

WOODBRIIDGE TOWNSHIP FIRE DISTRICT #8

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*

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INDEPENDENT AUDITOR'S REPORT

Board of Fire Commissioners
Woodbridge Township Fire District #8
Hopelawn, NJ 08861

We have audited the combined financial statements of The Woodbridge Township Fire District #8, 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 #8 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 #8, 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 #8's ability to continue as a going concern within one year after the date the financial statements are available to be issued.

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 #8'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 #8's ability to continue as a going concern.

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.

Board of Fire Commissioners
Woodbridge Township Fire District #8

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 14, 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, CPAs

Woodbridge NJ
August 14, 2025

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

Board of Fire Commissioners
Woodbridge Township Fire District #8
Hopelawn, NJ 08861

We have audited the financial statements of Woodbridge Township Fire District #8, Woodbridge Township, New Jersey, for the year ended December 31, 2024, and have issued our report thereon dated August 14, 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 Districts 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 Districts 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 material weaknesses 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 #8
Hopelawn, NJ 08861
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 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 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 blue ink, appearing to read "Bart & Bart", is written over a horizontal line.

Bart & Bart, CPA's

Woodbridge, NJ
August 14, 2025

WOODBRIIDGE TOWNSHIP FIRE DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2024
Unaudited

This discussion and analysis of Woodbridge Township Fire District No. 8'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:

	As of December 31,	
	2024	2023
Total Assets and Deferred Outflows of Resources	\$1,197,280	\$1,032,727
Capital Assets - Net	993,717	1,065,149
 Total Assets	 \$ 2,190,997	 \$ 2,097,876
 Total Current Liabilities	 523,942	 474,513
Noncurrent Liabilities		
Net Defined Pension Liability and Deferred Outflows of Resources	57,231	70,109
 Total Liabilities, Reserves and Deferred Inflows of Resources	 \$ 581,173	 \$ 544,622
Net Position		
Restricted:		
Invested in Capital Assets	993,717	1,065,149
Unrestricted	616,107	488,105
 Net Position	 \$1,609,824	 \$ 1,553,254

Comparative Statement of Revenues, Expenses and Change in Net Position

Tax Revenue increased \$72,042 or .07% from the prior year due to a decrease in the voter approved Tax Levy.

Operating Expenses decreased \$167,263 or .14% from the prior year.

Total Operating Revenues less Total Operating Expenses produced a surplus of \$135,574.

WOODBIDGE TOWNSHIP FIRE DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2024

Unaudited

Comparative Statement of Revenues, Expenses and Change in Net Position (Continued)

Net Position as of December 31, 2024 increased \$56,570 from \$1,553,254 to \$1,609,824, primarily as result of pension liability accruals required by the implementation of GASB 68.

	Year Ending December 31,	
	2024	2023
Total Operating Revenues	\$ 1,151,586	\$ 1,274,747
Operating Expenses	915,826	924,202
Operating Income	235,760	350,545
Revenue Offsets	(11,147)	(16,676)
Capital Appropriations	(89,139)	(242,497)
Total Operating Surplus	\$ 135,474	\$ 91,372

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

	Year Ending December 31,	
	2024	2023
Net Position	\$ 616,107	\$ 488,105
Less; Deferred Outflow of Resources	(6,121)	(4,824)
Add: Deferred Inflow of Resources	5,114	17,646
Net Pension Liability	52,117	52,463
Available Fund Balance	\$ 667,217	\$ 553,390

Uniform Fire Safety Act revenues increased \$7,772. Earnings on investments increased \$994. District taxes increased \$72,042.

WOODBIDGE TOWNSHIP FIRE DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2024

Unaudited

Financial Highlights (Continued)

The following table shows the history of the past ten 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 Rate</u>
2025	\$104,991,400	\$1,146,096	1.050
2024	104,684,100	1,104,814	.990
2023	104,770,500	1,032,871	.919
2022	100,818,800	938,168	.930
2021	99,196,000	990,256	.998
2020	97,743,200	915,470	.911
2019	100,416,500	896,858	.869
2018	100,303,500	874,873	.870
2017	100,503,500	867,834	.860
2016	98,016,000	798,086	.846
2015	96,054,100	798,086	.746

For further information, contact Ms. Maria Bucsanszky, E.A., Accountant for the Board of Fire Commissioners, District #8, at 127 Loretta St., Woodbridge, NJ 08861.

