

WOODBIDGE TOWNSHIP FIRE DISTRICT #4

Audit Report

For the Years Ended December 31, 2024 and 2023

BART & BART
Certified Public Accountants

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BART & BART *Certified Public Accountants*

34 Green Street, Woodbridge, NJ 07095

(732) 634 -5680 FAX (732) 602 -1059

INDEPENDENT AUDITOR'S REPORT

Board of Fire Commissioners
Woodbridge Township Fire District #4
Keasbey, NJ 08832

We have audited the combined financial statements of The Woodbridge Township Fire District #4, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related combined statements of activities, net position of the District's various funds for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Woodbridge Township Fire District #4 at December 31, 2024 and 2023, and the changes in net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Woodbridge Township Fire District #4, and to meet our 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Woodbridge Township Fire District #4's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

Board of Fire Commissioners
Woodbridge Township Fire District #4

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Woodbridge Township Fire District #4's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Woodbridge Township Fire District #4's ability to continue as a going concern.

We are required to communicate 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.

Board of Fire Commissioners
Woodbridge Township Fire District #4

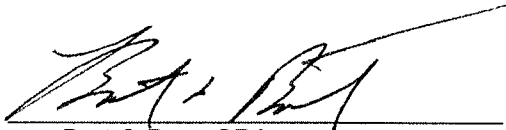
Other Matters

Required Supplementary Information:

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 2 and 3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 18, 2025 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.


Bart & Bart, CPA

Woodbridge NJ
August 18, 2025

BART & BART *Certified Public Accountants*

34 Green Street, Woodbridge, NJ 07095

(732) 634 -5680 FAX (732) 602 -1059

Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To The Board of Fire Commissioners
Woodbridge Township Fire District #4
Keasbey, NJ 08832

We have audited the financial statements of Woodbridge Township Fire District #4, Woodbridge Township, New Jersey, for the year ended December 31, 2024, and have issued our report thereon dated August 18, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and audit requirements as prescribed by the State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected or corrected on a timely basis.

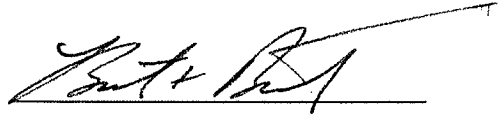
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies in internal over financial reporting that we consider to be a material weakness as defined above. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Board of Fire Commissioners
Woodbridge Township Fire District #4
Keasbey, NJ 08832
Page two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants noncompliance 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 that are required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

This report is intended solely for the information and use of the members of the District and its management and for filing with the Division of Local Government Services, Department of Community Affairs, State of New Jersey and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read 'Bart & Bart', is written over a horizontal line.

Bart & Bart, CPA's

Woodbridge, NJ

August 18, 2025

WOODBIDGE TOWNSHIP FIRE DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2024 and 2023

Unaudited

This discussion and analysis of Woodbridge Township Fire District No. 4's financial performance provides an overall review of the District's financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the district's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2024 as compared to 2023 are as follows

<u>As of December 31,</u>	<u>2024</u>	<u>2023</u>
General Fund Assets	\$ 2,155,020	\$ 1,776,484
Capital Assets - Net	2,412,204	2,495,498
Amount to be provided for Debt	<u>731,262</u>	<u>872,613</u>
Total Assets	<u>\$ 5,298,486</u>	<u>\$ 5,144,595</u>
 Total Liabilities	 <u>\$ 542,607</u>	 <u>\$ 526,711</u>
 Net Position		
Restricted		
Invested in Capital Assets	\$ 2,412,204	\$ 2,495,498
Amount to be provided for Debt	<u>731,262</u>	<u>872,613</u>
Unrestricted	<u>1,612,413</u>	<u>1,249,773</u>
Net Position	<u>\$ 4,755,879</u>	<u>\$ 4,617,884</u>

WOODBRIIDGE TOWNSHIP FIRE DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS, Cont'd.
For the Year Ended December 31, 2024 and 2023

Unaudited

Comparative Statement of Revenues, Expenses and Change in Net Position

There was an increase in Operating Revenues from taxation. Tax Revenue increased \$151,754 or 12% from the prior year due to an increase in the voter approved Tax Levy.

Operating Expenses decreased \$12,524, or 1.5%, from the prior year. Total Operating Revenues less Total Operating Expenses produced a surplus of \$475,394.

