

**BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1**  
**Monmouth County, New Jersey**  
**Financial Statements**  
**December 31, 2024 and 2023**  
**With Independent Auditor's Report**

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
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**December 31, 2024 and 2023**

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# **BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1**

**P. O. BOX 1  
ENGLISHTOWN, NEW JERSEY 07726**

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

Our discussion and analysis of the Borough of Englishtown Fire District No. 1's financial performance provides an overview of the District's financial activities for the years ended December 31, 2024 and 2023.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The statements of net position and statements of activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. For governmental activities, these statements tell how District services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a Board for the benefit of those outside of the government.

### **Financial Highlights**

- The assets of the District exceeded its liabilities at December 31, 2024 by approximately \$1,126,000. In 2023 the excess was approximately \$1,075,500. This is an increase of approximately \$50,500. The District decreased their liabilities by approximately \$52,000 in 2024 and decreased their assets by \$1,000.
- During 2024, the District operated at a surplus of approximately \$51,000. The surplus in 2023 was approximately \$4,300. This is an increase of approximately \$46,700.

### **Reporting on the District as a Whole**

#### **The Statements of Net Position and the Statements of Activities**

One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The statements of net position and the statements of activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. You can think of the District's net positions – the difference between assets and liabilities – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base and the condition of the District's equipment that was regularly inspected by the chief to assess the overall health of the District.

# **BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1**

## **Management's Discussion and Analysis**

In the statements of net position and governmental funds balance sheets and the statement of activities and revenues, expenditures, and changes in governmental fund balances and net position, we divide the District into two kinds of activities;

- General Fund activities – Most of the District's basic services are reported here. Property tax levies finance most of these activities.
- Capital Fund activities – The District's equipment acquisitions are financed by prior levies and approved by the taxpayers. The District's acquisitions are reported here.

### **Reporting on the District's Most Significant Funds**

#### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants.

- **General funds** – Most of the District's basic services are reported in the general funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The general fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. General fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between fund balances and net change in fund balances, reported on the modified accrual basis of accounting, and net position and change in net position, reported on the accrual basis of accounting in the notes to the financial statements.
- **Capital funds** – Are funds available to be used for the acquisition or construction of major capital facilities and firefighting equipment. The financial resources are derived from the issuance of debt or by reservation of fund balance that are specifically authorized by the voters. The capital fund statements provide details of funds available for future capital projects, funds needed to be raised in future taxation, and outstanding debt.

### **The District as a Board**

#### **Reporting on the District's Fiduciary Responsibilities**

The District is a board of commissioners that is charged with the safety and protection of the residents within its boundaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

### THE DISTRICT AS A WHOLE

#### Statements of Net Position

For the years ended December 31, 2024 and 2023, net position changed as follows:

	<u>2024 Total</u>	<u>Increase (Decrease) Over 2023</u>	<u>Percentage Increase (Decrease)</u>
<b>Assets</b>			
Current and other assets	\$ 876,899	\$ 71,226	8.84%
Capital assets	<u>293,237</u>	<u>(72,481)</u>	-19.82%
Total assets	<u>\$ 1,170,136</u>	<u>\$ (1,255)</u>	-0.11%
<b>Total liabilities</b>			
	\$ 44,023	\$ (51,856)	-54.08%
<b>Net position</b>			
Net investment in capital assets	293,237	(40,471)	-12.13%
Unrestricted	<u>832,876</u>	<u>91,072</u>	12.28%
Total net position	<u>1,126,113</u>	<u>50,601</u>	4.70%
Total liabilities and net position	<u>\$ 1,170,136</u>	<u>\$ (1,255)</u>	-0.11%

In the current year, the District's net position increased by approximately \$51,000 mainly due to the decrease in capital assets, increase in revenues, and offset by an increase in expenses.

	<u>2023 Total</u>	<u>Increase (Decrease) Over 2022</u>	<u>Percentage Increase (Decrease)</u>
<b>Assets</b>			
Current and other assets	\$ 805,673	\$ 52,327	6.95%
Capital assets	<u>365,718</u>	<u>(83,329)</u>	-18.56%
Total assets	<u>\$ 1,171,391</u>	<u>\$ (31,002)</u>	-2.58%
<b>Total liabilities</b>			
	\$ 95,879	\$ (35,312)	-26.92%
<b>Net position</b>			
Net investment in capital assets	333,708	(52,508)	-13.60%
Unrestricted	<u>741,804</u>	<u>56,818</u>	8.29%
Total net position	<u>1,075,512</u>	<u>4,310</u>	0.40%
Total liabilities and net position	<u>\$ 1,171,391</u>	<u>\$ (31,002)</u>	-2.58%

In 2023, the District's net position increased by approximately \$4,300 mainly due to the increase in revenues.