Woodbridge Township Fire District # 8

**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 Proportionate Share	District's Covered Payroll	District's Proportionate Share of NPL as a % of Covered Payroll
2024	0.0003 %	\$ 52,117	37,500	138%
2023	0.0003%	52,463	\$ 30,500	172%
2022	0.0003%	54,068	25,250	214%
2021	0.0003%	40,250	26,400	152%
2020	0.0003%	53,411	24,900	214%
2019	0.0006%	109,955	23,700	463%
2018	0.0005%	115,503	36,392	317%
2017	0.0005%	138,455	41,200	336%
2016	0.0006 %	198,162	44,450	445%
2015	0.0005 %	129,377	46,024	281%

SCHEDULE OF CONTRIBUTIONS

Fiscal Year	Required Contribution	Contributions Recognized by PERS	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2024	\$ 4,841	\$ 5,219	\$(378)	\$ 37,500	13.9%
2023	4,518	4,841	323	30,500	15.87%
2022	3,978	4,518	(539)	25,250	17.89%
2021	3,583	3,979	396	26,426	15.07%
2020	3,535	3,535	-	24,900	14.1%
2019	5,835	5,835	-	23,700	24.6%
2018	5,510	5,835	325	36,392	16.0 %
2017	5,944	5,944	-	41,200	14.1%
2016	4,955	4,955	-	44,450	11.1%
2015	4,549	4,549	-	46,402	9.8%

SCHEDULE OF CHANGES IN TOTAL NET PENSION LIABILITY

Fiscal Year	Beginning Balance Total Net Pension	Difference between Expected & Actual Experience	Change of Assumptions	Difference between Expected & Actual Earnings	Proportion & Change in Proportionate Share	Other Changes and Reclassifications	Ending Balance Total Net Pension Liability
2024	\$52,463	\$905	\$(528)	\$(2,417)	\$ 3,047	\$ 1,353	\$ 52,117
2023	54,068	288	(3,065)	242	(10,287)	11,217	52,463
2022	40,250	46	(7,928)	2,238	(21,109)	40,571	54,068
2021	53,411	347	(14,119)	(10,603)	(36,465)	47,679	40,250
2020	109,755	784	(20,631)	1,826	(51,320)	12,997	53,411
2019	115,303	1,485	(27,137)	(1,733)	993	20,344	109,755
2018	138,455	1,607	(17,899)	-	(3,175)	(3,685)	115,303
2017	198,612	3,260	22	943	(1,389)	(62,548)	138,455
2016	129,327	3,685	41,049	7,556	15,722	823	198,162
2015	103,313	3,086	13,894	57	(94)	2,971	129,327

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.

Woodbridge Township Fire District #8
General Fund

Comparative Statement of Net Position

<u>ASSETS</u>	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u>
Cash	\$ 1,190,551	\$ 1,020,295
Accounts Receivable	608	608
Prepaid Expenses	-	7,000
	<hr/>	<hr/>
Total Assets	1,191,159	1,027,903
Deferred Outflow of Resources:		
Deferred Amount of Net Pension Liability	<hr/> 6,121	<hr/> 4,824
Total Assets and Deferred Outflow of Resources	<hr/> <u>\$ 1,197,280</u>	<hr/> <u>\$ 1,032,727</u>
 <u>LIABILITIES, RESERVES AND FUND BALANCE</u>		
Liabilities and Reserves:		
Accounts Payable	\$ 18,340	\$ 13,911
Reserve for Capital Expenditures	505,602	460,602
Net Pension Liability	<hr/> 52,117	<hr/> 52,463
Total Liabilities and Reserves	576,059	526,976
Deferred Inflow of Resources	<hr/> 5,114	<hr/> 17,646
Total Liabilities, Reserves and Deferred Inflows of Resources	<hr/> <u>\$ 581,173</u>	<hr/> <u>\$ 544,622</u>
Net Position:		
Unrestricted	<hr/> 616,107	<hr/> 488,105
Total Net Position	<hr/> 616,107	<hr/> 596,190
Total Liabilities, Reserves and Net Position	<hr/> <u>\$ 1,197,280</u>	<hr/> <u>\$ 1,032,727</u>

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #8
General Fund
Statement of Activities and Changes in Net Position
For the Year Ended December 31, 2024
With Comparative Actual Amounts for the Period Ended December 31, 2023