The following table shows the history of the past five years property tax levies per \$100 of assessed valuations on property within the District:

<u>Fiscal Year</u>	<u>Assessed Valuations</u>	<u>Total Tax Levy</u>	<u>Property Tax Rates</u>
2025	\$ 75,051,600	\$ 2,027,344	1.870
2024	75,063,900	1,408,431	1.678
2023	75,109,100	1,256,677	1.673
2022	75,087,200	\$991,222	1.326
2021	74,494,500	931,254	1.250

The following table shows the available fund balance maintained by the district, net of the required pension accruals:

	<u>Year Ending December 31,</u>	
	<u>2024</u>	<u>2023</u>
Net Position	\$ 1,612,413	\$1,249,723
Less: Deferred Outflow of Resources	(21,909)	(13,329)
Add: Deferred Inflow of Resources	5,898	81,491
Net Pension Liability	<u>97,642</u>	<u>92,594</u>
Available Fund Balance	<u>\$1,694,044</u>	<u>\$1,407,503</u>

For further information, contact Ms. Maria Bucsanszky, E.A., Accountant for the Board of Fire Commissioners, District #4, Keasbey, NJ 08832.

Woodbridge Township Fire District # 4

SCHEDULE OF PROPORTIONATE SHARE OF PERS NET PENSION LIABILITY (NPL)
DETERMINED AS OF JUNE 30, 2024, PERS MEASUREMENT DATE

Fiscal Year	District's Proportion	District's Proportion	District's Covered Payroll	District's Proportionate Share of NPL as a % of Covered Payroll
2018	0.0005%	\$ 101,389	\$ 41,795	242 %
2019	0.0005%	91,954	34,409	267 %
2020	0.0005%	85,819	38,498	222 %
2021	0.0005%	62,545	46,411	185%
2022	0.0005%	87,709	46,548	188%
2023	0.0006%	92,594	48,669	186%
2024	0.0007%	97,642	50,992	191%

SCHEDULE OF CONTRIBUTIONS

Fiscal Year	Required Contribution	Contributions Recognized by PERS	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2018	\$ 5,122	-	\$ 5,122	\$ 41,795	12%
2019	5,122	\$5,122	-	34,409	15%
2020	5,757	5,757	-	38,498	15%
2021	5,757	5,757	-	46,411	12%
2022	6,183	7,329	1,146	45,432	13%
2023	7,329	7,329	-	49,699	14%
2024	8,544	9,778	(1,234)	50,992	19%

SCHEDULE OF CHANGES IN TOTAL NET PENSION LIABILITY

Fiscal Year	Beginning Balance Total Net Pension	Difference between Expected & Actual	Change of Assumptions	Difference between Expected & Actual Earnings	Change in Proportion Actual Less Proportionate Share	Other Changes and Reclassifications	Ending Balance Total Net Pension Liability
2018	\$ -0-	\$ (523)	\$ (15,712)	\$ (951)	\$ 95,514	\$ (23,061)	\$ 101,389
2019	101,389	1,244	(22,735)	(1,452)	74,041	(61,133)	91,354
2020	91,354	1,260	(33,149)	2,833	56,604	(33,083)	85,819
2021	85,819	538	(21,840)	(16,476)	35,679	(21,075)	62,545
2022	62,545	75	(12,861)	3,630	22,599	11,721	87,709
2023	87,709	(703)	(23,345)	426	(41,514)	70,021	92,594
2024	92,594	(461)	(528)	2,417	3,047	573	97,642

The Pension Schedules are intended to show information for ten years. The State of New Jersey has issued four years of pension information to the Authority. Additional years' information will be displayed as it becomes available.