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

### Statements of Activities

For the year ended December 31, 2024, the District experienced an increase in total revenue of approximately \$48,000 or 9%. The increase relates to the increase in district tax revenue and uniform fire safety act revenues.

	<u>2024 Amount</u>	<u>Percentage of Total Revenues</u>	<u>Increase (Decrease) Over 2023</u>	<u>Percentage Increase (Decrease)</u>
Revenues				
District taxes	\$ 564,000	97.05%	\$ 40,000	7.63%
Supplemental fire services grant	-	-	(444)	-100.00%
Uniform fire safety act revenues	16,390	2.82%	8,182	99.68%
Miscellaneous income	758	0.13%	669	751.69%
	<u>\$ 581,161</u>	<u>100.00%</u>	<u>\$ 48,420</u>	<u>9.09%</u>

Some expenditures are contractual in nature and because of market fluctuations, they can vary from year to year depending on the circumstances. For the year ended December 31, 2024, the District experienced an increase in total expenditures of approximately \$2,100 or 0.40% mainly due to the increases in professional services, commissioners, insurance, maintenance and repairs, non-bondable fire fighting equipment, and utilities, offset by decreases in office expenses, advertising, fringe benefits, training, uniform fire safety act expenses, dues and subscriptions, rental charges, fuel purchases, capital lease interest, and depreciation expense.

	<u>2024 Amount</u>	<u>Percentage of Total Expenditures</u>	<u>Increase (Decrease) Over 2023</u>	<u>Percentage Increase (Decrease)</u>
Expenditures				
Elections	\$ 1,895	0.36%	\$ 1,271	203.69%
Office expenses	7,660	1.43%	(6,925)	-47.48%
Professional services	60,074	11.32%	20,482	51.73%
Advertising	90	0.02%	(65)	-41.94%
Commissioners	19,650	3.70%	1,823	10.23%
Fringe benefits	35,701	6.73%	(5,940)	-14.26%
Training	5,137	0.97%	(2,321)	-31.12%
Uniform fire safety act expenses	18,487	3.48%	(39,582)	-68.16%
Insurance	88,083	16.60%	960	1.10%
Dues and subscriptions	3,853	0.73%	(1,122)	-22.55%
Maintenance and repairs	84,047	15.84%	36,912	78.31%
Rental charges	33,000	6.22%	(6,000)	-15.38%
Non-bondable fire fighting equipment	56,480	10.65%	13,227	30.58%
Fuel purchase	7,362	1.39%	(171)	-2.27%
Utilities	35,324	6.66%	1,707	5.08%
Capital lease interest	1,236	0.23%	(1,189)	-49.03%
Depreciation expense	72,481	13.66%	(10,848)	-13.02%
Miscellaneous expenses	-	-	(90)	-100.00%
	<u>\$ 530,560</u>	<u>99.99%</u>	<u>\$ 2,129</u>	<u>0.40%</u>

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

For the year ended December 31, 2023, the District experienced an increase in total revenue of approximately \$3,000 or 1%. The increase relates to the increase in district tax revenue and uniform fire safety act revenues, offset by a decrease in uniform fire safety act revenues and miscellaneous income.

	<u>2023 Amount</u>	<u>Percentage of Total Revenues</u>	<u>Increase (Decrease) Over 2022</u>	<u>Percentage Increase (Decrease)</u>
Revenues				
District taxes	\$ 524,000	98.36%	\$ 12,000	2.34%
Supplemental fire services grant	444	0.08%	-	0.00%
Uniform fire safety act revenues	8,208	1.54%	(8,436)	-50.68%
Miscellaneous income	89	0.02%	(554)	(86.16%)
	<u>\$ 532,741</u>	<u>100.00%</u>	<u>\$ 3,010</u>	<u>0.57%</u>

Some expenditures are contractual in nature and because of market fluctuations, they can vary from year to year depending on the circumstances. For the year ended December 31, 2023, the District experienced an increase in total expenditures of approximately \$16,000 or 3% mainly due to the increases in office expense, professional services, fringe benefits, uniform fire act safety expenses, insurance, dues and subscriptions, maintenance and repairs, rental charges, and non-bondable firefighting equipment, offset by decreases in commissioners, training, fuel purchase, capital lease interest, depreciation expense, capital expenditures, and miscellaneous expense.