	2024		Variance Favorable (Unfavorable)	2023
	Budget	Actual		Actual
Revenues and Other <u>Financing Sources:</u>				
Miscellaneous Revenues:				
Uniform Fire Safety Act				
- Annual Registration Fees	\$ 31,529	\$ 16,441	\$ (15,088)	\$ 20,012
- Other Fees, Penalties, Fines, etc.	-	8,294	8,294	6,523
Supplemental Fire Services Act	783	783	-	783
Earnings on Investments and Deposits	10,000	13,782	3,782	14,774
Miscellaneous Income	-	-	0	326
Total Miscellaneous Revenues	42,312	39,300	(3,012)	42,418
Fund Balance Appropriated	7,472	7,472	-	199,457
Equipment Reserve	-	-	-	-
Total Fund Balance & Reserve				
Appropriated	7,472	7,472	-	199,457
District Taxes	1,104,814	1,104,814	-	1,032,872
Total Revenues and Other Financing Sources	\$ 1,154,598	\$ 1,151,586	\$ (3,012)	\$ 1,274,747
<u>Expenditures:</u>				
Current Operating Appropriations	\$ 1,050,459	\$ 915,826	\$ 134,633	\$ 924,202
Appropriations Offset with Revenue:				
Uniform Fire Safety Act	15,000	11,147	3,853	16,676
Capital Appropriations	89,139	89,139	-	242,497
Total Expenditures	\$ 1,154,598	\$ 1,016,112	\$ 138,486	\$ 1,183,375
Excess of Revenue over Expenditure	-	135,474	135,474	91,372
Less: Fund Balance Utilized	(7,472)	(7,472)	-	(199,457)
Net Position, Beginning of Year	488,105	488,105	-	596,190
Net Position, End of Year	\$ 480,633	\$ 616,107	\$ 135,474	\$ 488,105

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #8
General Fund
Statement of Expenditures Compared to Budget
For the Year Ended December 31, 2024
With Comparative Actual Amounts for the Period Ended December 31, 2023

	<u>2024</u>		Variance:	<u>2023</u>
	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable)	<u>Actual</u>
ADMINISTRATION:				
Salaries and Wages	\$ 152,400	\$ 126,175	\$ 26,225	\$ 136,418
Fringe Benefits	17,841	3,386	14,455	746
Election	4,000	2,453	1,547	2,372
Office Expenses	12,500	6,646	5,854	11,234
Professional Services	41,800	39,325	2,475	35,162
Outside Services	2,500	650	1,850	850
Contingent	2,500	-	2,500	315
Total Administration	\$ 233,541	\$ 178,635	\$ 54,906	\$ 187,097
COST OF OPERATIONS:				
Insurance	96,000	95,300	700	90,784
Maintenance and Repairs	132,870	109,658	23,212	72,812
Hydrant Services	88,166	88,165	1	78,873
Training and Education	12,000	10,514	1,486	10,159
Equipment and Training	66,457	45,671	20,786	89,221
Utilities	35,000	34,123	877	30,588
Medical	11,500	10,000	1,500	11,446
First Aid	100	-	100	-
Radio Agreements	68,051	68,051	-	67,753
LOSAP	35,000	31,050	3,950	19,046
Fire Protection Agreement	54,326	54,326	-	52,086
Fire Service Duty Crew	181,874	181,874	-	177,914
Computers/Internet/Equipment	18,274	2,729	15,545	33,353
Joint Board	8,300	3,000	5,300	3,000
Weather	9,000	2,730	6,270	70
Total Cost of Operations	816,918	737,191	79,727	737,105
Total Current Operating Expenses	1,050,459	915,826	134,633	924,202
EXPENSES OFFSET WITH REVENUE				
Uniform Fire Safety Act (PL 1983, Ch 383)				
Other Expenses	15,000	11,147	3,853	16,676
Total Operating Appropriations	1,065,459	926,973	138,486	940,878
CAPITAL APPROPRIATIONS:				
Capital Lease	44,139	44,139	-	129,313
New Vehicle	-	-	-	68,184
Reserve-Future Capital Outlays	45,000	45,000	-	45,000
Total Capital Appropriations	89,139	89,139	-	242,497
Total Appropriations	\$ 1,154,598	\$ 1,016,112	\$ 138,486	\$ 1,183,375

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

Woodbridge Township Fire District #8Capital FundCombining Statement of Amount to be Provided for Retirement of Debt

<u>Purpose</u>	<u>Balance 12/31/2023</u>	<u>Lease/Purchase Paid by Budget Appropriation</u>	<u>Lease/Purchase of Equipment</u>	<u>Balance 12/31/2024</u>
Lease/Purchase of:				
Rescue Truck	<u>\$249,659</u>	<u>\$ 38,742</u>	<u>-</u>	<u>\$210,917</u>
Total	<u>\$249,659</u>	<u>\$ 38,742</u>	<u>\$ -</u>	<u>\$210,917</u>