EXHIBIT 1

Woodbridge Township Fire District #4General FundComparative Statement of Net Position

	<u>December 31,</u>	
<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Cash	\$ 2,133,111	\$ 1,760,129
Accounts Receivable	<u>-0-</u>	<u>-0-</u>
Total Assets	<u>\$ 2,133,111</u>	<u>\$ 1,760,129</u>
Deferred Outflow of Resources:		
Deferred Amount of Net Pension Liability	<u>21,909</u>	<u>16,355</u>
Total Assets and Deferred Outflow of Resources	<u>\$ 2,155,020</u>	<u>\$ 1,776,484</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Liabilities and Reserves:		
Accounts Payable	\$ 40,930	\$ 5,000
Reserves	397,500	347,500
Net Pension Liability	97,642	92,594
Deferred Inflow of Resources	5,898	81,491
Payroll Liability	<u>637</u>	<u>126</u>
Total Liabilities, Reserves and Deferred Inflow of Resources	<u>542,607</u>	<u>526,711</u>
Net Position:		
Unrestricted	<u>1,612,413</u>	<u>1,249,773</u>
Total Net Position	<u>1,612,413</u>	<u>1,249,773</u>
Total Liabilities, Reserves and Net Position	<u>\$ 2,155,020</u>	<u>\$ 1,776,484</u>

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #4General FundStatement of Activities and Changes in Net PositionFor the Year Ended December 31, 2024With Comparative Actual Amounts for the Period Ended December 31, 2023

	<u>2024</u>		<u>Variance</u>	<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>	<u>Actual</u>
<u>Revenues and Other</u>				
<u>Financing Sources:</u>				
Miscellaneous Revenues:				
Uniform Fire Safety Act	\$ 67,576	\$ 19,137	\$ (48,439)	\$ 20,853
Supplemental Fire Services Act	670	670	-	670
Earnings on Investments and Deposits	20,000	23,690	3,690	42,076
Miscellaneous Income	1,000	-	(1,000)	-
Total Miscellaneous Revenues	89,246	43,497	(45,749)	63,599
Fund Balance Appropriated	112,754	112,754	-	173,833
District Taxes	1,408,431	1,408,431	-	1,256,677
Total Revenues and Other Financing Sources	\$ 1,610,431	\$ 1,564,682	\$ (45,749)	\$ 1,494,109
<u>Expenditures:</u>				
Current Operating Appropriations	\$ 1,310,036	\$ 771,746	\$ 538,290	\$ 784,270
Capital Appropriations	300,395	317,541	(17,147)	238,155
Total Expenditures	\$ 1,610,431	\$ 1,089,287	\$ 521,143	\$ 1,022,425
Excess Revenue over Expenditures	-	475,394	475,394	471,684
Less: Fund Balance Utilized	(112,754)	(112,754)	-	(173,833)
Net Position, Beginning of Year	\$ 1,249,773	\$ 1,249,773	-	\$ 951,922
Net Position, End of Year	\$ 1,137,019	\$ 1,612,413	\$ 475,394	\$ 1,249,773

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #4General FundStatement of Expenditures Compared to BudgetFor the Year Ended December 31, 2024With Comparative Actual Amounts for the Period Ended December 31, 2023

	<u>2024</u>		<u>Variance</u>	<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>	<u>Actual</u>
ADMINISTRATION				
Salaries and Wages	\$ 49,200	\$ 47,800	\$ 1,400	\$ 43,667
Election	2,500	1,958	542	1,257
Professional Services	52,000	42,240	9,760	49,512
Total Administration	\$ 103,700	\$ 91,998	\$ 11,702	\$ 94,436
COST OF OPERATIONS:				
Salaries, Wages, Fire Protection	\$ 428,798	\$ 261,876	\$ 166,922	\$ 222,872
Fringe Benefits	245,888	(18,549)	264,437	66,885
Insurance	100,000	89,376	10,624	97,277
Maintenance and Repairs	170,000	113,820	56,180	83,695
Hydrant Services	61,880	61,776	104	54,649
Training and Education	40,000	34,214	5,786	32,785
Utilities	36,030	24,768	11,262	23,036
Fire Protection Agreement	32,000	32,000	-	30,000
Length of Service Awards Program	15,000	6,900	8,100	9,200
Joint Purchasing Agreement	3,800	3,000	800	3,000
Dispatch	43,350	43,350	-	42,293
Supplemental Fire Services Account	670	-	670	-
Radio Maintenance	21,221	21,221	-	22,069
Medical	2,500	880	1,620	-
Total Cost of Operations	1,201,137	674,632	526,505	687,761
Total Current Operating Expenses	1,304,837	766,630	538,207	782,197
CURRENT EXPENSES OFFSET WITH REVENUE				
Uniform Fire Safety Act				
(PL 1983, Ch. 383): Other Expenses	5,200	5,116	84	2,073
Total Operating Appropriations	\$ 1,310,037	\$ 771,746	\$ 538,291	\$ 784,270
CAPITAL APPROPRIATIONS:				
Reserve for Future Capital Outlays	50,000	50,000	-	50,000
Debt Service: Leases	165,394	165,394	-	165,394
Transfer to fixed Assets	85,000	102,147	(17,147)	22,761
Total Capital Appropriations	300,394	317,541	(17,147)	238,155
Total Appropriations	\$ 1,610,431	\$ 1,089,287	\$ 521,144	\$ 1,022,425

