.17	0.83	
Statutory Expenditures:						
Contribution to:						
Public Employees' Retirement System	40,000.00	40,000.00	40,000.00	40,000.00		
Social Security System (O.A.S.I.)	4,000.00	5,855.00	5,855.00	5,854.60	0.40	
State Unemployment Insurance	580.00	25.00	25.00	22.59	2.41	
Disability Insurance	580.00					
	<u>\$ 566,509.00</u>	<u>\$ 566,509.00</u>	<u>\$ 566,509.00</u>	<u>\$ 586,703.07</u>	<u>\$ 6.07</u>	<u>\$ 2.55</u>
						<u>\$ 20,202.69</u>

Ref.

E

E

Cash Disbursed	\$ 545,140.90
Deferred Charges	14,472.17
Encumbrances Payable	16,298.75
Accrued Interest on Bonds	<u>10,791.25</u>
	<u>\$ 586,703.07</u>

TOWN OF DOVER

COUNTY OF MORRIS

2025

GENERAL FIXED ASSETS ACCOUNT GROUP

TOWN OF DOVER
GENERAL FIXED ASSETS ACCOUNT GROUP
COMPARATIVE BALANCE SHEET - REGULATORY BASIS

	December 31,	
	2025	2024
<u>ASSETS</u>		
Land	\$ 35,408,417.00	\$ 35,408,417.00
Buildings	7,464,510.00	7,464,510.00
Machinery and Equipment	11,326,523.00	10,260,261.00
<u>TOTAL ASSETS</u>	<u>\$ 54,199,450.00</u>	<u>\$ 53,133,188.00</u>
 <u>RESERVES</u>		
Reserve for General Fixed Assets	<u>\$ 54,199,450.00</u>	<u>\$ 53,133,188.00</u>
<u>TOTAL RESERVES</u>	<u>\$ 54,199,450.00</u>	<u>\$ 53,133,188.00</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS
 ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

Except as noted below, the financial statements of the Town of Dover include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Town of Dover, as required by N.J.S. 40A:5-5. Accordingly, the financial statements of the Town of Dover do not include the operations of the municipal library.

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. As the financial reporting entity was established in accordance with New Jersey statutes, the requirements of GASB Codification Section 2100 were not followed and, accordingly, the reporting entity could be different from accounting principles generally accepted in the United States of America.

B. Description of Funds

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

Current Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds.

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

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

B. Description of Funds (Cont'd)

Water Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned water utility.

Parking Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned parking utility.

General Fixed Assets Account Group - These accounts were established with estimated values of land, buildings and certain fixed assets of the Town as discussed in Note 1E.

C. Basis of Accounting

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The more significant accounting policies in New Jersey follow.

Revenue is recorded when received in cash except for certain amounts which may be due from the State of New Jersey. Grant revenue is realized in the Operating Funds when it is budgeted and in the Capital Funds when improvements are authorized. The amounts recorded as property taxes and consumer accounts receivable have not been included in revenue. Amounts that are due to the municipality, which are susceptible of accrual, are recorded as receivables with offsetting reserves in the Current Fund.

Expenditures are charged to operations based on budgeted amounts. Exceptions to this general rule include:

1. Accumulated unpaid vacation, sick pay and other employee amounts are not accrued.
2. Prepaid expenses, such as insurance premiums applicable to subsequent periods, are charged to current budget appropriations in total.
3. Principal and interest on long-term debt are recognized when due.

Expenditures, if any, in excess of appropriations, appropriation reserves or ordinances become deferred charges which must be raised by future taxes. Outstanding encumbrances at December 31 are reported as a cash liability in the financial statements and constitute part of the statutory appropriation reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31 of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

C. Basis of Accounting (Cont'd)

The cash basis of accounting is followed in the Trust Funds.

Had the Town's financial statements been prepared under accounting principles generally accepted in the United States of America, encumbrances would not be considered as expenditures; appropriation reserves would not be recorded; revenue susceptible to accrual would have been reflected without offsetting reserves; Federal and State grants and assistance would be recognized when earned, not when awarded or budgeted; inventories would not be reflected as expenditures at the time of purchase; investments would generally be stated at fair value; lease assets and payable as well as the related expense would be recorded for lease for with the Town is a lessee, lease receivables and deferred lease resources as well as the related revenue would be recorded for leases for which the Town is a lessor, a financed purchases payable would be recorded for financed purchases agreements under which the Town acquires and owns a fixed asset; fixed assets purchased by the Utility Capital Funds would be depreciated and the Town's net OPEB liability and net pension liability and related deferred inflows and outflows, where applicable, would be recorded.

- D. Deferred Charges to Future Taxation – The General Capital Fund balance sheet includes both funded and unfunded deferred charges. Funded means that bonds have been issued and are being paid off on a serial basis. Unfunded means that debt has been authorized but not permanently financed. A municipality can eliminate an unfunded deferred charge by raising it in the budget or collecting a grant. The unfunded deferred charge may also be funded by selling bonds and by issuing loans or financed purchase agreements.

- E. Other significant accounting policies include:

Management Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – Amounts include petty cash, change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments - Investments are stated at cost.

Grants Receivable – Grants receivable represent total grant awards less amounts collected to date. Because the amount of grants funds to be collected are dependent on the total costs eligible for reimbursement, the actual amount collected may be less than the total amount awarded.

Allowance for Uncollectible Accounts – No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Compensated Absences – Expenditures relating to unused vested accumulated vacation and sick pay are not recorded until paid.

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 1: Summary of Significant Accounting Policies (Cont'd)

E. Other significant accounting policies include: (Cont'd)

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

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories are not included on the various balance sheets, except for the Water Utility Operating Fund. The value of inventory is offset by a reserve.

General Fixed Assets Account Group - General fixed assets are recorded at historical cost as estimated by the independent appraisal company which conducted an inventory of the Town's equipment during 2022 plus the cost of any additions since 2022 except for land (which is recorded at historical cost) and buildings (which are recorded at historical cost). Infrastructure assets are not included in general fixed assets, as per state directive.

Major renewals and betterments are charged to the asset accounts; maintenance and minor repairs and replacements, which do not improve or extend the lives of the respective assets, are expensed currently. Donated fixed assets are valued at their fair market value on the date donated. No depreciation has been provided for on general fixed assets. The total value recorded for general fixed assets is offset by a "Reserve for General Fixed Assets." When properties are retired or otherwise disposed of, the asset and the reserve are adjusted accordingly. Assets recorded in the General Fixed Assets Account Group may also be recorded in the Current, General Capital, Water Utility and Parking Utility Funds. The values recorded in the General Fixed Assets Account Group and the Current, General Capital, Water Utility and Parking Utility Funds may not always agree due to differences in valuation methods, timing of recognition of assets, and the recognition of infrastructures. Fixed assets are reviewed for impairment.

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

Budget/Budgetary Control – Annual appropriated budgets are usually prepared in the first quarter for the Current, Water Utility Operating and Parking Utility Operating Funds. The budgets are submitted to the governing body and the Division of Local Government Services. Budgets are prepared using the cash basis of accounting. The legal level of budgetary control is established at the line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the flexible chart of accounts referenced in N.J.S.A. 40A. All budget amendments/transfers must be approved by the Town during the year.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 2: Long-Term Debt

Summary of Municipal Debt

The Local Bond Law governs the issuance of bond to finance general Town capital expenditures. All bonds are retired in serial installments within the statutory period of usefulness. All bonds issued by the Town are general obligation bonds. The Town's full faith and credit and taxing power has been pledged to the payment of the general obligation debt principal and interest.

	December 31,		
	2025	2024	2023
<u>Issued</u>			
General:			
Bonds and Notes	\$ 26,850,879	\$ 21,654,000	\$ 22,812,420
Water Utility:			
Bonds, Notes and Loans	13,124,064	13,678,036	9,241,941
Parking Utility:			
Bonds and Notes	343,000	433,000	523,000
Total Issued	<u>40,317,943</u>	<u>35,765,036</u>	<u>32,577,361</u>
<u>Authorized but not Issued:</u>			
General:			
Bonds and Notes	712,950	6,350,749	6,350,749
Water Utility:			
Bonds and Notes	2,897,965	2,897,965	7,897,965
Total Authorized but not Issued	<u>3,610,915</u>	<u>9,248,714</u>	<u>14,248,714</u>
Less Reserve to Pay Debt Service:			
General	<u>497,007</u>	<u>1,247,007</u>	<u>1,997,007</u>
Net Bonds and Notes Issued and Authorized but not Issued	<u>\$ 43,431,851</u>	<u>\$ 43,766,743</u>	<u>\$ 44,829,068</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 2: Long-Term Debt (Cont'd)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition, which follows, is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.397%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Local School Debt	\$ 670,000	\$ 670,000	
Water Utility Debt	16,022,029	16,022,029	
Parking Utility Debt	343,000	343,000	
General Debt	27,563,829	497,007	\$ 27,066,822
	<u>\$ 44,598,858</u>	<u>\$ 17,532,036</u>	<u>\$ 27,066,822</u>

Net Debt \$27,066,822 divided by Equalized Valuation Basis per N.J.S. 40A:2-2 as amended, \$1,938,047,099 = 1.397%.

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

3-1/2% Average Equalized Valuation of Real Property	\$ 67,831,648
Net Debt	<u>27,066,822</u>
Remaining Borrowing Power	<u>\$ 40,764,826</u>

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

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 6,166,661
Deductions:	
Operating and Maintenance Costs	\$ 3,685,000
Debt Service	<u>1,090,021</u>
Total Deductions	<u>4,775,021</u>
Excess in Revenue	<u>\$ 1,391,640</u>

Calculation of "Self-Liquidating Purpose", Parking Utility Per N.J.S. 40A:2-45

Cash Receipts from Fees, Rents or Other Charges for Year	\$ 627,970
Deductions:	
Operating and Maintenance Costs	\$ 381,250
Debt Service	<u>104,115</u>
Total Deductions	<u>485,365</u>
Excess in Revenue	<u>\$ 142,605</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 2: Long-Term Debt (Cont'd)

Footnote: If there is an "excess in revenue", all such utility debt is deductible. If there is a "deficit", then utility debt is not deductible to the extent of 20 times such deficit amount.

The foregoing debt information is in agreement with the Annual Debt Statement filed by the Chief Financial Officer.

Summary of Municipal Debt Issued and Outstanding – Current and Prior Year

	Balance 12/31/2024	Additions	Retirements	Balance 12/31/2025
Serial Bonds Payable:				
General Capital Fund	\$ 2,602,000		\$ 305,000	\$ 2,297,000
Water Utility Fund	2,737,000		350,000	2,387,000
Parking Utility Fund	433,000		90,000	343,000
Special Emergency Notes:				
Current Fund	480,402		480,402	
Parking Utility Fund	66,669		66,669	
Loans Payable:				
Water Utility Fund	246,036		44,392	201,644
Bond Anticipation Notes Payable:				
General Capital Fund	19,052,000	\$ 24,553,879	19,052,000	24,553,879
Water Utility Fund	10,695,000	10,535,420	10,695,000	10,535,420
Total	<u>\$ 36,312,107</u>	<u>\$ 35,089,299</u>	<u>\$ 31,083,463</u>	<u>\$ 40,317,943</u>
	Balance 12/31/2023	Additions	Retirements	Balance 12/31/2024
Serial Bonds Payable:				
General Capital Fund	\$ 2,912,000		\$ 310,000	\$ 2,602,000
Water Utility Fund	3,097,000		360,000	2,737,000
Parking Utility Fund	523,000		90,000	433,000
Special Emergency Notes:				
Current Fund	780,605	\$ 480,402	780,605	480,402
Parking Utility Fund	100,003	66,669	100,003	66,669
Loans Payable:				
Water Utility Fund	290,361		44,325	246,036
Bond Anticipation Notes Payable:				
General Capital Fund	19,900,420	19,052,000	19,900,420	19,052,000
Water Utility Fund	5,854,580	10,695,000	5,854,580	10,695,000
Total	<u>\$ 33,457,969</u>	<u>\$ 30,294,071</u>	<u>\$ 27,439,933</u>	<u>\$ 36,312,107</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 2: Long-Term Debt (Cont'd)

The Town's debt issued and outstanding on December 31, 2025 is described as follows:

General Capital Serial Bonds

<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2025</u>
General Improvement	8/1/2033	2.00% - 2.50%	\$ 2,297,000

Water Utility Capital Serial Bonds

<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2025</u>
Water Improvements	9/15/2028	3.25%	\$ 210,000
Water Improvements	8/1/2033	2.00% - 2.50%	2,177,000
			<u>\$ 2,387,000</u>

Parking Utility Capital Serial Bonds

<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2025</u>
Parking Improvements	9/15/2028	3.25%	\$ 176,000
Parking Improvements	8/1/2030	2.00%	167,000
			<u>\$ 343,000</u>

Water Utility Capital NJ Infrastructure Bank (NJIB) Loans Payable

<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Balance Outstanding Dec. 31, 2025</u>
Various Improvements to the Water Department	8/1/2031	3.00%-5.00%	<u>\$ 201,644</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 2: Long-Term Debt (Cont'd)

The Town's debt issued and outstanding on December 31, 2025 is described as follows: (Cont'd)

General Capital Bond Anticipation Notes Payable

Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2025
Various General Improvements	1/21/2026	4.50%	\$ 2,314,475
Various General Improvements	1/21/2026	4.50%	1,034,152
Various General Improvements	1/21/2026	4.50%	2,058,195
Acquisition, Renovation and Improvement of the Berkeley College Building and Property	1/21/2026	4.50%	7,140,291
Various General Improvements	1/21/2026	4.50%	2,365,732
Various General Improvements	1/21/2026	3.50%	950,000
Various Improvements to Public Facilities	1/21/2026	4.50%	320,312
Various General Improvements	1/21/2026	4.50%	2,970,423
Various General Improvements	1/21/2026	3.50%	2,475,714
Various General Improvements	1/21/2026	3.50%	2,924,585
			<u>\$ 24,553,879</u>

Water Utility Capital Bond Anticipation Notes Payable

Purpose	Final Maturity Date	Interest Rate	Balance Outstanding Dec. 31, 2025
Various Improvements for the Water Department	1/21/2026	4.50%	\$ 2,593,420
Various Improvements for the Water Department	1/21/2026	4.50%	1,850,000
Various Improvements for the Water Department	1/21/2026	4.50%	2,942,000
Various Improvements for the Water Department	1/21/2026	4.50%	3,150,000
			<u>\$ 10,535,420</u>
TOTAL DEBT ISSUED AND OUTSTANDING			<u><u>\$ 40,317,943</u></u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 2: Long-Term Debt (Cont'd)

New Jersey Infrastructure Bank (NJIB) Loans Payable

Loan agreements were entered into with the New Jersey Infrastructure Bank (NJIB) in 2010 for various improvements to the water department. The loan is payable over 20 years and the original principal amount of the loan was \$589,246.74.

Schedule of Annual Debt Service for Principal and Interest for the Next Five Years and Thereafter for Bonded Debt and Loans Payable Issued and Outstanding

Calendar Year	General Capital Fund		Water Utility Capital Fund	
	Principal	Interest	Principal	Interest
2026	\$ 305,000	\$ 49,100	\$ 394,463	\$ 55,687
2027	290,000	43,000	389,540	47,386
2028	290,000	37,200	389,635	39,116
2029	290,000	31,400	319,736	30,840
2030	280,000	25,600	293,270	25,117
Thereafter:				
2031-2033	842,000	41,100	802,000	38,888
	<u>\$ 2,297,000</u>	<u>\$ 227,400</u>	<u>\$ 2,588,644</u>	<u>\$ 237,034</u>

Calendar Year	Parking Utility Capital Fund		Total
	Principal	Interest	
2026	\$ 90,000	\$ 9,060	\$ 903,310
2027	90,000	6,510	866,436
2028	91,000	3,960	850,911
2029	35,000	1,440	708,416
2030	37,000	740	661,727
Thereafter:			
2031-2033			1,723,988
	<u>\$ 343,000</u>	<u>\$ 21,710</u>	<u>\$ 5,714,788</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 3: Fund Balances Appropriated

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

Current Fund	\$ 815,000
Water Utility Operating Fund	375,050
Parking Utility Operating Fund	98,595

Note 4: Local School District Taxes

Regulations provide for the deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Town of Dover has elected not to defer school taxes.

Note 5: Pension Plans

Town employees participate in one of the two contributory, defined benefit public employee retirement systems: the State of New Jersey Public Employee's Retirement System (PERS) or the State of New Jersey Police and Firemen's Retirement System (PFRS); or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees' Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/annual-reports.shtml.