	<u>2023 Amount</u>	<u>Percentage of Total Expenditures</u>	<u>Increase (Decrease) Over 2022</u>	<u>Percentage Increase (Decrease)</u>
Expenditures				
Elections	\$ 624	0.12%	\$ (329)	-34.52%
Office expenses	14,585	2.76%	9,585	191.70%
Professional services	39,592	7.49%	18,296	85.91%
Advertising	155	0.03%	(5)	-3.13%
Commissioners	17,827	3.37%	(695)	-3.75%
Fringe benefits	41,641	7.88%	9,993	31.58%
Training	7,458	1.41%	(3,033)	-28.91%
Uniform fire safety act expenses	58,069	10.99%	5,071	9.57%
Insurance	87,123	16.49%	5,816	7.15%
Dues and subscriptions	4,975	0.94%	1,406	39.39%
Maintenance and repairs	47,135	8.92%	3,664	8.43%
Rental charges	39,000	7.38%	3,000	8.33%
Non-bondable fire fighting equipment	43,253	8.19%	3,657	9.24%
Fuel purchase	7,533	1.43%	(1,364)	-15.33%
Utilities	33,617	6.35%	(211)	-0.62%
Capital lease interest	2,425	0.46%	(1,146)	-32.09%
Depreciation expense	83,329	15.77%	(11,962)	-12.55%
Capital expenditure	-	-	(24,575)	-100.00%
Miscellaneous expenses	90	0.02%	(1,084)	-92.33%
	<u>\$ 528,431</u>	<u>100.00%</u>	<u>\$ 16,084</u>	<u>3.14%</u>

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

### THE DISTRICT'S FUNDS

The general fund is mainly to provide fire protection to its residents, to educate the public as to fire prevention and precautions, and to train qualified personnel. All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose. Capital fund activities are mainly to provide for the acquisition of major fire equipment for fire extinguishment.

The following schedule presents a summary of general and capital fund revenues and expenditures for the fiscal years ended December 31, 2024 and 2023 and the amount and percentage of increases and decreases in relation to prior years.

### Governmental Funds Balance Sheets

	<u>General Fund Activities</u>	<u>Capital Fund Activities</u>	<u>2024 Total</u>	<u>Increase (Decrease) Over 2023</u>	<u>Percentage Increase (Decrease)</u>
<b>Assets</b>					
Current and other assets	\$ 876,899	\$ 422,825	<u>\$ 1,299,724</u>	<u>\$ 146,226</u>	12.68%
<b>Liabilities</b>	466,846	-	466,846	55,154	13.40%
<b>Fund Balance</b>					
Nonspendable			604	-	0.00%
Assigned			811,658	205,713	33.95%
Unassigned			<u>20,616</u>	<u>(114,641)</u>	-84.76%
Total fund balance			<u>832,878</u>	<u>91,072</u>	12.28%
Total liabilities and fund balance			<u>\$ 1,299,724</u>	<u>\$ 146,226</u>	12.68%

	<u>General Fund Activities</u>	<u>Capital Fund Activities</u>	<u>2023 Total</u>	<u>Increase (Decrease) Over 2022</u>	<u>Percentage Increase (Decrease)</u>
<b>Assets</b>					
Current and other assets	\$ 805,673	\$ 347,825	<u>\$ 1,153,498</u>	<u>\$ 123,944</u>	12.04%
<b>Liabilities</b>	411,692	-	411,692	70,509	20.67%
<b>Fund Balance</b>					
Nonspendable			604	-	0.00%
Assigned			605,945	24,931	4.29%
Unassigned			<u>135,257</u>	<u>28,501</u>	26.70%
Total fund balance			<u>741,806</u>	<u>53,432</u>	7.76%
Total liabilities and fund balance			<u>\$ 1,153,498</u>	<u>\$ 123,941</u>	12.04%