See accompanying accountant's reports and notes to financial statements

EXHIBIT 4

Woodbridge Township Fire District #4

Capital Fund

Comparative Statement of Net Position

December 31, 2024 and 2023

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Amount to be Provided for Retirement of Debt	<u>\$ 731,262</u>	<u>\$ 872,613</u>
Total Assets	<u>\$ 731,262</u>	<u>\$ 872,613</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Capital Lease Payable	<u>731,262</u>	<u>872,613</u>
Total Liabilities, Reserves and Net Position	<u>\$ 731,262</u>	<u>\$ 872,613</u>

See accompanying accountant's reports and notes to financial statements.

EXHIBIT 5

Woodbridge Township Fire District #4Capital FundCombining Statement of Amount to be ProvidedFor Retirement of Debt

<u>Purpose</u>	<u>Balance 12/31/23</u>	<u>Bond Paid By Budget Appropriation</u>	<u>Capital Lease/ Bonds Issued</u>	<u>Balance 12/31/24</u>
Lease/Purchase of Rescue Pumper	\$ 271,389	\$ 61,568	\$ -	\$ 209,821
Lease/Purchase of Pierce Arrow Truck	<u>601,224</u>	<u>79,783</u>	<u>-</u>	<u>521,441</u>
Total	<u>\$ 872,613</u>	<u>\$141,351</u>	<u>\$ -</u>	<u>\$ 731,262</u>

See accompanying accountant's reports and notes to financial statements.

EXHIBIT 6

Woodbridge Township Fire District #4
General Fixed Assets Account Group
Comparative Statement of Net Position
December 31, 2024 and 2023

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Building:		
Fire House (estimated cost)	\$ 689,334	\$ 689,334
Land	60,000	60,000
Equipment:		
Apparatus	4,143,431	4,143,431
Vehicles	225,792	145,854
Equipment	66,517	54,125
Furniture and Fixtures	72,542	62,625
Trunking System	60,612	60,612
Total Assets	\$ 5,318,228	\$ 5,215,981
Less Accumulated Depreciation:		
Building	669,268	667,992
Equipment	2,236,756	2,052,491
Total Accumulated Depreciation	2,906,024	2,720,483
Total Net Assets	\$ 2,412,204	\$ 2,495,498
 NET POSITION		
Investment in General Fixed Assets	\$ 2,412,204	\$ 2,495,498

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #4
General Fixed Assets Account Group
Statement of Activities and Changes in Net Position
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>Revenues and Other Financing Sources</u>		
Purchase of Equipment - Net	\$ 102,147	\$ 22,949
Total Revenues and Other Financing Sources	102,147	22,849
<u>Expenditures</u>		
Depreciation	185,353	176,172
Total Expenditures	185,353	176,172
Surplus (Deficit) of Revenue over Expenditures	(83,206)	(153,323)
Net Position, Beginning of Year	2,495,410	2,648,821
Net Position, End of Year	\$ 2,412,204	\$ 2,495,498

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Years Ended December 31, 2024 and 2023

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Woodbridge Township Fire District #4 (The District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Separate financial statements are provided for the following separate funds:

General Fund - Resources and expenditures for governmental operations of a general nature, including federal and state grant funds, except as otherwise noted.

Capital Fund - Resources and expenditures for the acquisition of general capital facilities, other than those acquired through the general fund, including the status of bonds and notes authorized for said purposes.

General Fixed Assets Account Group - Shows the District's investment in buildings and equipment, net of accumulated depreciation.

The following is a summary of the significant policies:

Basis of Accounting - The modified accrual basis of accounting is followed. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the fiscal period. Expenditures are recognized in the period in which the fund liability is incurred, if measurable, except that unearned interest and principal on general obligation debt are accounted for as expenditures in the year becoming due and payable.