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service.

The following represents the membership tiers for PERS:

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65.

Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2025, the State's pension contribution was more than the actuarially determined amount.

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers were credited with the full payment and any such amounts were not included in their unfunded liability. The actuaries have determined the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and is adjusted by the rate of return on the actuarial value of assets.

Town contributions to PERS amounted to \$699,084 for 2025. During the fiscal year ended June 30, 2025, the State of New Jersey contributed \$25,591 to the PERS for normal pension expense on behalf of the Town.

The employee contribution rate was 7.50% effective July 1, 2018.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Pension Liabilities and Pension Expense

At June 30, 2025, the Town's liability was \$7,448,113 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024 which was rolled forward to June 30, 2025. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2025, the Town's proportion was 0.0606%, which was an increase of 0.0075% from its proportion measured as of June 30, 2024.

There was no state proportionate share of net pension liability attributable to the Town as of June 30, 2024.

For the year ended December 31, 2025, the Town recognized actual pension expense in the amount of \$699,084.

Actuarial Assumptions

The total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of July 1, 2024 which was rolled forward to June 30, 2025. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.25 – 7.75% based on years of service
Investment Rate of Return	7.00%

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions (Cont'd)

Pre-retirement mortality rates were based on the Pub-2016 General Below-Median Income Employee Mortality Table with an 86.3% adjustment for males and 97.6% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Post-retirement mortality rates were based on the Pub-2016 General Below-Median Income Healthy Retiree mortality table with a 96.3% adjustment for males and a 99.5% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2016 Non-Safety Disabled Retiree mortality table with a 156.9% adjustment for males and 139.0% adjustment for females, and with future improvement from the base year of 2016 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2025) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2025 are summarized in the following table:

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the collective net pension liability as of June 30, 2025 calculated using the discount rate as disclosed below, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2025		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Town's proportionate share of the			
Net Pension Liability	\$ 10,196,024	\$ 7,448,113	\$ 5,106,164

Pension Plan Fiduciary Net Position

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

B. Police and Firemen's Retirement System (PFRS)

Plan Description

The Police and Firemen's Retirement System of New Jersey (PFRS), is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the PFRS, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/annual-reports.shtml.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Benefits Provided

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

The following represents the membership tiers for PFRS:

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

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

Contributions

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which move the normal costs and unfunded accrued liability. For fiscal year 2025, the State contributed an amount more than the actuarially determined amount.

The Local Group employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for employers in the Local Group of PFRS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers were credited with the full payment and any such amounts were not included in their unfunded liability. The actuaries have determined the unfunded liability of the retirement system, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability is being paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and is adjusted by the rate of return on the actuarial value of the assets.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Special Funding Situation

Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specified financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

Town contributions to PFRS amounted to \$2,274,010 for the year ended December 31, 2025. During the fiscal year ended June 30, 2025, the State of New Jersey contributed \$403,314 to the PFRS for normal pension expense on behalf of the Town, which is the same as the contractually required contribution of \$403,314.

The employee contributions for PFRS are 10.00% of employees' annual compensation, as defined.

Pension Liabilities and Pension Expense

At June 30, 2025, the Town's liability for its proportionate share of the net pension liability was \$16,762,037. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024 which was rolled forward to June 30, 2025. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2025, the Town's proportion was 0.1671%, which was an increase of 0.0073% from its proportion measured as of June 30, 2024.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Pension Liabilities and Pension Expense (Cont'd)

Additionally, the State's proportionate share of the net pension liability attributable to the Town is \$3,402,649 as of June 30, 2025. The net pension liability was measured as of July 1, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024 which was rolled forward to June 30, 2025. The State's proportionate share of the net pension liability associated with the Town was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2025, the State's proportion was 0.1671%, which was an increase of 0.0073% from its proportion measured as of June 30, 2024 which is the same proportion as the Town's.

Town's Proportionate Share of the Net Pension Liability	\$ 16,762,037
State's Proportionate Share of the Net Pension Liability Associated with the Town	<u>3,402,649</u>
Total Net Pension Liability	<u>\$ 20,164,686</u>

For the year ended December 31, 2025, the Town recognized total pension expense of \$2,274,010.

Actuarial Assumptions

The collective total pension liability for the June 30, 2025 measurement date was determined by an actuarial valuation as of July 1, 2024 which was rolled forward to June 30, 2025. This actuarial valuation used the following actuarial assumptions:

Inflation Rate:	
Price	2.50%
Wage	3.00%
Salary Increases:	
All Future Years	4.00% - 17.50% based on years of service
Investment Rate of Return	7.00%

Employee mortality rates were based on the Pub-2016 Safety Employee mortality tables projected generationally from 2016 with Scale MP-2021. 5% of deaths are assumed to be accidental. Healthy annuitants, mortality rates were 100% of the Pub-2016 Safety Retiree Below Median amount-weighted mortality tables for males and 98% of the Pub-2016 Safety Retiree Below Median amount-weighted mortality tables for females, projected generationally from 2016 with Scale MP-2021 mortality projection. For contingent annuitants, mortality rates were 100% of the Pub-2016 Contingent Survivor Below Median amount-weighted mortality tables for males and 102% Pub-2016 Contingent Survivor Below Median amount-weighted tables for females, projected generationally from 2016 with Scale MP-2021. Disability mortality rates were 134% of the Pub-2016 Safety Disabled Retiree amount-weighted mortality table for males and 100% of the Pub-2016 Safety Disabled Retiree amount-weighted mortality table for females, projected generationally from 2016 with Scale MP-2021 mortality projection.

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

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025.
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2025) is determined by the State Treasurer, after consultation with the PFRS Board of Trustees, and the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method which is combined with analysis of asset class trends and key influences driving capital markets, to develop the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS' target asset allocation as of June 30, 2025 are summarized in the following table:

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

Discount Rate – PFRS

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the employers in the State Group and 100% of actuarially determined contributions for the employers in the Local Group. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 5: Pension Plans (Cont'd)

B. Police and Firemen's Retirement System (PFRS) (Cont'd)

Sensitivity of the Total Net Pension Liability (including the State's proportionate share of the net pension liability attributable to the Town) to Changes in the Discount Rate

The following presents the total net pension liability (including the State's proportionate share of the net pension liability attributable to the Town) as of June 30, 2025 calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2025		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	(6.00%)	(7.00%)	(8.00%)
Town's proportionate share of the NPL and the State's proportionate share of the Net Pension Liability associated with the Town	\$ 29,334,487	\$ 20,164,686	\$ 12,514,182

Plan Fiduciary Net Position - PFRS

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or PFRS, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the Town recognized pension expense of \$8,898 for the year ended December 31, 2025. Employee contributions to DCRP amounted to \$16,313 for the year ended December 31, 2025.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 6: Accrued Sick and Vacation Benefits

The Town has permitted employees to accrue unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. At December 31, 2025, it is estimated that the current cost of such unpaid compensation would approximate \$1,656,771. This amount is not reported either as an expenditure or liability. However, it is expected that the cost of such unpaid compensation would be included in the Town's budget operating expenditures in the year in which it is used. This amount is partially funded in the Reserve for Accumulated Absences of \$105,478.83 on the Trust Funds balance sheet at December 31, 2025.

Balance at December 31, 2024 (as restated)	\$ 1,691,190
Net Change	<u>(34,419)</u>
Balance at December 31, 2025	<u>\$ 1,656,771</u>
Amount Due within One Year	<u>\$ - 0 -</u>

Note 7: Supplemental Tax Information

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1.

A ten-day grace period is usually granted before the taxes are considered delinquent and the imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the prior year may be placed in lien at a tax sale held after April 1 and through December 31. Unpaid taxes of the current year may be placed in lien at a tax sale held after December 10.

Comparative Schedule of Tax Rate Information

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<u>Tax Rate</u>	<u>\$ 3.490</u>	<u>\$ 3.273</u>	<u>\$ 3.157</u>
<u>Apportionment of Tax Rate</u>			
Municipal	1.642	1.570	1.539
County	0.347	0.338	0.325
Local School	1.501	1.365	1.293
<u>Assessed Valuations</u>			
2025	<u>\$ 1,312,031,800</u>		
2024		<u>\$ 1,306,383,900</u>	
2023			<u>\$ 1,305,359,600</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 7: Supplemental Tax Information (Cont'd)

Comparison of Tax Levies and Collections Currently

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

<u>Year</u>	<u>Tax Levy</u>	<u>Currently</u>	
		<u>Cash Collections</u>	<u>Percentage of Collection</u>
2025	\$ 46,182,188	\$ 45,426,209	98.36%
2024	42,811,849	42,215,562	98.60%
2023	41,256,307	40,728,722	98.72%

Also, increases in future tax levies can also be warranted if revenue sources outside of those directly generated by the municipality, such as federal or state aid, should decline without corresponding decreases in budgeted expenditures.

Note 8: Cash and Cash Equivalents

Cash and cash equivalents include change funds, amounts on deposit, and short-term investments with original maturities of three months or less.

Investments are stated at cost. The Town classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB requires disclosure of the level of custodial credit risk assumed by the Town in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial risk is the risk that in the event of bank failure, the government's deposits may not be returned.

Interest Rate Risk – In accordance with its cash management plan, the Town ensures that any deposit or investments matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk – The Town limits its investments to those authorized in its cash management plan which are permitted under state statutes as detailed on the following pages.

Custodial Credit Risk – The Town's policy with respect to custodial credit risk requires that the Town ensures that Town funds are only deposited in financial institutions in which NJ municipalities are permitted to invest their funds.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey, which are insured by the Federal Deposit Insurance Corporation (FDIC), or by any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5% of the average daily balance of public funds on deposit; and

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments

New Jersey statutes permit the Town to purchase the following types of securities:

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the local unit or bonds or other obligations of school districts of which the local unit is a part or within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law" P.L. 1983, c. 313 (C.40A:5A-1 et seq.) Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Local Government Services in the Department of Community Affairs for investment by local units;

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 8: Cash and Cash Equivalents (Cont'd)

Investments (Cont'd)

- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983 c.313 (C.40A:5A-1 et seq.);
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of December 31, 2025, cash and cash equivalents of the Town of Dover consisted of the following:

<u>Fund</u>	<u>Cash on Hand</u>	<u>Checking Accounts</u>	<u>Totals</u>
Current	\$ 475	\$ 4,525,144	\$ 4,525,619
Animal Control		11,389	11,389
Other Trust		1,608,441	1,608,441
General Capital		6,058,560	6,058,560
Water Utility Operating	100	4,826,632	4,826,732
Water Utility Capital		186,663	186,663
Parking Utility Operating		198,015	198,015
Parking Utility Capital		257,573	257,573
	<u>\$ 575</u>	<u>\$ 17,672,417</u>	<u>\$ 17,672,992</u>

The carrying amount of the Town's cash and cash equivalents at year end was \$17,672,992, and the bank balance was \$24,100,153.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 9: Risk Management

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

Property, Liability and Workers' Compensation

The Town of Dover is a member of the Morris County Municipal Joint Insurance Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain low-cost insurance coverage for member municipalities in order to keep local property taxes at a minimum.

The following coverages are offered by these funds to its members:

- a.) Workers' Compensation and Employers' Liability
- b.) Liability Other Than Motor Vehicles
- c.) Property Damage Other Than Motor Vehicles
- d.) Motor Vehicle
- e.) Public Officials' Liability Coverage
- f.) Environmental Coverage

Members of the Morris County Municipal Joint Insurance Fund are also members of the Municipal Excess Liability Joint Insurance Fund which provides excess insurance for each of the coverages noted above, except for excess property coverage which is purchased by the Morris County Municipal Joint Insurance Fund from a commercial carrier.

As a member of the Fund, the Town could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

Selected, summarized financial information for the Morris County Municipal Joint Insurance Fund as of December 31, 2025 is as follows:

	<u>Morris County Municipal Joint Insurance Fund</u>
Total Assets	<u>\$ 43,276,628</u>
Net Position	<u>\$ 17,081,561</u>
Total Revenue	<u>\$ 31,026,864</u>
Total Expenses	<u>\$ 28,339,167</u>
Change in Net Position	<u>\$ 2,424,814</u>
Members Dividends	<u>\$ 262,883</u>

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 9: Risk Management (Cont'd)

Financial statements for the Funds are available at the offices of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

The Town of Dover is also a member of the North Jersey Municipal Employee Benefits Fund. This fund is both an insured and self-administered group of municipalities established for the purpose of providing certain employee benefits for member municipalities in order to keep local property taxes at a minimum.

The following health benefit coverages are offered by this fund to its members:

- a.) Medical
- b.) Prescription
- c.) Dental

As a member of this Fund, the Town could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities.

This Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. The members may either receive payment or offset their subsequent year assessments with their respective share of the distribution.

Selected, summarized financial information for the North Jersey Municipal Employee Benefits Fund as of December 31, 2025 is as follows:

	North Jersey Municipal Employee Benefits Fund
Total Assets	\$ 4,473,229
Total Net Position/(Deficit)	\$ (6,486,598)
Total Revenue	\$ 75,121,048
Total Expenses	\$ 87,424,055
Change in Net Position	\$ (12,303,007)
Members Dividends	\$ - 0 -

Financial statements for the Fund are available at the offices of the Fund's Executive Director:

PERMA Risk Management Services
9 Campus Drive, Suite 216
Parsippany, NJ 07054
(201) 881-7632

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 9: Risk Management (Cont'd)

New Jersey Unemployment Compensation Insurance

The Town has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Town is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Town is billed quarterly for amounts due to the State.

The following is a summary of the Town and employees' contributions, interest earned, reimbursements to the State for benefits paid and the ending balance of the Town's expendable trust fund for the current and previous two years:

<u>Year</u>	<u>Town Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2025	\$ 329,865	\$ - 0 -	\$ 330,168	\$ 1,979
2024	2,798	- 0 -	21,615	2,282
2023	- 0 -	- 0 -	25,818	21,099

Note 10: Contingencies

The Town is periodically involved in lawsuits arising in the normal course of business, including claims for disputes over contract awards. In the opinion of management, the ultimate outcome of these lawsuits will not have a material adverse effect on the Town's financial position as of December 31, 2025.

The City of Jersey City and the Jersey City Municipal Utilities Authority (the "plaintiffs") are currently members of the Rockaway Valley Regional Sewerage Authority ("RVRSA"), as is the Town as well as a number of Morris County municipalities. A lawsuit was filed in a prior year by the City of Jersey City claiming that they have 1) no obligation to contribute to the RVRSA's capital costs; 2) that the 1984 settlement agreement among the parties is void or in the alternative that it be reformed to decrease the plaintiffs' share of the costs and 3) damages for what plaintiffs contend was an incorrect assessment of capital costs. A motion for partial summary judgement was granted to the member municipalities of the RVRSA finding that Jersey City's obligation to pay for operating costs, maintenance, and repairs must continue. However, the City of Jersey City has added another claim to its lawsuit asserting that the terms of the 1971/1984 agreements should be interpreted to mean that the City of Jersey City's obligation to make payments should end now or in the very near future. The parties to this lawsuit are currently in mediation with respect to the amended lawsuit. If the lawsuit is successful and the City of Jersey City is successful in its lawsuit, the contributions by the Town to the RVRSA would increase significantly. However, an estimate of the impact on future RVRSA contributions to be paid by the Town cannot be determined at this point.

Amounts received or receivable from grantors, principally the federal and state governments are subject to regulatory requirements and adjustments by the agencies. Any disallowed claims, including amounts previously recognized by the Town as revenue would constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantors cannot be determined at this time, although Town officials expect such amounts, if any, to be immaterial.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 11: Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at December 31, 2025:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Fund		\$ 1,600,043
Federal and State Grant Fund	\$ 1,187,967	
Animal Control Fund	2	
Other Trust Funds	416,074	4,000
General Capital Fund	46,528	147,107
Water Utility Operating Fund		46,528
Water Utility Capital Fund	147,107	
	<u>\$ 1,797,678</u>	<u>\$ 1,797,678</u>

There was interfund activity throughout the year in the Town of Dover. The interfund receivable in the Federal and State Grant Fund is due to the Current Fund receiving and disbursing funds on its behalf and a prior year receipt in the Other Trust Funds. The interfund receivable in the Animal Control Fund is for an overpayment made to the Current Fund in a prior year. The interfund receivable in the Other Trust Funds is due from the Current Fund for forfeited assets and tax sale premiums receipts and the prior year interfund balance, offset by tax sale premiums returned. The interfund receivable in the General Capital Fund is due from the Water Utility Operating Fund for on-behalf debt service activity. The interfund receivable in the Water Utility Capital Fund is due from the General Capital Fund for the premium on the sale bond anticipation notes.