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

### Statements of Revenues, Expenditures, and Changes in Governmental Fund Balances

	<b>2024 Amount</b>	<b>Percentage of Total Revenues</b>	<b>Increase (Decrease) Over 2023</b>	<b>Percentage Increase (Decrease)</b>
<b>Revenues</b>				
District taxes	\$ 564,000	97.06%	\$ 40,000	7.63%
Supplemental fire services grant	-	-	(444)	-100.00%
Uniform fire safety act revenues	16,390	2.82%	8,182	99.68%
Miscellaneous income	758	0.13%	669	751.69%
	\$ 581,161	100.01%	\$ 48,420	9.09%
	<b>2024 Amount</b>	<b>Percentage of Total Expenditures</b>	<b>Increase (Decrease) Over 2023</b>	<b>Percentage Increase (Decrease)</b>
<b>Expenditures</b>				
Elections	\$ 1,895	0.39%	\$ 1,271	203.69%
Office expenses	7,660	1.57%	(6,925)	-47.48%
Professional services	60,074	12.26%	20,482	51.73%
Advertising	90	0.02%	(65)	-41.94%
Commissioners	19,650	4.01%	1,823	10.23%
Fringe benefits	35,701	7.28%	(5,940)	-14.26%
Training	5,137	1.05%	(2,321)	-31.12%
Uniform fire safety act expenses	18,487	3.77%	(39,582)	-68.16%
Insurance	88,083	17.97%	960	1.10%
Dues and subscriptions	3,853	0.79%	(1,122)	-22.55%
Maintenance and repairs	84,047	17.15%	36,912	78.31%
Rental charges	33,000	6.73%	(6,000)	100.00%
Non-bondable fire fighting equipment	56,480	11.52%	13,227	30.58%
Fuel purchase	7,362	1.50%	(171)	-2.27%
Utilities	35,324	7.21%	1,707	5.08%
Capital lease principal	32,010	6.53%	1,189	3.86%
Capital lease interest	1,236	0.25%	(1,189)	-49.03%
Miscellaneous expenses	-	-	(3,476)	-100.00%
	\$ 490,089	100.00%	\$ 10,780	2.25%

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

	<u>2023</u> <u>Amount</u>	<u>Percentage</u> <u>of Total</u> <u>Revenues</u>	<u>Increase</u> <u>(Decrease)</u> <u>Over 2022</u>	<u>Percentage</u> <u>Increase</u> <u>(Decrease)</u>
Revenues				
District taxes	\$ 524,000	98.37%	\$ 12,000	2.34%
Supplemental fire services grant	444	0.08%	-	0.00%
Uniform fire safety act revenues	8,208	1.54%	(8,436)	-50.68%
Miscellaneous income	89	0.02%	(554)	-86.16%
	<u>\$ 532,741</u>	<u>100.01%</u>	<u>\$ 3,010</u>	<u>0.57%</u>

	<u>2023</u> <u>Amount</u>	<u>Percentage</u> <u>of Total</u> <u>Expenditures</u>	<u>Increase</u> <u>(Decrease)</u> <u>Over 2022</u>	<u>Percentage</u> <u>Increase</u> <u>(Decrease)</u>
Expenditures				
Elections	\$ 624	0.13%	\$ (329)	-34.52%
Office expenses	14,585	3.04%	8,412	136.27%
Professional services	39,592	8.26%	18,296	85.91%
Advertising	155	0.03%	(5)	-3.13%
Commissioners	17,827	3.72%	(695)	-3.75%
Fringe benefits	41,641	8.69%	9,993	31.58%
Training	7,458	1.56%	(3,033)	-28.91%
Uniform fire safety act expenses	58,069	12.12%	5,071	9.57%
Insurance	87,123	18.18%	5,816	7.15%
Dues and subscriptions	4,975	1.04%	1,406	39.39%
Maintenance and repairs	47,135	9.83%	3,664	8.43%
Rental charges	39,000	8.14%	3,000	8.33%
Non-bondable fire fighting equipment	43,253	9.02%	3,657	9.24%
Fuel purchase	7,533	1.57%	(1,364)	-15.33%
Utilities	33,617	7.00%	(211)	-0.62%
Capital lease principal	30,821	6.43%	1,146	3.86%
Capital lease interest	2,425	0.51%	(1,146)	-32.09%
Capital expenditures	-	-	(24,575)	-100.00%
Miscellaneous expenses	3,476	0.73%	3,476	100.00%
	<u>\$ 479,309</u>	<u>100.00%</u>	<u>\$ 32,579</u>	<u>7.29%</u>

# BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1

## Management's Discussion and Analysis

### GENERAL FUND AND BUDGETARY HIGHLIGHTS

The budget relied on the expectation of an increase in district taxes. For 2024, the District tax revenue increased approximately \$40,000 due to the increase of the assessed valuation per District, and in the special district tax rate. For 2023, the District tax levy increased slightly by \$12,000.