Inventories of Supplies - Purchases of materials and supplies are recognized and recorded as expenditures when they are acquired, regardless of when used.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

CAPITAL ASSETS

All reported capital assets, except for land, are depreciated. At December 31, 2024 and 2023, capital assets, and the useful lives used for determination of annual depreciation, were as follows:

	Balance December 31, 2022	Current Year's Activity		Balance December 31, 2023
		Increase	Decrease	
Depreciable				
Land	\$ 60,000	-	-	\$ 60,000
Buildings & Improvements	689,334	-	-	689,334
Machinery & Equipment	4,443,886	22,761	-	4,466,647
	5,193,220	22,761	-	5,215,981
Less: Accumulated Depreciation	2,544,399	176,172	(88)	2,720,483
	\$ 2,648,821	\$ (153,411)	\$ (88)	\$ 2,495,498

	Balance December 31, 2023	Current Year's Activity		Balance December 31, 2024
		Increase	Decrease	
Depreciable				
Land	\$ 60,000	-	-	\$ 60,000
Buildings & Improvements	689,334	10,189	-	699,523
Machinery & Equipment	4,466,647	92,058	-	4,558,705
	5,215,981	102,247	-	5,318,228
Less: Accumulated Depreciation	2,720,483	185,541	-	2,906,024
	\$ 2,495,498	\$ (83,294)	-	\$ 2,412,204

Depreciation expense for the years ended December 31, 2024 and 2023 was \$185,353 and \$176,172, respectively.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

A. Cash

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 any other agencies of the United States that insure deposits or the State of New Jersey Cash Management Fund.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities that mature or are redeemed within one year. Twenty-five percent of the Fund may be invested in eligible securities that mature within two years provided, however, the arbitrage maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required.

In addition, by regulation of the Division of Local Government Services, fire districts are allowed to deposit funds in Government Money Market Mutual Funds purchased through state registered brokers/dealers and banks.

In accordance with the provisions of the Governmental Unit Deposit Protection Act of New Jersey, public depositories are required to maintain collateral for deposits of public funds that exceed insurance limits as follows:

The market value of the collateral must equal five percent of the average daily balance of public funds or,

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

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 \$25,000,000.00.

The amount on deposit of the District's cash and cash equivalents at December 31, 2024, is as follows:

Checking Account	\$ 2,133,111
Money Market	-
	\$ 2,133,111

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. INVESTMENTS

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the local unit or school districts of which the local unit is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments.
- Local government investment pools, such as New Jersey CLASS and the New Jersey Arbitrage Rebate Management Program.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

In addition, a variety of State laws permit local governments to invest in a wide range of obligations issued by State governments and its agencies.

C. RISK ANALYSIS

All bank deposits, as of the net position date, are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Protection Act.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 2. CAPITAL LEASES

On January 26, 2018, the District entered into a lease with option to purchase agreement for \$730,000 for a new pumper. The terms of the agreement called for a down payment of \$100,000 which was paid from the District's reserve fund and the balance of the lease to be paid as follows:

<u>Due Date</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
Jan. 26, 2022	\$ 73,478.00	\$ 57,363.95	\$ 16,114.05	\$ 401,956.04
Jan. 26, 2023	73,478.00	59,429.05	14,048.95	340,744.12
Jan. 26, 2024	73,478.00	61,568.50	11,909.50	277,328.56
Jan. 26, 2025	73,478.00	63,784.96	9,693.04	211,630.05
Jan. 26, 2026	73,478.00	66,081.22	7,396.78	143,566.40
Jan. 26, 2027	73,478.00	68,460.15	5,017.85	73,052.44
Jan. 26, 2028	73,478.00	70,924.70	2,553.30	-

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 2. CAPITAL LEASES (Cont'd)

In 2021, the District entered into a lease with an option to purchase agreement for \$835,000 cost of a Pierce Arrow at an annual rate of 1.78%. The following is the District's debt service obligations:

<u>Due Date</u>	<u>Payment</u>	<u>Outstanding Principal</u>	<u>Interest</u>	<u>Balance</u>
Aug. 27, 2022	\$91,916.99	\$77,008.90	\$14,908.09	\$757,991.10
Aug. 27, 2023	91,916.99	78,383.82	13,533.17	679,607.28
Aug. 27, 2024	91,916.99	79,783.83	12,133.71	599,824.00
Aug. 27, 2025	91,916.99	81,207.73	10,709.26	518,616.27
Aug. 27, 2026	91,916.99	82,657.62	9,259.37	435,958.65
Aug. 27, 2027	91,916.99	84,133.38	7,783.31	351,825.27
Aug. 27, 2028	91,916.99	85,635.50	6,281.49	266,189.77
Aug. 27, 2029	91,916.99	87,164.44	4,752.55	179,025.33
Aug. 27, 2030	91,916.99	88,720.67	3,196.32	90,304.66
Aug. 27, 2031	91,916.99	90,304.66	1,602.39	-

The District had no other debt or debt service obligations as of December 31, 2024.

Note 3. PENSION

Employees participate in both the Public Employees' Retirement System of New Jersey and the Police and Firemen's Retirement System of New Jersey (PERS). Both are contributory defined benefit public employee retirement systems that were established by State statute. The Systems are sponsored and administered by the Division of Pensions and Benefits. The Systems are considered a cost-sharing, multiple-employer plan. Covered employees are required by statute to contribute a certain percentage of their salary to the Plans. The Division of Pensions bills the District annually for its required contributions.

Following is the total of the District's portion of the PERS net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and the pension expense and expenditures for the fiscal year ended December 31, 2024 and 2023. Due to the District's brief history of PFRS participation, there was no net pension liability associated with PFRS.

	<u>2024</u>	<u>2023</u>
Net Pension Liabilities	\$ 97,642	\$ 92,594
Deferred Outflow of Resources	21,909	16,355
Deferred Inflow of Resources	5,898	81,491
Pension Expense	9,141	3,428

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 3. PENSION (Continued)

PERS is a cost-sharing, multiple-employer defined benefit pension plan. Both provide retirement and disability benefits, annual cost of living adjustments and benefits to plan members and their beneficiaries. As a condition of employment, all District full-time employees are required to be members.

Plan Description and Benefits - PERS

PERS members can apply for a service retirement of age 60 if enrolled before November 2, 2008 (Tier 1 or Tier 2), or at age 62 if enrolled on or after November 2, 2008, but before June 28, 2011 (Tier 3 or Tier 4), or at age 65 if enrolled on or after June 28, 2011 (Tier 5) regardless of the amount of service credit earned.

Tier 1, 2 or 3: Annual Benefit = Years of Service Credit, divided by 55, times Final Average Salary (average salary of the last three years of credited service or the highest three fiscal years of credited service, whichever provides the higher benefit). Tier 4 or Tier 5: Annual Benefit = Years of Service Credit, divided by 60, times Final Average Salary (average salary of the last five years of credited service or the highest five fiscal years of credited service, whichever provides the higher benefit). Pension benefits fully vest on reaching 10 years of service. Vested employees who were enrolled prior to July 1, 2007, and who have established 25 years or more of creditable service may retire without penalty at or after age 55 and receive full retirement benefits. PERS also provides death and disability benefits. Benefits are established by State statute.

Contributions

Employees contribution rates to PERS governed by P.L. 2011, C. 78, effective June 28, 2011, were increased from 5.5% of salary to 6.5% of salary, and a phase-in to 7.5% of salary over a seven-year period. Covered District employees are required by PERS to contribute 7.50% of their salaries. State statute requires the District to contribute an actuarially determined rate which includes the normal cost and the unfunded accrued liability. The amount of the District's contribution is certified each year by PERS on the recommendation of the actuary, who makes an annual actuarial valuation. The valuation is based on a determination of the financial condition of the retirement system. It includes the computation of the present dollar value of benefits payable to former and present members and the present dollar value of future employer and employee contributions, giving effect to mortality among active and retired members and also to the rates of disability, retirement, withdrawal, former service, salary and interest. In accordance with State statute, the long-term expected rate of return on plan investments 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.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 3. PENSION (Continued)

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 non - employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows 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 non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer.