Note 12: Deferred Charges to be Raised in Succeeding Years

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2025, the following deferred charges are shown on the balance sheets of the Current and Parking Utility Operating Funds:

	<u>Balance Dec. 31, 2025</u>	<u>Required 2026 Budget Appropriation</u>	<u>Balance Deferred to Succeeding Years' Budgets</u>
Current Fund:			
Overexpenditure of Appropriations	\$ 538,221	\$ 538,221	
Grant Fund Expenditures without Appropriation	31,401	31,401	
Emergency Authorization:			
Legal Fees	425,000	425,000	
Parking Utility Operating Fund:			
Overexpenditure of Appropriations	20,203	20,203	
Overexpenditure of Appropriation Reserves	3,653	3,653	
	<u>\$ 1,018,478</u>	<u>\$ 1,018,478</u>	<u>\$ - 0 -</u>

The amounts appropriated in the 2026 budget will not be less than the amount required by statute.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 13: Economic Dependency

The Town receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Town's programs and activities.

Note 14: Deferred Compensation

The Town offers its employees a choice of three deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, which are administered by the entities noted below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are Nationwide Retirement Solution, Transamerica Life Insurance and Valic.

Note 15: Fixed Assets

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

	Balance December 31, 2024	Additions	Deletions	Balance December 31, 2025
Land	\$ 35,408,417			\$ 35,408,417
Buildings	7,464,510			7,464,510
Machinery and Equipment	10,260,261	\$ 1,548,284	\$ 482,022	11,326,523
	<u>\$ 53,133,188</u>	<u>\$ 1,548,284</u>	<u>\$ 482,022</u>	<u>\$ 54,199,450</u>
	Balance December 31, 2023	Additions	Deletions	Balance December 31, 2024
Land	\$ 35,408,417			\$ 35,408,417
Buildings	7,246,700	\$ 217,810		7,464,510
Machinery and Equipment	9,927,320	332,941		10,260,261
	<u>\$ 52,582,437</u>	<u>\$ 550,751</u>	<u>\$ - 0 -</u>	<u>\$ 53,133,188</u>

Note 16: Tax Abatements

Governmental Accounting Standards Board requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues.

As of December 31, 2025, The Town provides a tax abatement to a nonprofit housing corporation for its senior citizen housing development in the Town pursuant to the authority contained in Section 5 of the Senior Citizens Nonprofit Rental Housing Tax Law (N.J.S.A. 55:14I-5) (the "Law") and a resolution of the governing body dated July 10, 2014 and an agreement dated July 16, 2014. In consideration of the full abatement of taxes, the nonprofit housing corporation is required to pay to the Town an annual service charge. The annual service charge made by the nonprofit corporation will be equal to 15% of the annual gross rents derived from such housing project as detailed in the tax abatement agreement. The tax abatement provided under the agreement shall be terminated when the nonprofit corporation or its successors and the development cease to remain subject to the provisions of the Law or a period of not more than 50 years from the effective date of the tax exemption, whichever event occurs first.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 16: Tax Abatements (Cont'd)

The Town did not recognize revenue in 2025 from this annual service charge or payment in lieu of taxes which is recorded as a miscellaneous revenue anticipated in the Current Fund. The taxes which would have been paid on this property for 2025 without the abatement would have been \$148,119 of which \$69,688 would have been for the local municipal tax and minimum library tax.

Note 17: Post-Retirement Benefits other than Pensions (OPEB)

General Information about the Town's OPEB Plan

Plan Description and Benefits Provided

The provisions of Chapter 88, P.L. 1974, along with any Town approved ordinances and resolutions, provide the authority for the Town to offer post-employment health care benefits as detailed below.

The Town provides medical, prescription, and dental to retirees and their covered dependents that meet the appropriate requirements. The Town provides Medicare Part B reimbursements to Policemen's Benevolent Association and Superior Officer Association retirees and their covered dependents after 25 years of service. All active employees who retire from the Town and meet the eligibility criteria receive these benefits. As of February 1, 2009, new hires are no longer eligible for lifetime post employment health care benefits.

Employees are eligible to receive postretirement health benefits through the Town health plan by meeting either of the following criteria:

- 1 - Retires after 25 years or more of service in the State Pension Plan, or
- 2 - Retires at age 60 with at least 20 years of service in the State Pension Plan, or
- 3 - Retires at age 55 or older with at least 25 years of service in the State Pension Plan.

Contributions

The Town subsidizes 100% of the cost of coverage for current retirees meeting the requirements outlined above and for future retirees who have at least 25 years of service as of May 21, 2010, the Town will reimburse 100% of eligible Police Benevolent Association and Superior Officer Association retiree's Medicare Part B premiums.

NJ Chapter 78 requires that certain future retirees contribute toward the cost of their benefits. Specifically, those who had retired prior to passage of Chapter 78 and those employees that had more than 25 years of service on the date of passage are grandfathered. All others are subject to the contribution rates in effect when they retire, but not less than 1.5% of their annual retirement allowances from the Public Employees Retirement System. For purposes of this valuation and for conservatism, it was assumed that future retiree contribution percentage rates will not increase. Thus, it was assumed that a future retiree will contribute his/her current employee contribution as reported by the Town increased annually by the medical trend rate.

The Town obtained its last OPEB actuarial valuation as of December 31, 2024.

Employees Covered by Benefit Terms

As of December 31, 2024, there were 123 retirees and dependents currently receiving retiree benefits and 111 active participants, of whom 8 are eligible to retire as of the valuation date.

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 17: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

General Information about the Town's OPEB Plan (Cont'd)

Total OPEB Liability

The Town's OPEB liability of \$93,010,951 was measured as of December 31, 2024 and was determined by an actuarial valuation as of December 31, 2024.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	4.08% at December 31, 2024
Salary Increases	2.50% per year
Inflation Assumptions	2.50% per year

The selected discount rate was based on the Bond Buyer 20 Index at December 31, 2024.

Health Care Trend Rates	Year	Medical	Drug	Medicare Advantage	Dental and Vision
Year 1 Trend	2024	6.50%	14.00%	4.50%	3.50%
Ultimate Trend	2030		4.50%		
Ultimate Trend	2032	4.50%		4.50%	3.50%

The medical trend rate reduces .25% per annum, leveling at 4.5% per annum in 2032.

The drug trend rate reduces 4.0% per annum in 2025, 2.5% per annum in 2026 and .75% per annum thereafter, leveling at 4.5% per annum in 2030.

Mortality rates were based on Pub-2010 "General" classification headcount weighted mortality with generational improvement using Scale MP-2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at January 1, 2024	\$ 102,326,967
Changes for Year:	
Service Cost	1,161,604
Interest on Total OPEB Liability	3,341,359
Difference Between Expected and Actual Experience	(9,848,426)
Changes in Assumptions	(1,984,776)
Benefit Payments	(1,985,777)
Net Changes	(9,316,016)
Balance at December 31, 2024	\$ 93,010,951

TOWN OF DOVER
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Note 17: Post-Retirement Benefits other than Pensions (OPEB) (Cont'd)

General Information about the Town's OPEB Plan (Cont'd)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage lower (3.08 percent) or 1 percentage higher (5.08 percent) than the current discount rate:

	December 31, 2024		
	1%	Discount Rate	1%
	Decrease		Increase
	(3.08%)	(4.08%)	(5.08%)
Total OPEB Liability	\$ 106,112,236	\$ 93,010,951	\$ 82,376,913

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage lower or 1 percentage higher than the valuation healthcare cost trend rates:

	December 31, 2024		
	1%	Valuation	1%
	Decrease	Healthcare	Increase
		Trend Rates	
Total OPEB Liability	\$ 83,266,210	\$ 93,010,951	\$ 104,942,281

OPEB Expense

For the year ended December 31, 2024, the Town's OPEB expense was \$4,179,630 as determined by the actuarial valuation.

Note 18: Prior Period Adjustment

GASB 101, *Compensated Absences*, was implemented during the year ended December 31, 2025. As required by the standard, the Town made a prior period adjustment to the estimated compensated absences liability as of December 31, 2024 as disclosed in Note 6.

	Balance at	Change in	Balance at
	Dec. 31, 2024	Accounting	Dec. 31, 2024
	as Previously	Principle	as Restated
	Reported		
Compensated Absences	\$ 3,221,315	\$ (1,530,125)	\$ 1,691,190

TOWN OF DOVER

SUPPLEMENTARY DATA

TOWN OF DOVER
OFFICIALS IN OFFICE AND SURETY BONDS
YEAR ENDED DECEMBER 31, 2025

<u>Name</u>	<u>Title</u>	<u>Amount of Bond</u>	<u>Name of Corporate Surety</u>
James P. Dodd	Mayor		
Geovani Estacio-Carillo	Council Member		
Sergio Rodriguez	Council Member		
Arturo Santana	Council Member		
Michael Scarneo	Council Member		
Marcos Tapia-Aguilar	Council Member		
Claudia P. Toro	Council Member		
Veronica Velez	Council Member		
Sandra Wittner	Council Member		
Adam E. Cruz	Administrator (to 6/6/25)		
Dr. Edward Ramirez	Administrator (from 7/22/25); Chief Financial Officer	\$ 1,000,000.00	MELJIF
Tara M. Pettoni	Municipal Clerk; Assessment Search Officer		
Andrea Coroneos	Tax Collector	\$ 1,000,000.00	MELJIF
Cecilia Guzman	Magistrate	(A)	
Sonia Barria	Court Administrator	(A)	
Ramon E. Rivera	Town Attorney		
Donald Doty	Water Superintendent	(A)	
Andrew Dujack	Water President/Water Commissioner		

(A) There is a Faithful Performance Blanket Position Bond for \$50,000 with MCMJIF and \$950,000 with MELJIF for employees not separately bonded and \$1,000,000 with MELJIF for those separately bonded.

All bonds were examined and were properly executed.

TOWN OF DOVER

COUNTY OF MORRIS

2025

CURRENT FUND

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	
Balance December 31, 2024	A	\$ 6,145,230.50
Increased by Receipts:		
Tax Collector	\$ 46,307,674.03	
Revenue Accounts Receivable	6,234,766.54	
Sewer Rents Receivable	1,752,469.76	
Prepaid Sewer Rents	7,783.42	
Prepaid Cell Tower Rental	4,784.78	
Miscellaneous Revenue Not Anticipated	825,121.71	
Interest on Investments and Deposits	358,808.06	
Due to/from:		
Dover Housing Authority	68,022.78	
Federal and State Grant Fund:		
Unappropriated Grant Reserves	360,002.34	
Grant Funds Receivable	970,979.55	
Animal Control Fund:		
Interest Earned	458.10	
Other Trust Funds:		
Reserve for Forfeited Assets Deposits	1,028.28	
Interest Earned	24,981.48	
General Capital Fund:		
Interest Earned	98,520.90	
Water Utility Operating Fund:		
Interfund Returned	103,314.95	
Parking Utility Operating Fund:		
Interfund Returned	1,361.98	
Payroll Account:		
Receivable Returned	15,891.05	
Appropriation Refunds	1,363,232.34	
Due to/from State of NJ:		
Veterans' and Senior Citizens' Deductions	35,000.00	
Marriage License Fees	4,100.00	
DCA Building Fees	22,984.00	
		58,561,286.05
		64,706,516.55

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF CASH - TREASURER
(Continued)

	<u>Ref.</u>	
Decreased by Disbursements:		
2025 Budget Appropriations	\$ 32,649,140.66	
2024 Appropriation Reserves	1,109,558.42	
County Taxes	4,582,482.54	
Local School District Taxes	19,683,136.00	
Due to State of NJ:		
Marriage Licenses	4,975.00	
DCA Building Fees	23,052.00	
Refund of:		
Tax Overpayments	27,143.99	
Prior Year Revenue - Taxes	334,502.28	
Prior Year Revenue - Other	4,322.03	
Due to/from:		
Dover Housing Authority	82,661.82	
Federal and State Grant Fund:		
Appropriated Grant Reserves Expenditures	1,309,909.46	
Other Trust Funds:		
Tax Sale Premiums Returned	29,000.00	
General Capital Fund:		
Interfund Returned	199,467.98	
Federal and State Grant Fund Expenditures		
without Appropriation	31,401.36	
Reserve for Third Party Liens	110,619.22	
		\$ 60,181,372.76
Balance December 31, 2025	A	
		\$ 4,525,143.79

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF CASH - COLLECTOR
YEAR ENDED DECEMBER 31, 2025

Increased by Receipts:

Taxes Receivable	\$ 45,627,673.57
2026 Prepaid Taxes	309,187.04
Tax Overpayments	61,649.62
Interest and Costs on Taxes	115,544.58
Tax Sale Premiums	83,000.00
Third Party Liens Redeemed	110,619.22
	46,307,674.03

Decreased by:

Payments to Treasurer	<u><u>\$ 46,307,674.03</u></u>
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FEDERAL AND STATE GRANT FUND
SCHEDULE OF CASH
YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

TOWN OF DOVER
CURRENT FUND
TAX COLLECTOR - SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

Year	Balance Dec. 31, 2024	2025 Levy	Added Taxes	2024	Collections 2025	Overpayments Applied	State of NJ Veterans' and Senior Citizens' Deductions	Canceled	Transferred to Tax Title Liens	Balance Dec. 31, 2025
2019	\$ 68.20									\$ 68.20
2020	71.17									71.17
2021	72.55									72.55
2022	73.93									73.93
2023	78.95									78.95
2024	559,412.60		\$ 13,231.23		\$ 572,562.03					81.80
	559,777.40		13,231.23		572,562.03					446.60
2025		\$ 46,182,187.63		\$ 332,665.63	45,055,111.54	\$ 2,682.32	\$ 35,750.00	\$ 3,203.81	\$ 38,735.51	714,038.82
	\$ 559,777.40	\$ 46,182,187.63	\$ 13,231.23	\$ 332,665.63	\$ 45,627,673.57	\$ 2,682.32	\$ 35,750.00	\$ 3,203.81	\$ 38,735.51	\$ 714,485.42

Ref. A

A

Tax Yield:

General Property Tax	\$ 45,789,909.82
Added Taxes (54:4-63.1 et seq.)	392,277.81
	<u>\$ 46,182,187.63</u>

Tax Levy:

Local School District Taxes	\$ 19,683,136.00
County Taxes	\$ 4,536,834.43
Due County for Added and Omitted Taxes	40,082.51
	<u>4,576,916.94</u>
	24,260,052.94
Local Tax for Municipal Purposes	20,924,089.15
Minimum Library Tax	634,412.68
Add: Additional Tax Levied	363,632.86
	<u>21,922,134.69</u>
	<u>\$ 46,182,187.63</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF TAX TITLE LIENS

	<u>Ref.</u>	
Balance December 31, 2024	A	\$ 545,833.78
Increased by:		
Taxes Transferred to Lien	\$ 38,735.51	
6% Penalty Added	<u>1,345.63</u>	
		<u>40,081.14</u>
Balance December 31, 2025	A	<u><u>\$ 585,914.92</u></u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

	Balance Dec. 31, 2024	Accrued In 2025	Received Treasurer	Balance Dec. 31, 2025
Licenses:				
Alcoholic Beverages		\$ 48,328.20	\$ 48,328.20	
Other		76,657.00	76,657.00	
Fees and Permits		134,886.39	134,886.39	
Fines and Costs:				
Municipal Court	\$ 59,863.88	667,616.21	666,902.02	\$ 60,578.07
Payment In Lieu of Taxes:				
Guenther Mills		179,244.50	179,244.50	
Mendia Transit Plaza		463,192.24	463,192.24	
Energy Receipts Taxes		1,279,702.35	1,279,702.35	
Uniform Construction Code Fees		390,784.00	390,784.00	
Interlocal Services - Municipal Court		18,214.13	18,214.13	
Victory Gardens Fire Department		35,000.00	35,000.00	
School Resource Officer		284,010.00	284,010.00	
Hotel Occupancy		190,304.36	190,304.36	
Cell Tower Rental		144,696.76	144,696.76	
Utility Operating Surplus - Water Utility		240,000.00	240,000.00	
Utility Operating Surplus - Parking Utility		100,000.00	100,000.00	
Capital Fund Balance		50,000.00	50,000.00	
Uniform Fire Safety Act		52,911.89	52,911.89	
Ambulance Services		273,473.98	273,473.98	
Cable TV Franchise Fee		114,350.51	114,350.51	
Reserve to Pay Debt Service		750,000.00	750,000.00	
Water Utility Operating Fund Interfund		300,000.00	300,000.00	
Payroll Account Interfund		500,000.00	500,000.00	
	<u>\$ 59,863.88</u>	<u>\$ 6,293,372.52</u>	<u>\$ 6,292,658.33</u>	<u>\$ 60,578.07</u>
<u>Ref.</u>	A			A