### CAPITAL ASSET AND DEBT ADMINISTRATION

#### Capital Assets

For the years ended December 31, 2024 and 2023, capital assets changed as follows:

	January 1, 2024 <u>Balance</u>	Additions	Transfers/ Deletions	December 31, 2024 <u>Balance</u>	Percentage Increase (Decrease)
Buildings	\$ 400,000	\$ -	\$ -	\$ 400,000	0.00%
Building improvements	94,017	-	-	94,017	0.00%
Fire trucks	1,045,483	-	-	1,045,483	0.00%
Other vehicles	244,882	-	-	244,882	0.00%
Equipment	<u>416,756</u>	-	-	<u>416,756</u>	0.00%
	2,201,138	-	-	2,201,138	0.00%
Accumulated depreciation and amortization	<u>1,835,420</u>	<u>72,481</u>	-	<u>1,907,901</u>	3.95%
Capital assets, net	<u>\$ 365,718</u>	<u>\$ (72,481)</u>	<u>\$ -</u>	<u>\$ 293,237</u>	-19.82%

  

	January 1, 2023 <u>Balance</u>	Additions	Transfers/ Deletions	December 31, 2023 <u>Balance</u>	Percentage Increase (Decrease)
Buildings	\$ 400,000	\$ -	\$ -	\$ 400,000	0.00%
Building improvements	94,017	-	-	94,017	0.00%
Fire trucks	1,045,483	-	-	1,045,483	0.00%
Other vehicles	244,882	-	-	244,882	0.00%
Equipment	<u>416,756</u>	-	-	<u>416,756</u>	0.00%
	2,201,138	-	-	2,201,138	0.00%
Accumulated depreciation and amortization	<u>1,752,091</u>	<u>83,329</u>	-	<u>1,835,420</u>	4.76%
Capital assets, net	<u>\$ 449,047</u>	<u>\$ (83,329)</u>	<u>\$ -</u>	<u>\$ 365,718</u>	-18.56%

# **BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1**

## **Management's Discussion and Analysis**

### **Debts**

At December 31, 2024, the District had \$-0- in lease liabilities, versus \$32,010 last year in District capital lease payable, a decrease of 100%.

More detailed information about the District's long-term liabilities is presented in Note 8 to the financial statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Next year's general fund budget was determined based on a slight increase in the district tax rate. Some of the significant capital asset items approved in this year's budget will be deferred to subsequent years.

### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our District's citizens, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's office at P. O. Box 1, Englishtown, New Jersey 07726.

## INDEPENDENT AUDITOR'S REPORT

To the Board of Fire Commissioners,  
Borough of Englishtown Fire District No. 1:  
Monmouth County, New Jersey

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the financial statements of the governmental activities, each major fund of the Borough of Englishtown Fire District No. 1, Monmouth County, New Jersey (the "District") as of and for the years ended December 31, 2024 and 2023, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinions, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Borough of Englishtown Fire District No. 1, Monmouth County, New Jersey as of and for the years ended December 31, 2024 and 2023, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* ("GAS"), issued by the Comptroller General of the United States and in compliance with the audit requirements prescribed by the State of New Jersey, Division of Local Government Services ("DLGS"), Department of Community Affairs. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Responsibilities of Management for the Financial Statements

The District's 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 control 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and schedule of revenues, expenditures, and changes in fund balances budget and actual – general fund and related notes, as presented in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 audits 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.

## Supplementary Information

Our audits were conducted for the purpose of forming an opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules of improvement authorizations – capital fund, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other Schedules of Improvement Authorizations – Capital Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the statistical information and roster of officials but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2025 on our consideration of the Borough of Englishtown Fire District No. 1's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Englishtown Fire District No. 1's internal control over financial reporting and compliance.