Assumptions – PERS:

	<u>2024</u>	<u>2023</u>
Inflation Rate	2.75%	2.75%
Through 2026	2.75 – 6.55%	2.00 – 6.55%
	(Based on Years of Service)	(Based on Years of Service)
Investment Rate of Return	7.00%	7.00%

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024 and 2023, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 3. PENSION (Continued)

The following presents the District's proportionate share of the PERS net pension liability calculated using the discount rate of 7.00% as of December 31, 2024 and 2023, respectively, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the assumed rate.

Sensitivity of the Districts Proportionate Share of the PERS Local Share Net Pension Liability
to Changes in the Discount Rate

	<u>At 1% decrease (6.00%)</u>	<u>At current discount rate (7.00%)</u>	<u>At 1% increase (8.00%)</u>
2024	\$ <u>118,146</u>	\$ <u>97,642</u>	\$ <u>80,066</u>
	<u>At 1% decrease (6.00%)</u>	<u>At current discount rate (7.00%)</u>	<u>At 1% increase (8.00%)</u>
2023	\$ <u>111,112</u>	\$ <u>92,594</u>	3 \$ <u>76,853</u>

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

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups.

To facilitate the separate (sub) actuarial valuations, The Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amount by employer. The allocation percentages for each group as of June 30, 2023, are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 3. PENSION (Continued)

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collected deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentage presented in the PERS and PFRS schedule of employer allocations and applied to amounts presented in the PERS schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the year ended June 30, 2024. The District's proportionate share of the collective net pension liability as of December 31, 2024 and 2023 was 0.0007% and 0.0006%.

At December 31, 2024 and 2023, the amount recognized as the District's proportionate share of the PERS net pension liability was \$97,642 and \$92,594, respectively. For the year ended December 31, 2024 and 2023, respectively, the District recognized PERS pension expense of \$ 8,544 and \$3,428, respectively.

At December 31, 2024, the Agency's deferred outflows of resources and deferred inflows of resources related to the PERS pension are from the following sources:

	<u>2024</u>		<u>2023</u>	
	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference Between Expected and Actual Experience	\$ 1,956	\$ 260	\$ 885	\$1,588
Changes of Assumptions	121	1,111	203	23,548
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	-	426	-
Changes in Proportion and Differences Between District Contributions and Proportionat Share of Contributions	<u>19,832</u>	<u>-</u>	<u>14,841</u>	<u>56,355</u>
Total	<u>\$ 21,909</u>	<u>\$ 5,898</u>	<u>\$ 16,355</u>	<u>\$ 81,491</u>

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 3. PENSION (Continued)

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

<u>Year Ended December 31,</u>	<u>Total</u>
2025	\$(51,235)
2026	68,046
2027	(19,693)
2028	(13,769)
2029	<u>16,651</u>
	<u>\$ 16,011</u>

BASIS OF ACCOUNTING

The financial statements of the PERS pension fund are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the fund. Benefits or refunds are recognized when due and payable in accordance with the terms of the fund.

INVESTMENT VALUATION

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund, Common Pension Fund A, Common Pension Fund B, Common Pension Fund D and Common Pension Fund E. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290. More information on mortality rates and other assumptions, and investment policies, can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

Woodbridge Township Fire District #4

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 4. LENGTH OF SERVICE AWARDS PROGRAM (LOSAP)

The Fire District offers its employees a Length of Service Awards Program in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the Program and all income attributed to those amounts are the exclusive property of the Fire District, subject to the claims of its general creditors. Participants' rights under the Program are equal to those of a general creditor of the Fire District in an amount equal to the fair market value of the deferred account for each participant. It is unlikely that the Fire District would use Program assets to satisfy claims of the general creditors in the future.

Note 5. SUBSEQUENT EVENTS

In Management's opinion, there are no other material events subsequent to December 31, 2024, which would require recognition in the financial statements.

Woodbridge Township Fire District #4

ROSTER OF OFFICIALS

Board of Commissioners

William Krejci	President
Edwin Reyes	Commissioner
Denise Ortiz-Polidura	Vice - President
Richard Polidura	Treasurer
Robert Pawol	Secretary

Other Officials

Maria Bucsanszky	Accountant
Richard A. Fazzari	Attorney
William Drake	Fire Official

Surety Company

Employee Dishonesty coverage for \$500,000 on each employee and \$25,000 on the Treasurer.

WOODBIDGE TOWNSHIP FIRE DISTRICT #4

Comments and Recommendations

For the Year Ended December 31, 2024 and 2023

None