Cash Received	\$ 6,234,766.54
Prepaid Payment In Lieu of Taxes:	
Guenther Mills	50,000.00
Prepaid Cell Tower Rental	7,891.79
	<u>\$ 6,292,658.33</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF SEWER RENTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2024	A	\$ 64,350.81
Increased by:		
Sewer Rents Levied		1,790,689.44
		<u>1,855,040.25</u>
Decreased by:		
Sewer Collections	\$ 1,752,469.76	
Prepaid Sewer Rents Applied	<u>11,176.38</u>	
		<u>1,763,646.14</u>
Balance December 31, 2025	A	<u><u>\$ 91,394.11</u></u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2025

	Balance Dec. 31, 2024	Balance After Modification	Paid or Charged	Balance Lapsed
Mayor and Town Council:				
Salaries and Wages	\$ 4.60	\$ 4.60		\$ 4.60
Other Expenses	689.08	689.08	\$ 678.09	10.99
Administrative and Executive:				
Other Expenses	139.23	139.23		139.23
Town Clerk:				
Other Expenses	2,065.19	2,065.19	1,000.24	1,064.95
Financial Administration:				
Other Expenses	9,693.24	9,693.24	7,260.06	2,433.18
Annual Audit	6,500.00	6,500.00		6,500.00
Assessment of Taxes:				
Salaries and Wages	2.45	2.45		2.45
Other Expenses	367.75	367.75	367.15	0.60
Collection of Taxes:				
Other Expenses	808.56	808.56	808.56	
Legal Services and Costs:				
Other Expenses		19,700.00	19,687.50	12.50
Municipal Prosecutor:				
Salaries and Wages	1,713.94	1,713.94		1,713.94
Engineering Services and Costs:				
Other Expenses	10,072.55	10,072.55	6,000.00	4,072.55
Economic Development:				
Other Expenses		8,100.00	8,011.55	88.45
Municipal Land Use Law:				
Planning Board:				
Salaries and Wages	1,242.30	1,242.30		1,242.30
Other Expenses	7,509.52	7,509.52		7,509.52
Board of Adjustment:				
Other Expenses	391.04	391.04	219.14	171.90
Code Enforcement:				
Salaries and Wages	924.42	924.42		924.42
Other Expenses	739.83	739.83	300.00	439.83
Police:				
Salaries and Wages	126,291.64	1,291.64	350.00	941.64
Other Expenses	49,839.80	248,839.80	248,365.90	473.90
Office of Emergency Management:				
Other Expenses	1,531.66	1,531.66	41.34	1,490.32
Public Defender:				
Other Expenses	1,213.63	2,123.63	2,119.67	3.96
Uniform Fire Safety Act:				
Other Expenses	760.99	760.99		760.99
Fire:				
Salaries and Wages	7,888.76	7,888.76		7,888.76
Other Expenses	64,165.62	64,165.62	47,281.39	16,884.23
Board of Health:				
Other Expenses	2,527.91	2,527.91	1,923.71	604.20
Solid Waste and Recycling:				
Other Expenses	148,431.81	148,431.81	148,431.46	0.35
Shade Trees:				
Other Expenses	948.05	948.05	947.79	0.26

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2025
(Continued)

	Balance Dec. 31, 2024	Balance After Modification	Paid or Charged	Balance Lapsed
Senior Citizen Transportation:				
Other Expenses	\$ 816.69	\$ 816.69	\$ 243.46	\$ 573.23
Recreation Department:				
Other Expenses	1,674.81	1,674.81	1,553.35	121.46
Historic Preservation:				
Other Expenses	200.00	200.00		200.00
Division of Streets and Roads:				
Salaries and Wages	10,403.98	10,403.98		10,403.98
Other Expenses	10,924.32	10,924.32	9,418.53	1,505.79
Division of Sewer Maintenance:				
Other Expenses	1,526.97	1,526.97	1,459.98	66.99
Buildings and Grounds:				
Other Expenses	8,933.48	8,933.48	4,498.91	4,434.57
Snow and Ice Removal:				
Other Expenses		28,790.00	28,756.76	33.24
State Uniform Construction Code:				
Construction Official:				
Other Expenses	8,968.22	8,968.22	140.02	8,828.20
Unclassified:				
Utility Expenses & Bulk Purchases	48,626.93	113,226.93	113,144.87	82.06
Computer Maintenance and Internet	186,029.57	11,029.57		11,029.57
VOIP Telephone System	4,129.88	4,129.88		4,129.88
Contribution to:				
Public Employees' Retirement System	90.00	90.00		90.00
Social Security System	33,761.08	33,761.08		33,761.08
Police and Fireman's Retirement System of New Jersey	8.96	8.96		8.96
State Unemployment Insurance	733.53	733.53		733.53
Defined Contribution Retirement Program	15,000.00	15,000.00		15,000.00
Insurance:				
General Liability	33,276.78	12,176.78		12,176.78
Employee Group Health	387,649.90	387,649.90	384,335.89	3,314.01
Health Benefit Waiver	47,125.11	47,125.11		47,125.11
Rockaway Valley Regional Sewerage Authority Contribution	93,788.00	93,788.00		93,788.00
Maintenance of Free Public Library - (Ch. 82 and 541, P.L. 1985):	68,472.80	68,472.80	65,436.10	3,036.70
Liability Insurance	64,565.85	64,565.85		64,565.85
Aniaml Control Services - Township of Randolph	12,447.00	12,447.00	6,777.00	5,670.00
Morris County Communications Center Dispatch Services	876.34	876.34		876.34
	<u>\$ 1,486,493.77</u>	<u>\$ 1,486,493.77</u>	<u>\$ 1,109,558.42</u>	<u>\$ 376,935.35</u>

Balance December 31, 2024:

	<u>Ref.</u>	
Unencumbered	A	\$ 795,073.78
Encumbered	A	691,419.99
		<u>\$ 1,486,493.77</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF LOCAL SCHOOL DISTRICT TAXES PAYABLE/(PREPAID)
YEAR ENDED DECEMBER 31, 2025

	<u>Ref.</u>		
Balance (Prepaid) December 31, 2024	A	\$	(89,412.77)
Increased by:			
Levy - Calendar Year 2025		\$	19,683,136.00
Cancellation of Local School Taxes Prepaid			<u>89,412.77</u>
			<u>19,772,548.77</u>
			19,683,136.00
Decreased by:			
Payments to Local School District		\$	<u>19,683,136.00</u>

TOWN OF DOVER
CURRENT FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2025

Date Authorized	Purpose	Date of		Interest Rate	Balance Dec. 31, 2024	Matured
		Issue	Maturity			
11/10/2020	COVID-19 Emergency	5/23/2024	5/22/2025	5.00%	\$ 360,402.15	\$ 360,402.15
12/01/2020	Accrued Sick and Vacation Payout	5/23/2024	5/22/2025	5.00%	120,000.00	120,000.00
					<u>\$ 480,402.15</u>	<u>\$ 480,402.15</u>
		Ref.	A			
	Paid by Budget Appropriation					<u>\$ 480,402.15</u>

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE

	Balance Dec. 31, 2024	2025 Budget Revenue Realized	Cash Received	Transfer from Unappropriated Reserves	Canceled	Balance Dec. 31, 2025
Small Cities CDBG Program:						
Roadway Improvements	\$ 103,485.00					\$ 103,485.00
Housing Rehabilitation - 2022	250,000.00	\$ 2,983.51	\$ 250,000.00	\$ 2,983.51		
Body Armor Replacement Fund		17,548.62		17,548.62		
Recycling Tonnage Grant						
Clean Communities Program:						
2022		10.00		10.00		
2024		34,961.73		34,961.73		
Bulletproof Vest Program:						
Various	206.06					206.06
2020	1,909.57					1,909.57
2021	4,994.10					4,994.10
2022	5,301.00					5,301.00
Pedestrian Safety Grant:						
2018	212.50					212.50
2021	20.00					20.00
2022	1,020.00					1,020.00
2023	10.00					10.00
2024	390.98					390.98
2025		21,499.02	21,499.02			
Click It or Ticket - 2019						
FEMA Grant	2,640.00					2,640.00
National Opioid Settlement		17,708.23			\$ 17,708.23	
Assistance to Firefighters Grant Program:		125,106.60		125,106.60		
2019	6,558.91		6,558.91			
2021	75,051.71		75,051.71			
2023	47,609.44		47,609.44			
NJDCA American Rescue Plan Firefighters Grant -						
Turn Out Gear - 2024	23,887.00		23,887.00			

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
(Continued)

	Balance Dec. 31, 2024	2025 Budget Revenue Realized	Cash Received	Transfer from Unappropriated Reserves	Canceled	Balance Dec. 31, 2025
NJ Department of Transportation:						
White Street Improvements - 2022	\$ 102,925.00	\$ 102,925.00				\$ 101,700.00
Audrey Place and Winthrop Place - 2022	101,700.00					186,652.13
Liberty Street	399,630.00		212,977.87			1,130,000.00
Brook Lane Bridge	1,130,000.00					
Highway Safety Fund		\$ 19,990.00			\$ 19,990.00	
Open Space Grant - East Blackwell Street Property Acquisition	35,000.00					35,000.00
Safe Streets to Transit - East Blackwell Street Phase II	231,992.91	91,395.09		\$ 91,395.09		231,992.91
Body Worn Cameras	39,129.60		39,129.60			
Local Recreation Improvement Grant		51,000.00		51,000.00		
Crescent Field Improvements						
Drive Sober or Get Pulled Over Year End Crackdown	7,000.00		7,000.00			
Drive Sober or Get Pulled Over		7,000.00		7,000.00		
Distracted Driving Grant		7,000.00		7,000.00		
Stormwater Assistance Grant		15,000.00		15,000.00		
NJUCF Stewardship Grant Canopy Resiliency	15,000.00					15,000.00
Municipal Alliance on Alcoholism and Drug Abuse:						
2018	14,900.33					14,900.33
2019	6,051.37					6,051.37
2020	875.00					875.00
2021	5,642.78					5,642.78
2022	7,716.40					7,716.40
NJ Department of Environmental Protection:						
It Pays to Plug In	24,000.00					24,000.00
Global Fire Prevention Grant:						
Prior	1,500.00					1,500.00
Childhood Lead Exposure Prevention:						
2023	35,123.00					35,123.00
2024	262,500.00		16,159.00			246,341.00

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF GRANTS RECEIVABLE
(Continued)

	Balance	2025	Cash	Transfer	Balance
	Dec. 31, 2024	Budget Revenue Realized	Received	from Unappropriated Reserves	Dec. 31, 2025
NACCHO:					
Enhancing Local Public Health Grant	\$ 160,336.67				\$ 160,336.67
Sustaining Local Public Health Infrastructure Grant	168,049.00		\$ 168,049.00		
Strengthening Local Public Health Capacity Grant	62,313.00		133.00		62,180.00
Morris Arts Grant - Crosswalk Project:					
2023	5,500.00				5,500.00
	<u>\$ 3,340,181.33</u>	<u>\$ 411,202.80</u>	<u>\$ 970,979.55</u>	<u>\$ 352,005.55</u>	<u>\$ 2,390,700.80</u>

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TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES

	Balance Dec. 31, 2024	Prior Year Encumbrances Returned	Transferred from 2025 Budget	Cash Disbursed	Unexpended Balance Canceled	Balance Dec. 31, 2025
Small Cities CDBG Program:						
2024 Housing Rehabilitation Revolving Loan Funds	\$ 26,495.00					\$ 26,495.00
2023 Housing Rehabilitation Revolving Loan Funds	54,514.00					54,514.00
2022 Housing Rehabilitation	53,131.57			\$ 53,131.57		
2018 Roadway Improvements	54,975.45					54,975.45
2018 Housing Rehabilitation	120,000.00				\$ 120,000.00	
2020 Housing Rehabilitation Revolving Loan Funds	177,750.00				177,750.00	
2019 Housing Rehabilitation Revolving Loan Funds	19,496.75				19,496.75	
2018 Housing Rehabilitation Revolving Loan Funds	29,950.00				29,950.00	
2017 Housing Rehabilitation Revolving Loan Funds	19,466.00				19,466.00	
2016 Housing Rehabilitation Revolving Loan Funds	43,728.00				43,728.00	
2015 Housing Rehabilitation Revolving Loan Funds	37,000.00				37,000.00	
2014 Housing Rehabilitation Revolving Loan Funds	40,019.57				40,019.57	
Bulletproof Vest Program - 2022	5.64					5.64
Click It or Ticket:						
2021	2,100.00					2,100.00
2023	7,000.00					7,000.00
FEMA Grant						
National Opioid Settlement						
Assistance to Firefighters Grant:			\$ 17,708.23		17,708.23	
2019	3,465.01					3,465.01
2021	54,642.68			18,959.29		35,683.39
2021 Local Match	3,752.59					3,752.59
2023	19,537.49	\$ 6,957.64		6,957.64		19,537.49
NJDCA American Rescue Plan Firefighters Grant -						
Turn Out Gear - 2024		72,000.00		69,350.00		2,650.00
Staffing for Adequate Fire and Emergency Response (SAFER):						
2019 Federal Portion	144,951.00			144,951.00		
2021 Local Match	21,214.92			21,214.92		
2023 Federal Portion	24,648.74			24,648.74		
Clean Communities Program:						
2022			10.00	10.00		
2023	4,266.64	979.40		5,246.04		
2024			34,961.73	34,961.73		
Hepatitis B Grant:						
2004	272.21					272.21
2005	1,132.00					1,132.00
2006	686.00					686.00

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	Balance Dec. 31, 2024	Prior Year Encumbrances Returned	Transferred from 2025 Budget	Cash Disbursed	Unexpended Balance Canceled	Balance Dec. 31, 2025
Recycling Tonnage Grant:						
2019		\$ 8,915.96		\$ 8,915.96		
2020		15,691.74		15,691.74		
2021	\$ 7,366.31	8,869.80		16,236.11		
2022	17,870.11			17,870.11		
2023	18,562.66			17,675.39		\$ 887.27
2024			\$ 17,548.62	684.20		16,864.42
Alcohol Education and Rehabilitation Grant	801.52					801.52
Body Armor Replacement Fund:						
2020	3,437.71					3,437.71
2022	1,843.59					1,843.59
2023	2,790.48					2,790.48
2024	2,867.56					2,867.56
2025			2,983.51			2,983.51
Drive Sober or Get Pulled Over Year End Crackdown	6,000.00					6,000.00
Drive Sober or Get Pulled Over:						
Prior Year	7,000.00		7,000.00		\$	7,000.00
2024					0.03	7,000.00
State Library Grant	0.03				0.01	
Library Match of State Library Grant	0.01					
NJ Department of Transportation:						
Williams Street	30,500.28				30,500.28	
Essex Street 2021	1,786.13					1,786.13
Audrey Place and Winthrop Place 2022		74,679.18		39,590.33		35,088.85
Highway Safety Fund	21,293.00					21,293.00
Liberty Street	301,442.50	52,437.50		187,023.72		166,856.28
Brook Lane Bridge	1,129,000.00					1,129,000.00
Highway Safety Fund			19,990.00		19,990.00	
Pedestrian Safety Grant:						
2023	13,650.98					13,650.98
2024	21,890.00					21,890.00
2025	35,000.00		21,499.02			21,499.02
Open Space - 2022						35,000.00
Safe Streets to Transit:						
East Blackwell Street - 2022						229,477.14
East Blackwell Street Phase II - 2025	334,728.05	144,580.00	91,395.09	249,830.91		91,395.09
Body Worn Cameras - 2022	9,098.00					9,098.00

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF APPROPRIATED RESERVES
(Continued)

	Balance Dec. 31, 2024	Prior Year Encumbrances Returned	Transferred from 2025 Budget	Cash Disbursed	Unexpended Balance Canceled	Balance Dec. 31, 2025
Local Recreation Improvement Grant :						
2024	\$ 75,000.00					\$ 75,000.00
2025			\$ 51,000.00			51,000.00
Distracted Driving Grant:						
2024	7,000.00					7,000.00
2025			7,000.00			7,000.00
Stormwater Assistance Grant			15,000.00			15,000.00
NIUCF Stewardship Grant Canopy Resiliency						15,000.00
NJACCHO:						
Firstline Train the Trainer	7,318.66					7,318.66
NACCHO:						
Enhancing Local Public Health Grant:						
2023-24	306,588.58			\$ 306,588.58		
Sustaining Local Public Health Infrastructure Grant	168,049.00			18,084.26		149,964.74
Strengthening Local Public Health Capacity Grant:						
2023-24	37,750.78	\$ 8,180.00		45,930.78		
2024-25	74,664.00			4,923.11		69,740.89
Municipal Alliance on Alcoholism and Drug Abuse:						
State Share:						
2019	10,185.45			497.99		9,687.46
2020	861.13					861.13
2021	5,091.75					5,091.75
2022	6,937.23	302.99				7,240.22
Local Share:						
2019	1,914.22			165.99		1,748.23
2020	218.75					218.75
2021	1,147.94					1,147.94
2022	1,433.82	100.99				1,534.81
Global Fire Prevention Grant	1,900.00					1,900.00
Childhood Lead Exposure Prevention:						
2023	69,787.36			55.45		69,731.91
2024	300,600.00			463.90		300,600.00
T-Mobile Hometown Grant		463.90		250.00		
2024 Morris Arts Grant - Crosswalk Project	250.00					
NJ Department of Environmental Protection:						
It Pays to Plug In	24,000.00					24,000.00
	\$ 4,046,828.85	\$ 394,159.10	\$ 411,202.80	\$ 1,309,909.46	\$ 555,608.87	\$ 2,986,672.42
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Ref.