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

Woodbridge Township Fire District #8Capital FundComparative Statement of Net Position

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
Amount to be Provided for Retirement of Debt	<u>\$210,917</u>	<u>\$249,659</u>
Total	<u>\$210,917</u>	<u>\$249,659</u>
 <u>LIABILITIES, RESERVES, AND FUND BALANCE</u>		
Capital Lease Payment	<u>\$210,917</u>	<u>\$249,659</u>
Total Liabilities, Reserves, and Fund Balance	<u>\$210,917</u>	<u>\$249,659</u>

Woodbridge Township Fire District #8
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	\$ 514,284	\$ 510,734
Equipment:		
Vehicles	2,107,663	2,107,663
Equipment	<u>88,066</u>	<u>83,654</u>
Total Assets	\$ 2,710,013	\$ 2,702,051
Less Accumulated Depreciation:		
Building	338,242	324,858
Equipment & Vehicles	<u>1,378,054</u>	<u>1,312,044</u>
Total Accumulated Depreciation	<u>1,716,296</u>	<u>1,636,902</u>
Total Net Assets	<u>\$ 993,717</u>	<u>\$ 1,065,149</u>
 <u>NET POSITION</u>		
Investment in General Fixed Assets	<u>\$ 993,717</u>	<u>\$ 1,065,149</u>

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #8
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>		
Total Revenues and Other Financing Sources - Net	\$ 7,862	\$ 68,082
 <u>Expenditures:</u>		
Depreciation	<u>\$ 79,294</u>	<u>\$ 79,205</u>
Total Expenditures	<u>79,294</u>	<u>79,205</u>
Deficit of Revenue Over Expenditures	(71,432)	(10,919)
Net Position, Beginning of Year	<u>1,065,149</u>	<u>1,076,068</u>
Net Position, End of Year	<u><u>\$ 993,717</u></u>	<u><u>\$ 1,065,149</u></u>

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #8

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 #8 (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.

The District has adopted GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB 67 and 68* ("GASB 73"). Statement No. 73 requires the Authority to present a 10-year schedule of changes in total net pension liability is presented in Required Supplementary Information of these financial statements. The District also implemented GASB Statement No. 82, *Pension Issues*, which requires presentation of covered payroll, defined as payroll on which contributions are based, and ratios that use that measure, in schedules of required supplementary information.

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2024

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

	<u>Balance</u> <u>December 31, 2023</u>	<u>Current Year's</u> <u>Activity</u> <u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>December 31, 2024</u>
Depreciable:				
Buildings & Improvs.	\$ 510,734	\$ 3,550	-	\$ 514,284
Vehicles & Equipment	<u>2,191,417</u>	<u>4,312</u>	<u>-</u>	<u>2,195,729</u>
	2,702,151	7,862	-	2,710,013
Less: Accumulated Depreciation	<u>1,637,002</u>	<u>79,294</u>	<u>-</u>	<u>1,716,296</u>
	<u>\$ 1,065,149</u>	<u>\$ (71,432)</u>	<u>-</u>	<u>\$ 993,717</u>
	<u>Balance</u> <u>December 31, 2022</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance</u> <u>December 31, 2023</u>
Depreciable:				
Buildings & Improvs.	\$ 510,734	-	-	\$ 510,734
Vehicles & Equipment	<u>2,123,131</u>	<u>68,286</u>	<u>-</u>	<u>2,191,417</u>
	2,633,865	68,286	-	2,702,151
Less: Accumulated Depreciation	<u>1,557,797</u>	<u>79,205</u>	<u>-</u>	<u>1,637,002</u>
	<u>\$ 1,076,068</u>	<u>\$ (10,919)</u>	<u>-</u>	<u>\$ 1,065,149</u>

Depreciation expense for the years ended December 31, 2023 and 2022 were \$79,294 and \$74,205, respectively.

See accompanying accountant's reports and notes to financial statements

Woodbridge Township Fire District #8

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 insures 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	<u>\$ 1,190,551</u>
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Woodbridge Township Fire District #8

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 investments:

- 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 #8

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 3. CAPITAL LEASES

In November of 2013, the District entered into a Lease with Option to Purchase Agreement (Agreement) for the \$598,140 cost of equipment at an annual rate of 4.18%. This Agreement was assigned by the Lessor in November 2013.

The following is the District's debt service obligations under this agreement.