TOWN OF DOVER
FEDERAL AND STATE GRANT FUND
SCHEDULE OF UNAPPROPRIATED RESERVES

	Balance Dec. 31, 2024	Cash Received	Transferred to Grants Receivable	Balance Dec. 31, 2025
Small Cities CDBG Program:				
Housing Rehabilitation - 2022		\$ 20,000.00		\$ 20,000.00
Stormwater Assistance Grant	\$ 15,000.00		\$ 15,000.00	
Local Recreation Improvement Grant	51,000.00		51,000.00	
Clean Communities Grant:				
2022	10.00		10.00	
2024	34,961.73		34,961.73	
2025		34,675.61		34,675.61
Alcohol Education and Rehabilitation Grant		309.50		309.50
Click It or Ticket		7,000.00		7,000.00
Body Armor Replacement Fund	2,983.51		2,983.51	
Drive Sober or Get Pulled Over	7,000.00		7,000.00	
Distracted Driving Incentive	7,000.00	7,000.00	7,000.00	7,000.00
Recycling Tonnage Grant	17,548.62		17,548.62	
National Opioid Settlement	125,106.60	51,627.77	125,106.60	51,627.77
NJ Department of Transportation:				
Pedestrian Safety Grant		3,495.98		3,495.98
Safe Streets to Transit - East Blackwell Street	323,388.00		91,395.09	231,992.91
NJDCA American Rescue Plan Firefighters Grant		48,113.00		48,113.00
Assistance to Firefighters Grant		129,753.12		129,753.12
NACCHO:				
Sustaining Local Public Health Infrastructure Grant		58,027.36		58,027.36
	<u>\$ 583,998.46</u>	<u>\$ 360,002.34</u>	<u>\$ 352,005.55</u>	<u>\$ 591,995.25</u>
<u>Ref.</u>	A			A

TOWN OF DOVER

COUNTY OF MORRIS

2025

TRUST FUNDS

TOWN OF DOVER
TRUST FUNDS
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Animal Control Fund</u>	<u>Other Trust Funds</u>
Balance December 31, 2024	B	\$ 7,318.71	\$ 819,526.94
Increased by Receipts:			
Dog License Fees		5,655.60	
Cat License Fees		809.00	
Miscellaneous Revenue- Dog and Cat Penalties		625.20	
State Registration Fees		683.40	
Due to/from Current Fund:			
Interest Earned		458.10	24,981.48
Unemployment Insurance			329,865.19
Other Deposits			848,541.19
Fire Penalty Fees			1,000.00
Forfeited Assets			10,291.22
Recycling			68,478.43
Recreation			268,329.35
		<u>8,231.30</u>	<u>1,551,486.86</u>
		<u>15,550.01</u>	<u>2,371,013.80</u>
Decreased by Disbursements:			
State of N.J. - Board of Health		683.40	
Expenditures under R.S.4:19-15.11		3,019.78	
Due to/from Current Fund:			
Interest Earned		458.10	24,981.48
Other Deposits			266,992.45
Forfeited Assets			500.00
Tax Sale Premiums Returned			37,000.00
Unemployment Insurance			330,168.14
Recreation			102,930.48
		<u>4,161.28</u>	<u>762,572.55</u>
Balance December 31, 2025	B	<u>\$ 11,388.73</u>	<u>\$ 1,608,441.25</u>

TOWN OF DOVER
ASSESSMENT TRUST FUND
ANALYSIS OF CASH
YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

TOWN OF DOVER
ANIMAL CONTROL FUND
SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

	<u>Ref.</u>		
Balance December 31, 2024	B	\$	7,320.79
Increased by:			
Dog License Fees Collected		\$	5,655.60
Cat License Fees Collected			809.00
Miscellaneous Revenue - Dog and Cat Penalties			<u>625.20</u>
			<u>7,089.80</u>
			14,410.59
Decreased by:			
Expenditures Under R.S.4:19-15.11			<u>3,019.78</u>
Balance December 31, 2025	B	\$	<u><u>11,390.81</u></u>

License Fees Collected

<u>Year</u>	<u>Amount</u>
2023	\$ 7,086.80
2024	<u>7,250.40</u>
Maximum Allowable Reserve	<u><u>\$ 14,337.20</u></u>

TOWN OF DOVER

COUNTY OF MORRIS

2025

GENERAL CAPITAL FUND

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF CASH

	<u>Ref.</u>	
Balance December 31, 2024	C	\$ 748,929.14
Increased by:		
Budget Appropriations:		
Capital Improvement Fund	\$ 285,000.00	
Bond Anticipation Notes Issued	6,350,299.00	
Capital Fund Balance:		
Premium on Bond Anticipation Notes	256,407.36	
Due Current Fund:		
Interest Earned	98,520.90	
Interfund Returned	199,467.98	
Due Water Utility Capital Fund:		
Premium on Bond Anticipation Notes	147,107.12	
		<u>7,336,802.36</u>
		8,085,731.50
Decreased by:		
Improvement Authorization Expenditures	1,082,122.79	
Anticipated Revenue in Current Fund:		
Fund Balance	50,000.00	
Reserve to Pay Debt Service	750,000.00	
Due Current Fund:		
Interest Earned	98,520.90	
Due Water Utility Operating Fund:		
Paid On-behalf of Water Utility Operating Fund:		
Interest on NJIB Loans	2,135.70	
2025 Budget Appropriation Expenditures:		
NJIB Loans Matured	44,392.04	
		<u>2,027,171.43</u>
Balance December 31, 2025	C	<u>\$ 6,058,560.07</u>

TOWN OF DOVER
GENERAL CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2024	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2025
		Budget Appropriation	Bond Anticipation Notes	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To
Fund Balance	\$ 626,394.20			\$ 256,407.36		\$ 50,000.00		\$ 832,801.56
Capital Improvement Fund	137,481.85	\$ 285,000.00					\$ 37,500.00	384,981.85
Downpayments on Improvements	792.20							792.20
Due Current Fund	(199,467.98)			297,988.88		98,520.90		(46,527.74)
Due Water Utility Operating Fund				147,107.12		46,527.74		147,107.12
Due Water Utility Capital Fund	753,946.09						753,946.09	355,288.89
Encumbrances Payable	1,247,007.45					750,000.00		497,007.45
Reserve to Pay Debt Service								
Improvement Authorizations:								
Ord. No.	Improvement Description							
30-2004	Various General Improvements							(449.00)
15-2014	Various General Improvements and Equipment Purchases							184,412.12
17-2016	Improvement of Meridia Transit Plaza							974,380.02
10-2017	Various Improvements							1,002,310.00
01-2018	Acquisition, Renovation and Improvement of the Berkeley College Building and Property							220,497.79
04-2018	Various Improvements							233,750.13
05-2019	Various Improvements							(945,401.17)
15-2019	Various Improvements to Public Facilities							4,358.00
14-2021	Various Improvements							802,128.57
22-2023	Various Capital Improvements							(2,169,358.36)
05-2024	Various Capital Improvements							(2,163,852.77)
15-2024	Various Acquisitions and Improvements							40,000.00
52-2025	Acquisition of Fire Engine							
	\$ 748,929.14	\$ 285,000.00	\$ 6,350,299.00	\$ 701,503.36	\$ 1,082,122.79	\$ 945,048.64	\$ 1,146,734.98	\$ 6,058,560.07

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

Ord. No.	Improvement Description	Balance Dec. 31, 2024	2025 Authorizations	Notes Paid by Budget Appropriation	Balance Dec. 31, 2025	Analysis of Balance Dec. 31, 2025		
						Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
30-2004	Various General Improvements	\$ 449.00			\$ 449.00		\$ 449.00	
11-2016	Various General Improvements	2,449,000.00		\$ 134,525.00	2,314,475.00	\$ 2,314,475.00		
17-2016	Improvement of Meridia Transit Plaza	1,135,000.00		100,848.00	1,034,152.00	1,034,152.00		
09-2017	Various Improvements	2,169,000.00		110,805.50	2,058,194.50	2,058,194.50		
01-2018	Acquisition, Renovation and Improvement of the Berkeley College Building and Property	7,323,000.00		182,709.00	7,140,291.00	7,140,291.00		
04-2018	Various Improvements	2,487,000.00		121,268.00	2,365,732.00	2,365,732.00		
05-2019	Various Improvements	950,000.00			950,000.00	950,000.00		
15-2019	Various Improvements to Public Facilities	343,000.00		22,687.50	320,312.50	320,312.50		
14-2021	Various Improvements	3,146,000.26		175,577.00	2,970,423.26	2,970,423.00		\$ 0.26
22-2023	Various Capital Improvements	2,475,714.00			2,475,714.00	2,475,714.00		
05-2024	Various Capital Improvements	2,924,585.71			2,924,585.71	2,924,585.00		0.71
52-2025	Acquisition of Fire Truck		\$ 712,500.00		712,500.00			712,500.00
		\$ 25,402,748.97	\$ 712,500.00	\$ 848,420.00	\$ 25,266,828.97	\$ 24,553,879.00	\$ 449.00	\$ 712,500.97
<u>Ref.</u>		C		C				
				Improvement Authorizations - Unfunded				
				Less: Unexpended Proceeds of Bond Anticipation Notes Issued:				
				Ord. #17-2016		\$ 974,380.02		
				Ord. #01-2018		2,611.02		
				Ord. #04-2018		65,584.93		
				Ord. #05-2019		4,598.83		
				Ord. #15-2019		4,358.00		
				Ord. #14-2021		515,375.82		
				Ord. #22-2023		322,606.43		
				Ord. #05-2024		733,820.57		
						2,623,335.62		
						\$ 712,500.97		

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2024		2025 Authorizations			Prior Year Encumbrances Returned	Paid or Charged	Balance Dec. 31, 2025	
				Funded	Unfunded	Deferred Charges to Future Taxation	Capital Improvement Fund				Funded	Unfunded
15-2014	Various General Improvements and Equipment Purchases	07/22/14	\$ 2,057,812.11	\$ 184,412.12							\$ 184,412.12	
17-2016	Improvement of Meridia Transit Plaza	07/12/16	2,000,000.00		\$ 974,380.02							
10-2017	Various Improvements	05/09/17	8,000,000.00	1,002,310.00							1,002,310.00	\$ 974,380.02
01-2018	Acquisition, Renovation and Improvement of the Berkeley College Building and Property	02/27/18	16,000,000.00		220,497.79			\$ 113,752.66	\$ 331,639.43			2,611.02
04-2018	Various Improvements	04/24/18	3,000,000.00		233,750.13			7,728.18	175,893.38			65,584.93
05-2019	Various Improvements	05/30/19	1,000,000.00		4,598.83			10,835.13	10,835.13			4,598.83
15-2019	Various Improvements to Public Facilities	05/30/19	408,709.50		4,358.00							4,358.00
14-2021	Various Improvements	12/30/21	3,487,656.12		802,128.83			80,358.77	367,111.52			515,376.08
22-2023	Various Capital Improvements	09/12/23	2,606,015.00		306,355.64			468,461.61	452,210.11			322,607.14
05-2024	Various Capital Improvements	02/27/24	3,070,815.00		760,732.94			72,809.74	99,722.11			733,820.57
15-2024	Various Acquisitions and Improvements	08/13/24	40,000.00	40,000.00							40,000.00	
52-2025	Acquisition of Fire Engine	12/30/25	750,000.00				\$ 37,500.00				37,500.00	712,500.00
				\$ 1,226,722.12	\$ 3,306,802.18		\$ 712,500.00	\$ 753,946.09	\$ 1,437,411.68		\$ 1,264,222.12	\$ 3,335,836.59
				Ref.	C	C		C	C		C	C
										Ref.		
										Cash Disbursed		
										Encumbrances Payable		
										C		
										\$ 1,082,122.79		
										355,288.89		
										\$ 1,437,411.68		

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2024	C	\$ 137,481.85
Increased by:		
Current Fund Budget Appropriation		285,000.00
		<u>422,481.85</u>
Decreased by:		
Appropriated to Finance Improvement Authorizations		37,500.00
		<u>37,500.00</u>
Balance December 31, 2025	C	<u>\$ 384,981.85</u>

GENERAL CAPITAL FUND
SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

	<u>Ref.</u>	
Balance December 31, 2024	C	<u>\$ 792.20</u>
Balance December 31, 2025	C	<u>\$ 792.20</u>

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of		Interest Rate	Balance Dec. 31, 2024	Issued	Matured	Balance Dec. 31, 2025
		Issue of Original Note	Issue					
11-2016	Various General Improvements	05/30/19 05/30/19	01/23/24 01/22/25	4.50% 4.50%	\$ 2,449,000.00	\$ 2,314,475.00	\$ 2,449,000.00	\$ 2,314,475.00
17-2016	Various General Improvements	06/16/17 06/16/17	01/23/24 01/22/25	4.50% 4.50%	1,135,000.00	1,034,152.00	1,135,000.00	1,034,152.00
09-2017	Various Improvements	06/16/17 06/16/17	01/23/24 01/22/25	4.50% 4.50%	2,169,000.00	2,058,194.50	2,169,000.00	2,058,194.50
01-2018	Acquisition, Renovation and Improvement of the Berkeley College Building and Property	05/31/18 05/31/18 05/31/18 05/31/18	01/23/24 01/22/25 01/23/24 01/22/25	4.50% 4.50% 4.50% 4.50%	6,857,684.00 465,316.00	6,674,975.00 465,316.00	6,857,684.00 465,316.00	6,674,975.00 465,316.00
04-2018	Various Improvements	05/30/19 05/30/19	01/23/24 01/22/25	4.50% 4.50%	2,487,000.00	2,365,732.00	2,487,000.00	2,365,732.00
05-2019	Various Improvements	08/27/25	08/27/25	3.50%	950,000.00	950,000.00		950,000.00
15-2019	Various Improvements to Public Facilities	05/30/19 05/30/19	01/23/24 01/22/25	4.50% 4.50%	343,000.00	320,312.50	343,000.00	320,312.50
14-2021	Various Improvements	12/30/21 12/30/21	01/23/24 01/22/25	4.50% 4.50%	3,146,000.00	2,970,423.00	3,146,000.00	2,970,423.00
22-2023	Various Capital Improvements	08/27/25	08/27/25	3.50%	2,475,714.00	2,475,714.00		2,475,714.00
05-2024	Various Capital Improvements	08/27/25	08/27/25	3.50%	2,924,585.00	2,924,585.00		2,924,585.00
					<u>\$ 19,052,000.00</u>	<u>\$ 24,553,879.00</u>	<u>\$ 19,052,000.00</u>	<u>\$ 24,553,879.00</u>
					<u>Ref.</u>	<u>C</u>		<u>C</u>
					Renewals	\$ 18,203,580.00	\$ 18,203,580.00	
					Issued for Cash	6,350,299.00		
					Paid by Budget Appropriation		848,420.00	
						<u>\$ 24,553,879.00</u>	<u>\$ 19,052,000.00</u>	<u>\$ 24,553,879.00</u>

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2024	Matured	Balance Dec. 31, 2025
			Outstanding Date	Dec. 31, 2025 Amount				
General Improvement Bonds of 2016	7/20/16	\$ 4,807,000.00	08/01/26	\$ 305,000.00	2.000%			
			08/01/27	290,000.00	2.000%			
			08/01/28	290,000.00	2.000%			
			08/01/29	290,000.00	2.000%			
			08/01/30	280,000.00	2.000%			
			08/01/31	280,000.00	2.125%			
			08/01/32	280,000.00	2.500%			
			08/01/33	282,000.00	2.500%	\$ 2,602,000.00	\$ 305,000.00	\$ 2,297,000.00
						\$ 2,602,000.00	\$ 305,000.00	\$ 2,297,000.00

Ref.

C

C

TOWN OF DOVER
GENERAL CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2024</u>	<u>2025 Authorizations</u>	<u>Bond Anticipation Notes Issued</u>	<u>Balance Dec. 31, 2025</u>
30-2004	Various Improvements	\$ 449.00			\$ 449.00
05-2019	Various Improvements	950,000.00		\$ 950,000.00	
14-2021	Various Improvements	0.26			0.26
22-2023	Various Capital Improvements	2,475,714.00		2,475,714.00	
05-2024	Various Capital Improvements	2,924,585.71		2,924,585.00	0.71
52-2025	Acquisiton of Fire Truck		\$ 712,500.00		712,500.00
		<u>\$ 6,350,748.97</u>	<u>\$ 712,500.00</u>	<u>\$ 6,350,299.00</u>	<u>\$ 712,949.97</u>

TOWN OF DOVER

COUNTY OF MORRIS

2025

WATER UTILITY FUND

TOWN OF DOVER
WATER UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2024	D	\$ 5,094,585.92	\$ 15,190.96
Increased by Receipts:			
Water Rents		\$ 5,533,666.47	
Miscellaneous Revenue		46,664.71	
Interest on Investments		102,044.96	
Due Water Utility Operating Fund:			
Interest Earned			\$ 5,964.51
Interfund Returned			455,307.87
Due Water Utility Capital Fund - Interest Earned			
2025 Appropriation Refunds		5,964.51	
Budget Appropriation:		4,125.00	
Capital Improvement Fund			100,000.00
		<u>5,692,465.65</u>	<u>561,272.38</u>
		10,787,051.57	576,463.34
Decreased by Disbursements:			
2025 Appropriation Expenditures		4,081,704.30	
2024 Appropriation Reserves		237,579.39	
Interest on Bonds		61,237.50	
Interest on Notes		481,275.00	
Fund Balance Anticipated in Current Fund		240,000.00	
Due Current Fund:			
Interfund Returned		403,314.95	
Due Water Utility Operating Fund:			
Interest Earned			5,964.51
Due Water Utility Capital Fund - Interfund Returned		455,307.87	
Improvement Authorizations Expenditures			383,836.21
		<u>5,960,419.01</u>	<u>389,800.72</u>
Balance December 31, 2025	D	\$ 4,826,632.56	\$ 186,662.62

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance/ (Deficit) Dec. 31, 2024	Receipts		Disbursements		Transfers		Balance/ (Deficit) Dec. 31, 2025
		Budget Appropriation	Miscellaneous	Miscellaneous	Improvement Authorizations	From	To	
Fund Balance	\$ 300,959.27							
Capital Improvement Fund	1,013,773.48	\$ 100,000.00					\$ 147,107.12	\$ 448,066.39
Due General Capital Fund	(455,307.87)					\$ 147,107.12		1,113,773.48
Due Water Utility Operating Fund	576,495.36		\$ 461,272.38	\$ 5,964.51		576,495.36	204,656.76	(147,107.12)
Reserve for Encumbrances Payable								204,656.76
Ord. No.	General Improvements							
03-11	Various Improvements for the Water Department							(40,965.28)
11-13	Various Improvements for the Water Department							57,817.61
12-16	Various Improvements for the Water Department				\$ 393.75	28.70	422.45	
06-19	Various Improvements for the Water Department				3,678.16	535.01	4,213.17	(2,718,672.43)
23-21	Various Improvements for the Water Department				183,966.89	204,025.55	375,134.83	
21-22	Various Improvements to the Water System				195,797.41	67.50	196,724.91	1,269,093.21
		\$ 100,000.00	\$ 461,272.38	\$ 5,964.51	\$ 383,836.21	\$ 928,259.24	\$ 928,259.24	\$ 186,662.62

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

	<u>Ref.</u>	
Balance December 31, 2024	D	\$ 126,985.98
Increased by:		
Water Rents Levied		<u>5,609,064.67</u>
		5,736,050.65
Decreased by:		
Collections	\$ 5,533,666.47	
Water Rent Overpayments Applied	<u>2,581.23</u>	
		<u>5,536,247.70</u>
Balance December 31, 2025	D	<u><u>\$ 199,802.95</u></u>

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF INVENTORY

	<u>Ref.</u>	
Balance December 31, 2024	D	<u>\$ 142,328.63</u>
Balance December 31, 2025	D	<u><u>\$ 142,328.63</u></u>

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2024	Additions by Ordinance	Balance Dec. 31, 2025
Reservation Land	\$ 20,683.37		\$ 20,683.37
Reservation Structures	16,754.34		16,754.34
Springs and Wells	131,839.04		131,839.04
Collecting Reservoir	60,916.75		60,916.75
Chemical Treatment Plant	14,211.78		14,211.78
Clear Water Basin	250.00		250.00
Pumping Station Structures	89,258.84		89,258.84
Electrical Pumping Power Equipment	120,450.76		120,450.76
Miscellaneous Pumping Equipment	9,054.18		9,054.18
Transmission Mains and Accessories	370,999.29		370,999.29
Storage Reservoir Tank and Standpipe	437,430.51		437,430.51
Distribution Mains and Accessories	654,571.77		654,571.77
Meters, Meter Boxes and Vaults	299,534.67		299,534.67
Fire Hydrants	37,939.22		37,939.22
General Structures	40,710.14		40,710.14
General Equipment	1,439,837.46		1,439,837.46
Office Equipment	8,130.11		8,130.11
Miscellaneous Construction Expenses	36,862.09		36,862.09
Pumping Station Land	2,290.00		2,290.00
Communication Equipment	11,484.61		11,484.61
Transportation Equipment	157,011.79		157,011.79
Water Treatment Equipment	17,735.40		17,735.40
Services	32,036.65		32,036.65
Tools, Shop and Garage Equipment	3,861.10		3,861.10
Power Operated Equipment	13,702.96		13,702.96
Various Improvements to Water System	13,351,743.28	\$ 3,000,000.00	16,351,743.28
Improvement of Water Supply and Distribution System	405,000.00		405,000.00
	<u>\$ 17,784,300.11</u>	<u>\$ 3,000,000.00</u>	<u>\$ 20,784,300.11</u>

Ref.

D

D

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Amount	Balance Dec. 31, 2024	Costs to Fixed Capital	Balance Dec. 31, 2025
	No.	Date				
Various Improvements for the Water Department	11-13	07/23/13	\$ 500,000.00	\$ 500,000.00		\$ 500,000.00
Various Improvements for the Water Department	12-16	05/24/16	3,000,000.00	3,000,000.00	\$ 3,000,000.00	
Various Improvements for the Water Department	06-19	06/25/19	3,000,000.00	3,000,000.00		3,000,000.00
Various Improvements for the Water Department	23-21	09/28/21	3,160,000.00	3,160,000.00		3,160,000.00
Various Improvements to the Water System	21-22	09/13/22	3,150,000.00	3,150,000.00		3,150,000.00
				<u>\$ 12,810,000.00</u>	<u>\$ 3,000,000.00</u>	<u>\$ 9,810,000.00</u>

Ref.

D

D

TOWN OF DOVER
WATER UTILITY OPERATING FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2025

	Balance Dec. 31, 2024	Balance After Modification	Paid or Charged	Balance Lapsed
Operating:				
Salaries and Wages	\$ 125,312.27	\$ 125,312.27		\$ 125,312.27
Other Expenses	593,323.26	593,323.26	\$ 237,579.39	355,743.87
Capital Improvements:				
Capital Outlay	85,000.00	85,000.00		85,000.00
Statutory Expenditures:				
Contribution to:				
Social Security System (O.A.S.I.)	28,427.55	28,427.55		28,427.55
State Disability Insurance	5,400.00	5,400.00		5,400.00
	<u>\$ 837,463.08</u>	<u>\$ 837,463.08</u>	<u>\$ 237,579.39</u>	<u>\$ 599,883.69</u>

Analysis of Balance December 31, 2024:

	<u>Ref.</u>	
Unencumbered	D	\$ 677,628.19
Encumbered	D	<u>159,834.89</u>
		<u>\$ 837,463.08</u>

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2024		Prior Year Encumbrances Returned	Paid or Charged	Balance Dec. 31, 2025	
		Date	Amount	Funded	Unfunded			Funded	Unfunded
11-13	Various Improvements for the Water Department	07/23/13	\$ 500,000.00	\$ 57,817.61				\$ 57,817.61	
12-16	Various Improvements for the Water Department	05/24/16	3,000,000.00			\$ 422.45	\$ 422.45		
06-19	Various Improvements for the Water Department	06/25/19	3,000,000.00		\$ 138,327.57	4,213.17	4,213.17		\$ 138,327.57
23-21	Various Improvements for the Water Department	09/28/21	3,160,000.00		12,857.61	375,134.83	387,992.44		
21-22	Various Improvements to the Water System	09/13/22	3,150,000.00		1,268,233.21	196,724.91	195,864.91		1,269,093.21
				<u>\$ 57,817.61</u>	<u>\$ 1,419,418.39</u>	<u>\$ 576,495.36</u>	<u>\$ 588,492.97</u>	<u>\$ 57,817.61</u>	<u>\$ 1,407,420.78</u>
		<u>Ref.</u>		D	D	D		D	D
		<u>Ref.</u>							
			Cash Disbursements				\$ 383,836.21		
			Encumbrances Payable			D	204,656.76		
							<u>\$ 588,492.97</u>		

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2024	D	\$ 1,013,773.48
Increased by:		
Budget Appropriation		<u>100,000.00</u>
Balance December 31, 2025	D	<u><u>\$ 1,113,773.48</u></u>

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR AMORTIZATION

Ord. No.	Improvement Description	Date of Ordinance	Balance Dec. 31, 2024	Notes Paid by Budget Appropriation	Balance Dec. 31, 2025
06-19	Various Improvements for the Water Department	06/25/19	\$ 143,000.00		\$ 143,000.00
23-21	Various Improvements for the Water Department	09/28/21	109,000.00	\$ 109,000.00	218,000.00
			<u>\$ 252,000.00</u>	<u>\$ 109,000.00</u>	<u>\$ 361,000.00</u>
		<u>Ref.</u>	D		D

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Maturities of Bonds											
Purpose	Date of Issue	Original Issue	Outstanding			Int. Rate	Balance		Matured	Balance Dec. 31, 2025	
			Date		Amount		Dec. 31, 2024				
Water Improvements	09/15/13	\$ 770,000.00	09/15/26	\$	70,000.00	3.250%					
			09/15/27		70,000.00	3.250%					
			09/15/28		70,000.00	3.250%	\$	280,000.00	\$	70,000.00	\$ 210,000.00
Water Improvements			08/01/26		280,000.00	2.000%					
		4,492,000.00	08/01/27		275,000.00	2.000%					
			08/01/28		275,000.00	2.000%					
			08/01/29		275,000.00	2.000%					
			08/01/30		270,000.00	2.000%					
			08/01/31		270,000.00	2.125%					
			08/01/32		270,000.00	2.500%					
			08/01/33		262,000.00	2.500%		2,457,000.00	280,000.00		2,177,000.00
							\$ 2,737,000.00	\$ 350,000.00		\$ 2,387,000.00	
						Ref.	D			D	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE

Ord. No.	Improvement Description	Date of				Interest Rate	Balance Dec. 31, 2024	Issued	Matured	Balance Dec. 31, 2025
		Issue of Original Note	Issue	Maturity						
08-17	Various Improvements for the Water Department	05/31/18 05/31/18	01/23/24 01/22/25	01/23/25 01/21/26		4.50% 4.50%	\$ 2,644,000.00	\$ 2,593,420.00	\$ 2,644,000.00	\$ 2,593,420.00
05-18	Various Improvements for the Water Department	01/23/24 01/23/24	01/23/24 01/22/25	01/23/25 01/21/26		4.50% 4.50%	1,850,000.00	1,850,000.00		1,850,000.00
23-21	Various Improvements for the Water Department	12/30/21 12/30/21	01/23/24 01/22/25	01/23/25 01/21/26		4.50% 4.50%	3,051,000.00	2,942,000.00	3,051,000.00	2,942,000.00
21-22	Various Improvements for the Water Department	01/23/24 01/23/24	01/23/24 01/22/25	01/23/25 01/21/26		4.50% 4.50%	3,150,000.00	3,150,000.00	3,150,000.00	3,150,000.00
							<u>\$10,695,000.00</u>	<u>\$10,535,420.00</u>	<u>\$10,695,000.00</u>	<u>\$10,535,420.00</u>
							Ref.	D	D	
							Renewals	\$10,535,420.00	\$10,535,420.00	
							Paid by Budget Appropriation	159,580.00	159,580.00	
								<u>\$10,535,420.00</u>	<u>\$10,695,000.00</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY INFRASTRUCTURE BANK (NJIB) LOANS

Ord. No.	Improvement Description	Balance Dec. 31, 2024	Matured	Balance Dec. 31, 2025
03-09	Various Improvements for the Water Department	\$ 166,313.73	\$ 33,262.70	\$ 133,051.03
03-11	Various Improvements for the Water Department	79,722.69	11,129.34	68,593.35
		<u>\$ 246,036.42</u>	<u>\$ 44,392.04</u>	<u>\$ 201,644.38</u>
	<u>Ref.</u>	D		D

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - FUND LOAN AGREEMENT - DECEMBER 31, 2025

Payment Number	Due Date	Principal	Balance of Loan
			\$ 93,051.03
32	2/1/26	\$ 7,754.23	85,296.80
33	8/1/26	15,508.47	69,788.33
34	2/1/27	7,754.23	62,034.10
35	8/1/27	15,508.47	46,525.63
36	2/1/28	7,754.23	38,771.40
37	8/1/28	15,508.47	23,262.93
38	2/1/29	7,754.23	15,508.70
39	8/1/29	15,508.70	
		<u>\$ 93,051.03</u>	

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - TRUST LOAN AGREEMENT - DECEMBER 31, 2025

Payment Number	Due Date	Interest	Principal	Balance of Loan
				\$ 40,000.00
32	2/1/26	\$ 775.00		40,000.00
33	8/1/26	775.00	\$ 10,000.00	30,000.00
34	2/1/27	600.00		30,000.00
35	8/1/27	600.00	10,000.00	20,000.00
36	2/1/28	400.00		20,000.00
37	8/1/28	400.00	10,000.00	10,000.00
38	2/1/29	200.00		10,000.00
39	8/1/29	200.00	10,000.00	
		<u>\$ 3,950.00</u>	<u>\$ 40,000.00</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF NEW JERSEY INFRASTRUCTURE BANK (NJIB) LOANS
(Continued)

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - SUPPLEMENTAL FUND LOAN AGREEMENT - DECEMBER 31, 2025

<u>Payment Number</u>	<u>Due Date</u>	<u>Principal</u>	<u>Balance of Loan</u>
			\$ 48,746.35
28	2/1/2026	\$ 2,708.11	46,038.24
29	8/1/2026	5,416.23	40,622.01
30	2/1/2027	2,708.11	37,913.90
31	8/1/2027	5,416.23	32,497.67
32	2/1/2028	2,708.11	29,789.56
33	8/1/2028	5,416.23	24,373.33
34	2/1/2029	2,708.11	21,665.22
35	8/1/2029	5,416.23	16,248.99
36	2/1/2030	2,708.11	13,540.88
37	8/1/2030	5,416.23	8,124.65
38	2/1/2031	2,708.11	5,416.54
39	8/1/2031	5,416.54	
		<u>\$ 48,746.35</u>	