<u>Due Date</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
November 25, 2016	\$ 85,173.01	\$ 67,288.61	\$ 17,884.40
November 25, 2017	85,173.01	69,300.61	15,872.48
November 25, 2018	85,173.01	71,372.62	13,800.39
November 25, 2019	85,173.01	73,506.66	11,666.35
November 25, 2020	85,173.01	75,704.51	9,468.50
November 25, 2021	85,173.01	77,968.08	7,204.93
November 25, 2022	85,173.01	80,299.32	4,873.69
November 25, 2023	85,173.01	82,700.30	2,472.71

In October of 2020, the District entered into a Lease with Option to Purchase Agreement (Agreement) for the \$699,000 estimated cost of a rescue truck. The following is the District's debt service obligations under this agreement.

<u>Due Date</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
September 15, 2021	\$44,138.94	\$ 36,636.58	\$ 7,502.36
September 15, 2022	44,138.94	37,725.49	6,813.45
September 15, 2023	44,138.94	38,027.37	6,111.57
September 15, 2024	44,138.94	38,742.44	5,396.50
September 15, 2025	44,138.94	39,470.96	4,667.94
September 15, 2026	44,138.94	40,213.18	3,925.76
September 15, 2027	44,138.94	40,969.35	3,169.59
September 15, 2028	44,138.94	41,739.74	2,399.20
September 15, 2029	44,138.94	42,524.62	1,614.31
September 15, 2030	44,138.94	43,324.26	814.68

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 4. PENSION

Employees participate in the Public Employees' Retirement System of New Jersey (PERS). PERS is a contributory defined benefit public employee retirement system that was established by State statute. The System is 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 and PFRS 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.

	<u>2024</u>	<u>2023</u>
Net Pension Liabilities	\$ 52,117	\$ 52,463
Deferred Outflow of Resources	6,121	4,824
Deferred Inflow of Resources	5,114	17,646
Expense	(8,958)	(10,695)
Contributions Made	5,219	4,841

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.

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 4. PENSION (Continued)

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 7.5% 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.

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.

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2023 and 20224

Note 4. PENSION (Continued)

<u>Assumptions PERS:</u>	<u>2024</u>	<u>2023</u>
Inflation Rate	2.75%	2.75%
Salary Increases	2.75 – 6.55% Based on Years of Service	2.75 – 6.55% 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.

Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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>\$ 63,061</u>	<u>\$ 52,117</u>	<u>\$ 42,735</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>\$ 62,955</u>	<u>\$ 52,463</u>	<u>\$ 43,544</u>

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 4. PENSION (Continued)

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, 2024 and 2023, are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2024 and 2023, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to 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 years ended June 30, 2024 and 2023. The District's proportionate share of the collective net pension liability as of December 31, 2024 was 0.0003%.

At December 31, 2024 & 2023, the amount recognized as the District's proportionate share of the PERS net pension liability was \$ 52,117 and \$52,463 respectively. For the years ended December 31, 2023 & 2022, the District recognized PERS pension expense of (\$8,958) & \$(10,695) respectively.

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

Note 4. PENSION (Continued)

At December 31, 2024 and 2023, 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	\$ 1,044	\$ 139	\$ 502	\$ 214
Changes of Assumptions	65	593	115	3,180
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,417	242	-
Changes in Proportion	<u>5,012</u>	<u>1,965</u>	<u>3,965</u>	<u>14,252</u>
 Total	 <u>\$ 6,121</u>	 <u>\$ 5,114</u>	 <u>\$ 4,824</u>	 <u>\$ 17,646</u>

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

<u>Year Ended December 31,</u>	<u>Total</u>
2025	\$ (3,224)
2026	4,279
2027	(1,238)
2028	866
2029	<u>324</u>
	 <u>\$ 1,007</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.

Woodbridge Township Fire District #8

Notes to Financial Statements

For the Year Ended December 31, 2024 and 2023

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/annrpts.shtml.

Note 6. 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 7. SUBSEQUENT EVENTS

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

Woodbridge Township Fire District #8

ROSTER OF OFFICIALS

Board of Commissioners

Robert Gillespie	President
Daniel Aquino	Vice President
Dennis Petrick	Treasurer
Thomas Mayaros	Secretary
Joseph Natole	Financial Secretary

Other Officials

Maria Bucsanszky	Accountant
Richard Braslow	Attorney

Surety Company

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

WOODBIDGE TOWNSHIP FIRE DISTRICT #8

Comments and Recommendations

For the Year Ended December 31, 2024

NONE