SCHEDULE OF PRINCIPAL PAYMENTS OUTSTANDING - SUPPLEMENTAL TRUST LOAN AGREEMENT - DECEMBER 31, 2025

<u>Payment Number</u>	<u>Due Date</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance of Loan</u>
				\$ 19,847.00
14	8/1/2026	\$ 773.88	\$ 3,076.00	16,771.00
15	8/1/2027	697.58	3,153.00	13,618.00
16	8/1/2028	602.34	3,248.00	10,370.00
17	8/1/2029	501.64	3,349.00	7,021.00
18	8/1/2030	395.46	3,455.00	3,566.00
19	8/1/2031	283.86	3,566.00	
		<u>\$ 3,254.76</u>	<u>\$ 19,847.00</u>	

TOWN OF DOVER
WATER UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

<u>Ordinance</u>		<u>Improvement Description</u>	<u>Balance</u>	<u>Balance</u>
<u>No.</u>	<u>Date</u>		<u>Dec. 31, 2024</u>	<u>Dec. 31, 2025</u>
03-11	03/14/11	Various Improvements for the Water Department	\$ 40,965.28	\$ 40,965.28
06-19	06/25/19	Various Improvements for the Water Department	<u>2,857,000.00</u>	<u>2,857,000.00</u>
			<u>\$ 2,897,965.28</u>	<u>\$ 2,897,965.28</u>

TOWN OF DOVER

COUNTY OF MORRIS

2025

PARKING UTILITY FUND

TOWN OF DOVER
PARKING UTILITY FUND
SCHEDULE OF CASH - TREASURER

	<u>Ref.</u>	<u>Operating</u>	<u>Capital</u>
Balance December 31, 2024	E	\$ 413,929.30	\$ 257,572.85
Increased by Receipts:			
Parking Meters	\$	317,728.84	
Parking Permits - Decals		113,564.00	
Interest Earned		16,139.92	
Due Parking Utility Operating Fund			
Interest Earned			\$ 9,028.42
Due Parking Utility Capital Fund:			
Interest Earned		9,028.42	
		<u>456,461.18</u>	<u>9,028.42</u>
		870,390.48	266,601.27
Decreased by Disbursements:			
2025 Appropriation Expenditures		545,140.90	
2024 Appropriation Reserves		14,262.22	
Interest on Bonds		11,610.00	
Fund Balance Anticipated in Current Fund		100,000.00	
Due Current Fund:			
Interfund Returned		1,361.98	
Due Parking Utility Operating Fund			
Interest Earned			9,028.42
		<u>672,375.10</u>	<u>9,028.42</u>
Balance December 31, 2025	E	<u>\$ 198,015.38</u>	<u>\$ 257,572.85</u>

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
ANALYSIS OF CASH

	Balance Dec. 31, 2024	Receipts		Disbursements		Transfers		Balance Dec. 31, 2025
		Miscellaneous		Miscellaneous		From	To	
Fund Balance	\$ 5,480.86							\$ 5,480.86
Capital Improvement Fund	17,668.23							17,668.23
Due Parking Utility Operating Fund		\$ 9,028.42		\$ 9,028.42				
Encumbrances Payable	2,300.00					\$ 2,300.00	\$ 2,300.00	2,300.00
Ord. No.	General Improvements							
17-2006;								
33-2006	Various Improvements		315.44					315.44
17-2014	Various Improvements		231,036.87			2,300.00	2,300.00	231,036.87
15-2015	New Vehicle		771.45					771.45
		\$ 9,028.42		\$ 9,028.42		\$ 4,600.00	\$ 4,600.00	\$ 257,572.85

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

	Balance Dec. 31, 2024	Balance Dec. 31, 2025
Parking Authority Facilities	\$ 1,358,937.93	\$ 1,358,937.93
Parking Meters	<u>116,177.47</u>	<u>116,177.47</u>
	<u>\$ 1,475,115.40</u>	<u>\$ 1,475,115.40</u>
	<u>Ref.</u> E	E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Improvement Description	Ordinance		Balance Dec. 31, 2024	2025 Authorizations	Balance Dec. 31, 2025
	No.	Date	Amount		
Various Improvements	17-06;	07/25/06;	\$ 40,000.00		
	33-06	12/12/06	6,314.00		\$ 46,314.00
Various Improvements	17-14	07/22/14	392,300.00		391,615.00
Purchase of New Vehicle	15-15	08/22/15	25,000.00		25,000.00
Various Acquisitions and Improvements	40-25	10/28/25	1,000,000.00	\$ 1,000,000.00	1,000,000.00
				\$ 1,000,000.00	\$ 1,462,929.00

E

E

Ref.

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
SCHEDULE OF 2024 APPROPRIATION RESERVES
YEAR ENDED DECEMBER 31, 2025

	Balance Dec. 31, 2024	Balance After Modification	Paid or Charged	Balance Lapsed	Overexpenditure
Operating:					
Other Expenses	\$ 9,498.82	\$ 10,608.82	\$ 14,262.22		\$ 3,653.40
Statutory Expenditures:					
Contribution to:					
State Unemployment Insurance	530.14	0.14		\$ 0.14	
Disability Insurance	580.00				
	<u>\$ 10,608.96</u>	<u>\$ 10,608.96</u>	<u>\$ 14,262.22</u>	<u>\$ 0.14</u>	<u>\$ 3,653.40</u>

Analysis of Balance December 31, 2024:

	<u>Ref.</u>
Unencumbered	E
Encumbered	E
	<u>\$ 7,960.88</u>
	<u>2,648.08</u>
	<u>\$ 10,608.96</u>

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Ord. No.	Improvement Description	Ordinance		Balance Dec. 31, 2024 Funded	Encumbrances Returned	2025 Authorizations Deferred Charges to Future Revenue	Paid or Charged	Balance Dec. 31, 2025	
		Date	Amount					Funded	Unfunded
17-06; 33-06	Various Improvements	07/25/06; 12/12/06	\$ 40,000.00 6,314.00	\$ 315.44				\$ 315.44	
17-14	Various Improvements	7/22/14	392,300.00	231,036.87	\$ 2,300.00		\$ 2,300.00	231,036.87	
15-15	New Vehicle	8/22/15	25,000.00	771.45				771.45	
40-25	Various Acquisitions and Improvements	10/28/25	1,000,000.00			\$ 1,000,000.00			\$ 1,000,000.00
				\$ 232,123.76	\$ 2,300.00	\$ 1,000,000.00	\$ 2,300.00	\$ 232,123.76	\$ 1,000,000.00
		<u>Ref.</u>		E	E			E	E
		<u>Ref.</u>							
				E		Encumbrances Payable	\$ 2,300.00		

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF CAPITAL IMPROVEMENT FUND

	<u>Ref.</u>	
Balance December 31, 2024	E	<u>\$ 17,668.23</u>
Balance December 31, 2025	E	<u><u>\$ 17,668.23</u></u>

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF DEFERRED RESERVE FOR DEFERRED AMORTIZATION

<u>Ord. No.</u>	<u>Improvement Description</u>	<u>Date of Ordinance</u>	<u>Balance Dec. 31, 2024</u>	<u>Balance Dec. 31, 2025</u>
17-06; 33-06	Various Improvements	07/25/06; 12/12/06	\$ 46,314.00	\$ 46,314.00
17-14	Various Improvements	07/22/14	<u>19,615.00</u>	<u>19,615.00</u>
			<u>\$ 65,929.00</u>	<u>\$ 65,929.00</u>
		<u>Ref.</u>	E	E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF SERIAL BONDS PAYABLE

Purpose	Date of Issue	Amount of Original Issue	Maturities of Bonds		Interest Rate	Balance Dec. 31, 2024	Matured	Balance Dec. 31, 2025
			Outstanding	Dec. 31, 2025				
			Date	Amount				
Bonds Series 2013A	9/12/2013	\$ 791,000.00	09/15/26	\$ 60,000.00	3.250%			
			09/15/27	60,000.00	3.250%			
			09/15/28	56,000.00	3.250%	\$ 236,000.00	\$ 60,000.00	\$ 176,000.00
Bonds Series 2016	7/20/2016	397,000.00	08/01/26	30,000.00	2.000%			
			08/01/27	30,000.00	2.000%			
			08/01/28	35,000.00	2.000%			
			08/01/29	35,000.00	2.000%			
			08/01/30	37,000.00	2.000%	197,000.00	30,000.00	167,000.00
						<u>\$ 433,000.00</u>	<u>\$ 90,000.00</u>	<u>\$ 343,000.00</u>
					<u>Ref.</u>	E		E

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF BOND ANTICIPATION NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2025

NOT APPLICABLE

TOWN OF DOVER
PARKING UTILITY CAPITAL FUND
SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED
YEAR ENDED DECEMBER 31, 2025

<u>Ord. No.</u>	<u>Ord. Date</u>	<u>Improvement Description</u>	<u>2025 Authorizations</u>	<u>Balance Dec. 31, 2025</u>
40-2025	10/28/25	Various Acquisitions and Improvements	<u>\$ 1,000,000.00</u>	<u>\$ 1,000,000.00</u>
			<u><u>\$ 1,000,000.00</u></u>	<u><u>\$ 1,000,000.00</u></u>

TOWN OF DOVER
PARKING UTILITY OPERATING FUND
SCHEDULE OF SPECIAL EMERGENCY NOTES PAYABLE
YEAR ENDED DECEMBER 31, 2025

Date Authorized	Purpose	Date of		Interest Rate	Balance Dec. 31, 2024	Matured
		Issue	Maturity			
11/10/2020	COVID-19 Emergency	5/23/2024	5/22/2025	5.00%	\$ 66,668.85	\$ 66,668.85
					\$ 66,668.85	\$ 66,668.85
		Ref.	E			
		Paid by Budget Appropriation			\$ 66,668.85	\$ 66,668.85

TOWN OF DOVER

PART II

SINGLE AUDIT

YEAR ENDED DECEMBER 31, 2025

TOWN OF DOVER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025

Name of Federal Agency or Department/ Pass Thru Agency/Cluster Title	Federal Program/ State Program Account #	Assistance Listing Number	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	Amount Paid to Subrecipients
				From	To				
<u>U.S. Department of Treasury</u> (Passed Thru NJ Department of Community Affairs)	COVID-19 American Rescue Plan: Firefighter Grant Program	21.027	\$ 72,000.00	01/01/24	12/31/26	\$ 72,000.00	\$ 69,350.00	\$ 69,350.00	
	Total U.S. Department of Treasury					72,000.00	69,350.00	69,350.00	
<u>U.S. Department of Housing and Urban Development</u> (Passed Thru NJ Department of Community Affairs)	State Administered CDBG Program: Small Cities Community Development Block Grant Program: Bowlby Street Area Infrastructure Improvements	14.228	400,000.00	02/01/22	12/31/25	270,000.00	53,131.57	400,000.00	
	Total U.S. Department of Housing and Urban Development					270,000.00	53,131.57	400,000.00	
<u>U.S. Department of Homeland Security</u> (Passed Thru NJ Department of Law and Public Safety)	Assistance to Firefighters	97.044	41,862.85	01/01/19	12/31/26	6,558.91		38,397.84	
			75,051.71	01/01/21	12/31/26	75,051.71	18,959.29	39,368.32	
			47,609.44	01/01/23	12/31/26	47,609.44	6,957.64	28,071.95	
(Passed Thru NJ Department of Law and Public Safety)			129,753.12	01/01/25	12/31/26	129,753.12			
						258,973.18	25,916.93	105,838.11	
(Passed Thru NJ Department of Law and Public Safety)	Staffing for Adequate Fire and Emergency Response (SAFER):	97.083	463,418.00	01/01/19	12/31/25		144,951.00	463,418.00	
			24,648.74	01/01/21	12/31/26		24,648.74	24,648.74	
							169,599.74	488,066.74	
Total U.S. Department of Homeland Security						258,973.18	195,516.67	593,904.85	

TOWN OF DOVER
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Name of Federal Agency or Department/ Pass Thru Agency/Cluster Title	Federal Program/ State Program Account #	Assistance Listing Number	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures	Amount Paid to Subrecipients
				From	To				
<u>U.S. Department of Health and Human Services</u>									
(Passed through NJ Department of Health and Senior Services)	National Association of County and City Health Officials (NACCHO) Grant: Enhancing Local Public Health Infrastructure - 2023-24	93.967	\$ 355,353.00	07/01/23	12/31/25		\$ 306,588.58	\$ 355,353.00	
	Sustaining Local Public Health Infrastructure - 2024-25		226,076.36	07/01/24	12/31/26	\$ 226,076.36	18,084.26	18,084.26	
	Strengthening Local Public Health Capacity - 2023-24		495,411.00	07/01/23	12/31/25		45,930.78	495,411.00	
	2024-25		74,664.00	07/01/24	12/31/26	133.00	4,923.11	4,923.11	
	Total U.S. Department of Health and Human Services					226,209.36	375,526.73	873,771.37	
<u>U.S. Department of Transportation</u>									
Highway Safety Cluster:									
(Passed Thru NJ Department of Law and Public Safety)	Drive Sober Or Get Pulled Over	20.616	7,000.00	01/01/25	12/31/26	7,000.00			
(Passed Thru NJ Department of Law and Public Safety)	Pedestrian Safety Grant	20.616	24,995.00	01/01/25	12/31/26	24,995.00			
(Passed Thru NJ Department of Law and Public Safety)	Click It or Ticket	20.616	7,000.00	01/01/25	12/31/26	7,000.00			
(Passed Thru NJ Department of Law and Public Safety)	Distracted Driving Incentive	20.616	7,000.00	01/01/25	12/31/26	7,000.00			
	Total U.S. Department of Transportation					45,995.00			
	Total Federal Awards					\$ 873,177.54	\$ 693,524.97	\$ 1,937,026.22	\$ - 0 -

TOWN OF DOVER

SCHEDULE OF EXPENDITURES OF STATE AWARDS

YEAR ENDED DECEMBER 31, 2025

Name of State Agency or Department	State Program	Program Account #	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures
				From	To			
<u>Department of Health</u>	Alcohol Education and Rehabilitation Funds	760-098-9735- 001-060000	\$ 309.50	01/01/25	12/31/26	\$ 309.50		
Division of Family Health Services	Maternal Child and Chronic Diseases - Childhood Lead Exposure Prevention	100-046-4220 501-020080	270,000.00	01/01/23	12/31/26	16,159.00	\$ 55.45	\$ 180,268.09
	Total Department of Health					16,468.50	55.45	180,268.09
<u>Department of Environmental Protection</u>	Clean Communities Grant	765-042-4900- 004-178910	27,443.03 30,780.81 34,961.73 34,675.61	01/01/22 01/01/23 01/01/24 01/01/25	12/31/25 12/31/25 12/31/25 12/31/26		10.00 5,246.04 34,961.73	27,443.03 30,780.81 34,961.73
	Recycling Grant	100-042-4910- 224-238490	17,145.20 15,691.74 16,236.11 19,206.33 18,562.66 17,548.62	01/01/19 01/01/20 01/01/21 01/01/22 01/01/23 01/01/24	12/31/25 12/31/25 12/31/25 12/31/25 12/31/26 12/31/26		40,217.77	93,185.57
	Total Department of Environmental Protection					34,675.61		
<u>Department of Transportation</u>	Municipal Aid Program - White Street Improvements	480-078-6320- AOP-606281	411,700.00	01/01/22	12/31/23	102,925.00		411,700.00
	Audrey Place and Winthrop Place	480-078-6320- AO1-606282	406,800.00	01/01/22	12/31/26		39,590.33	371,711.15
	Liberty Street	480-078-6320- APF-606283	399,630.00	01/01/24	12/31/26	212,977.87	187,023.72	232,773.72
	Safe Streets to Transit Grant - East Blackwell Street	100-078-6200- CQQ-710150	640,000.00	01/01/22	12/31/26		249,830.91	410,522.86
	Total Department of Transportation					315,902.87	476,444.96	1,426,707.73
	Governor's Council on Alcoholism/Drug Abuse: Municipal Alliance on Alcoholism and Drug Abuse	082-2000-100- 044-6010	17,627.26	07/01/19	12/31/26		497.99	7,939.80
	Total Department of Treasury						497.99	7,939.80

TOWN OF DOVER
SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED DECEMBER 31, 2025
(Continued)

Name of State Agency or Department	State Program	Program Account #	Grant Award	Grant Period		Receipts	Expenditures	Cumulative Expenditures
				From	To			
<u>Department of Law & Public Safety</u>	New Jersey Statewide Body Worn Camera Program	100-066-1020- 495-092120	\$ 48,912.00	01/01/22	12/31/26	\$ 39,129.60		\$ 39,814.00
	Total Department of Law & Public Safety					39,129.60	\$ - 0 -	39,814.00
<u>Department of State</u>	New Jersey State Council on the Arts - Local Arts Program Grant - Crosswalk Project	N/A	4,000.00	01/01/24	12/31/25		250.00	4,000.00
	Total Department of State						250.00	4,000.00
Total State Awards						\$ 406,176.58	\$ 594,539.68	\$ 1,838,554.16

N/A - Not Applicable/Available

SEE THE ACCOMPANYING NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

TOWN OF DOVER
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED DECEMBER 31, 2025

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Town of Dover under programs of the federal and state governments for the year ended December 31, 2025. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 25-12, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operation of the Town, they are not intended to and do not present the financial position, changes in fund balance or cash flows of the Town.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available. Negative amounts, if any, shown on the Schedules represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through identifying numbers are presented where available. The Town has elected not to use the 15 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 4: NEW JERSEY INFRASTRUCTURE BANK (NJIB) LOANS

The Town of Dover has the following loans outstanding as of December 31, 2025:

Water Utility Capital Fund:	
NJIB Loans	<u>\$ 201,644</u>

The projects which related to the loans are complete and there were no current year receipts or expenditures on the loans.

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

Independent Auditors' Report

The Honorable Mayor and Members
of the Town Council
Town of Dover
Dover, New Jersey

We have audited in accordance with auditing standards generally accepted in the United States of America, audit requirements prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division"), and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements - *regulatory basis* - of the various funds of the Town of Dover, in the County of Morris (the "Town") as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements and have issued our report thereon dated July 13, 2026. These financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Division to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable Mayor and Members
of the Town Council
Town of Dover
Page 2
July 13, 2026

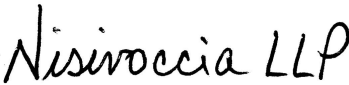
Report on Compliance and Other Matters

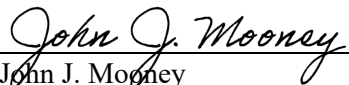
As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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

Mount Arlington, New Jersey
July 13, 2026


NISIVOCCIA LLP


John J. Mooney
Registered Municipal Accountant No. 560
Certified Public Accountant

TOWN OF DOVER
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2025

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the Town's financial statements, prepared in accordance with accounting practices prescribed or permitted by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to demonstrate compliance with the Division's regulatory basis of accounting and the budget laws of New Jersey.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the Town which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- The Town was not subject to the single audit provisions of the Uniform Guidance and New Jersey's OMB Circular 25-12 for the year ended December 31, 2025 as both federal and state grant expenditures were less than the single audit thresholds of \$1,000,000 identified in the Uniform Guidance and New Jersey's OMB Circular 25-12.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- Not applicable since state expenditures were below the single audit threshold.

TOWN OF DOVER
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

The Town had no prior year audit findings.

TOWN OF DOVER

PART III

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2025

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS

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

N.J.S.A. 40A:11-3 states:

a. " When the cost or price of any contract awarded by the contracting agent in the aggregate does not exceed in a contract year the total sum of \$17,500, the contract may be awarded by a purchasing agent when so authorized by ordinance or resolution, as appropriate to the contracting unit, of the governing body of the contracting unit without public advertising for bids, except that the governing body of any contracting unit may adopt an ordinance or resolution to set a lower threshold for the receipt of public bids or the solicitation of competitive quotations. If the purchasing agent is qualified pursuant to Subsection b. of Section 9 of P.L. 1971, C.198 (N.J.S.A. 40A:11-9), the governing body of the contracting unit may establish that the bid threshold may be up to \$44,000. Such authorization may be granted for each contract or by a general delegation of the power to negotiate and award such contracts pursuant to this section.

b. Any contract made pursuant to this section may be awarded for a period of 24 consecutive months, except that contracts for professional services pursuant to subparagraph (i) of paragraph (a) of subsection (1) of section 5 of P.L. 1971, C.198 (N.J.S.A. 40A:11-5) may be awarded for a period not exceeding 12 consecutive months. The Division of Local Government Services shall adopt and promulgate rules and regulations concerning the methods of accounting for all contracts that do not coincide with the contracting unit's fiscal year.

c. The Governor, in consultation with the Department of the Treasury, shall, no later than March 1 of every fifth year beginning in the fifth year after the year in which P.L.1999, C.440 takes effect, adjust the threshold amount and the higher threshold amount which the governing body is permitted to establish, as set forth in subsection a. of this section, or the threshold amount resulting from any adjustment under this subsection, in direct proportion to the rise or fall of the index rate as that term is defined in section 2 of P.L. 1971, C.198 (N.J.S.A. 40A:11-2), and shall round the adjustment to the nearest \$1,000. The Governor shall, no later than June 1 of every fifth year, notify each governing body of the adjustment. The adjustment shall become effective on July 1 of the year in which it is made."

N.J.S.A. 40A: 11-4 states: "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefore, except as is provided otherwise in this act or specifically by any other law. The governing body of a contracting unit may, by resolution approved by a majority of the governing body and subject to subsections b. and c. of this section, disqualify a bidder who would otherwise be determined to be the lowest responsible bidder, if the governing body finds that it has had prior negative experience with the bidder."

Effective July 1, 2020 through June 30, 2025, the bid thresholds in accordance with N.J.S.A. 40A:11-3 were \$17,500 for a contracting unit without a qualified purchasing agent and \$44,000 for a contracting unit with a qualified purchasing agent. Effective July 1, 2025 and thereafter, the bid thresholds in accordance with N.J.S.A. 40A:11-3 are \$17,500 for a contracting unit without a qualified purchasing agent and \$53,000 for a contracting unit with a qualified purchasing agent.

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

The minutes indicated that bids were requested by public advertising per N.J.S.A. 40A:11-4. The minutes also indicated that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services".

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

Contracts and Agreements Required to be Advertised for N.J.S.A. 40A:11-4 (Cont'd)

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. None were noted.

Collection of Interest on Delinquent Taxes and Assessments

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

On January 1, 2025, the governing body adopted a resolution authorizing interest to be charged on delinquent taxes and delinquent sewer transmission fees as follows:

8% per year on sums up to \$1,500.00 and 18% per year on the portion of tax and sewer transmission delinquencies in excess of \$1,500.00 to be calculated from the date the tax and sewer transmission fees were payable until the date of actual payment.

In addition, the governing body adopted a resolution authorizing penalties to be charged on delinquent taxes as follows:

"WHEREAS, Chapter 75 "Laws of 1991" authorizes the Governing Body to fix a 6% penalty to be charged to a taxpayer with a delinquency in excess of \$10,000.00, and who fails to pay said delinquency prior to year end closing, and

"WHEREAS, said penalty is to be calculated with interest included in the total delinquency."

It appears from tests of the Collectors' records that interest was collected in accordance with the foregoing resolutions.

Verification of Delinquent Taxes and Other Charges

A test verification of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services, consisting of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>
Payment of 2025 and 2026 Taxes	20
Delinquent Taxes	20
Payment of 2025 and 2026 Water Rents	10
Payment of 2025 and 2026 Sewer Rents	10
Delinquent Water Rents	10
Delinquent Sewer Rents	10
Tax Title Liens	3

Delinquent Taxes and Tax Title Liens

The last tax sale was held on December 16, 2025 and all eligible properties were included.

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
 (Continued)

Delinquent Taxes and Tax Title Liens (Cont'd)

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

<u>Year</u>	<u>Number of Liens</u>
2025	26
2024	26
2023	25

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

Federal and State Grant Fund:

1. It was noted during the audit, that there were expenditures charged to grants not yet appropriated. This created expenditures without an appropriation that will be raised in the subsequent years budget. It is recommended that procedures be implemented to ensure grant funds are available before expenditures are made.
2. It was noted that there were several grant receivables and appropriated grant reserves which have been on the records of the Town for over five years. It is recommended that the Finance Office review grants receivable and appropriated grant reserve balances from prior years for continued recognition within the Federal and State Grant Fund.

Management's Response:

The Town will ensure that the Federal and State Grant Fund be reviewed to determine which receivables and reserves are valid, and procedures will be implemented to ensure grant funds are available before expenditures are made.

Interfund Balances:

During the audit, it was noted that significant interfund balances existed at year end between the various funds of the Town. It is recommended that interfund balances be liquidated prior to year end and that every effort be made to limit interfund activity.

Management's Response:

The Town will liquidate the interfunds prior to the end of the year and every effort will be made to limit interfund activity.

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
 (Continued)

Payroll:

During our review of the Town's payroll records, it was noted that:

1. The detailed accumulated absence liability estimates for the police and fire departments are maintained separately by these departments. It is recommended that the detailed accumulated absence liability estimates for police and fire department employees be maintained along with all other Town employees in the Human Resources and Payroll Office.

Management's Response:

The Town will maintain detailed accumulated absence liability estimates in a central location for all Town employees.

2. There was no analysis of balance for the Payroll Agency account. It is recommended that an analysis of balance for the Payroll Agency account be maintained on an ongoing basis.

Management's Response:

The Town will maintain an analysis of balance for the Payroll Agency account on an ongoing basis.

Purchasing:

1. During the audit, it was noted that there were single line items in the Current Fund 2025 budget and in the Parking Utility Operating Fund 2025 budget and 2024 appropriation reserves which were overexpended. It is recommended that the Town make the appropriate budget transfers prior to the end of the year to ensure that no line items in the current year budgets or appropriation reserves are overexpended or that the appropriate amount of the line item be budgeted for.

Management's Response:

The Town will make all appropriate budget transfers prior to year-end to avoid overexpenditures.

2. During our review of purchase orders, instances were noted where purchases were made prior to the preparation and approval of purchase orders. It is recommended that purchases are not made prior to the preparation and approval of purchase orders.

Management's Response:

The Town will ensure that purchase orders are prepared and approved prior to purchases being made.

3. During the audit, it was noted that the payments to the PERS and PFRS pension systems for the annual billings were made after the due date resulting in the assessment of significant interest and penalties. It is recommended that payments to the PERS and PFRS pension systems for the annual billings are made timely to avoid interest and penalties.

Management's Response:

The Town will ensure that payments to the PERS and PFRS pension systems for the annual billing are made timely to avoid interest and penalties.

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

Accounting Records:

Our audit of the accounting records revealed that:

1. Some of the bank reconciliations included older outstanding reconciling items from prior years still outstanding as of December 31, 2025. It is recommended that older reconciling items included on bank reconciliations be liquidated or reviewed for possible cancellation.

Management's Response:

The Town will ensure that older reconciling items included on bank reconciliations for all bank accounts are liquidated or reviewed for possible cancellation.

2. The general ledgers were not updated in a timely manner. There were receipts and disbursements and certain entries, such as those related to the tax levy, water utility billings and interfund transactions, that were not posted. The general ledgers for the various funds were not reconciled with the subsidiary ledgers, such as revenue and expenditure reports. Significant reclassifications of journal entries were posted. It is recommended that the general ledger be updated and reconciled with all subsidiary ledgers on a monthly basis.

Management's Response:

The Town will ensure that the general ledger is updated and reconciled with all subsidiary ledgers on a monthly basis.

Water Utility Operating Fund:

During the audit, we noted that an inventory valuation for the Water Utility Operating Fund had not been performed. It is recommended that an inventory valuation is performed for the Water Utility Operating Fund on an annual basis.

Management's Response:

The Town will ensure that an inventory valuation is performed for the Water Utility Operating Fund on an annual basis.

Water Utility Capital Fund:

During the audit, we noted that there were bonds authorized but not issued dating back to 2011. By not issuing this debt, it has created a negative cash position on an ordinance in which the debt was intended to be issued for. It is recommended that the Town begin to raise the funds that are authorized but not issued in future water utility budgets starting in 2026.

Management's Response:

The Town will begin to fund the water capital ordinance that has debt which can no longer be issued with bonds or notes, beginning in the 2026 budget.

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

General Capital and Utility Capital Funds:

We noted that there were ordinances over five years old with deficit cash balances in the general capital and water utility capital funds. The Town is aware of this situation and will fund the deficits with future budget appropriations.

Municipal Court

The Town of Dover is the host of a joint municipal court. The joint municipal court serves the Town of Dover and the Borough of Victory Gardens. A summary of the transactions of the Town of Dover Municipal Court for the year 2025 is as follows:

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

	Balance Dec. 31, 2024	Cash Received	Cash Disbursed	Balance Dec. 31, 2025
State of New Jersey	\$ 18,955.17	\$ 233,157.39	\$ 230,989.21	\$ 21,123.35
County	6,091.75	86,505.77	85,480.02	7,117.50
Municipality - Fines and Fees	59,863.88	667,346.21	666,902.02	60,308.07
Municipality - POAA	672.00	6,270.00	6,212.00	730.00
Municipality - Public Defender	821.00	7,561.50	7,756.50	626.00
Municipality - Interest:				
Regular Account		2,344.17	2,145.18	198.99
Bail Account		51.03	45.68	5.35
Fish and Game		40.00	40.00	
Weights and Measures	1,400.00	22,550.00	23,483.00	467.00
Restitution	200.00	4,738.33	4,913.81	24.52
Conditional Discharge/Dismissal		225.00	225.00	
Bail Account	380.00	13,384.20	13,214.20	550.00
	<u>\$ 88,383.80</u>	<u>\$ 1,044,173.60</u>	<u>\$ 1,041,406.62</u>	<u>\$ 91,150.78</u>

Management Suggestions

Risk Management

The Township is a member of the North Jersey Municipal Employee Benefits Fund (the "Fund") and the financial position and results of the operations of the Fund could affect the Town's financial position. As a member of the Fund, the Town could be subject to supplemental assessments in the event of deficiencies. Our review of the most recent financial statements of the Fund reflects a \$(6,486,598) Deficit in Net Position of the Fund which is a decrease of \$12,303,007 from the prior year. We suggest that the Town continue to monitor the Fund's operations and evaluate the possibility of any supplemental assessments that might be assessed to the Town.

Improvement Authorizations

During the course of our audit, we noticed that there are various older improvement authorizations in the General Capital and Utility Capital Funds with unexpended balances. We suggest that the Town review older improvement authorizations with unexpended balances for possible cancellation or reappropriation.

TOWN OF DOVER
COMMENTS AND RECOMMENDATIONS
(Continued)

Management Suggestions (Cont'd)

GASB Statement No. 104, Disclosure of Certain Capital Assets

Standard requires lease assets as well as subscription assets to be disclosed separately in the capital assets note disclosures. The standard also requires a disclosure for capital assets held for sale where it is probable that the sale will be finalized within one year of the financial statement date. This statement is effective for the year ending December 31, 2026.

GASB Statement No. 105, Subsequent Events

Standard will improve financial reporting related to subsequent events by clarifying the subsequent events time frame and the subsequent events that constitute recognized and nonrecognized events and specifying the information items that are required to be disclosed about subsequent events. This statement is effective for the year ending December 31, 2027.

Status of Prior Year Recommendations

Prior year recommendations 3, 4, 7, 8, 9, 10, 11 and 12 and the unresolved portion of prior year recommendation 6 are repeated as recommendations 2, 3, 5, 6, 7, 8, 9, 11 and 12 in the current year audit. Prior year recommendations 1, 2, 5, and a portion of prior year recommendation 6 have been corrected and do not appear in the 2025 audit.

TOWN OF DOVER
SUMMARY OF RECOMMENDATIONS

It is recommended that:

1. Procedures be implemented to ensure grant funds are available before expenditures are made.
2. The Finance Office review grants receivable and appropriated grant reserve balances from prior years for continued recognition within the Federal and State Grant Fund.
3. All interfund balances be liquidated prior to year end and that every effort be made to limit interfund activity.
4. The detailed accumulated absence liability estimates for police and fire department employees be maintained along with all other Town employees in the Human Resources and Payroll Office.
5. Older reconciling items included on bank reconciliations be liquidated or reviewed for possible cancellation.
6. The general ledger be updated and reconciled with all subsidiary ledgers on a monthly basis.
7. An analysis of balance for the Payroll Agency account be maintained on an ongoing basis.
8. The Town make the appropriate budget transfers prior to the end of the year to ensure that no line items in the current year budgets or appropriation reserves are overexpended or that the appropriate amount of the line item be budgeted for.
9. Purchases are not made prior to the preparation and approval of purchase orders.
10. Payments to the PERS and PFRS pension systems for the annual billings are made timely to avoid interest and penalties.
11. An inventory valuation is performed for the Water Utility Operating Fund on an annual basis.
12. The Town begin to raise the debt that is authorized but not issued in future water utility budgets.