September 4, 2025

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**December 31, 2024**

	<b>Governmental Funds Balance Sheet</b>			<b>Adjustments (Note 2)</b>	<b>Statement of Net Position</b>
	<b>General Fund</b>	<b>Capital Fund</b>	<b>Total</b>		
<b>Assets</b>					
Current assets					
Cash	\$ 656,508	\$ -	\$ 656,508	\$ -	\$ 656,508
Restricted cash	81,434	-	81,434	-	81,434
Accounts receivable	138,353	-	138,353	-	138,353
Prepaid expenses	604	-	604	-	604
Total current assets	<u>876,899</u>	<u>-</u>	<u>876,899</u>	<u>-</u>	<u>876,899</u>
Other assets					
Interfund receivable	-	422,825	422,825	(422,825)	-
Capital assets, net	-	-	-	293,237	293,237
Total assets	<u>\$ 876,899</u>	<u>\$ 422,825</u>	<u>\$ 1,299,724</u>	<u>\$ (129,588)</u>	<u>\$ 1,170,136</u>
<b>Liabilities</b>					
Current liabilities					
Accounts payable	\$ 44,021	\$ -	\$ 44,021	\$ 2	\$ 44,023
Interfund payable	422,825	-	422,825	(422,825)	-
Total liabilities	<u>466,846</u>	<u>-</u>	<u>466,846</u>	<u>(422,823)</u>	<u>44,023</u>
<b>Fund Balances and Net Position</b>					
Fund balances					
Nonspendable	604	-	604	(604)	-
Assigned					
Reserve for supplemental fire service grant	645	-	645	(645)	-
Reserve for fire official trust	81,434	-	81,434	(81,434)	-
Improvement authorizations	-	72,119	72,119	(72,119)	-
Capital improvements	-	350,706	350,706	(350,706)	-
Appropriation reserves	107,408	-	107,408	(107,408)	-
Designated for subsequent years' expenditures	198,907	-	198,907	(198,907)	-
Unassigned					
General fund	21,055	-	21,055	(21,055)	-
Total fund balances	<u>410,053</u>	<u>422,825</u>	<u>832,878</u>	<u>(832,878)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 876,899</u>	<u>\$ 422,825</u>	<u>\$ 1,299,724</u>		
Net position					
Net investment in capital assets				293,237	293,237
Unrestricted				832,876	832,876
Total net position				<u>1,126,113</u>	<u>1,126,113</u>
Total liabilities and net position				<u>\$ (129,588)</u>	<u>\$ 1,170,136</u>

The Notes to Financial Statements are an integral part of this statement.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Statement of Net Position and Governmental Funds Balance Sheet**  
**December 31, 2023**

	<b>Governmental Funds Balance Sheet</b>			<b>Adjustments (Note 2)</b>	<b>Statement of Net Position</b>
	<b>General Fund</b>	<b>Capital Fund</b>	<b>Total</b>		
<b>Assets</b>					
Current assets					
Cash	\$ 559,441	\$ -	\$ 559,441	\$ -	\$ 559,441
Restricted cash	81,434	-	81,434	-	81,434
Accounts receivable	164,194	-	164,194	-	164,194
Prepaid expenses	604	-	604	-	604
Total	<u>805,673</u>	<u>-</u>	<u>805,673</u>	<u>-</u>	<u>805,673</u>
Other assets					
Interfund receivable	-	347,825	347,825	(347,825)	-
Capital assets, net	-	-	-	365,718	365,718
Total assets	<u>\$ 805,673</u>	<u>\$ 347,825</u>	<u>\$ 1,153,498</u>	<u>\$ 17,893</u>	<u>\$ 1,171,391</u>
<b>Liabilities</b>					
Current liabilities					
Accounts payable	\$ 63,867	\$ -	\$ 63,867	\$ 2	\$ 63,869
Interfund payable	347,825	-	347,825	(347,825)	-
Capital lease payable - current	-	-	-	32,010	32,010
Total liabilities	<u>411,692</u>	<u>-</u>	<u>411,692</u>	<u>(315,813)</u>	<u>95,879</u>
<b>Fund Balances and Net Position</b>					
Fund balances					
Nonspendable	604	-	604	(604)	-
Assigned					
Reserve for supplemental fire service grant	645	-	645	(645)	-
Reserve for fire official trust	81,434	-	81,434	(81,434)	-
Improvement authorizations	-	72,119	72,119	(72,119)	-
Capital improvements	-	275,706	275,706	(275,706)	-
Appropriation reserves	82,988	-	82,988	(82,988)	-
Designated for subsequent years' expenditures	93,053	-	93,053	(93,053)	-
Unassigned					
General fund	<u>135,257</u>	<u>-</u>	<u>135,257</u>	<u>(135,257)</u>	<u>-</u>
Total fund balances	<u>393,981</u>	<u>347,825</u>	<u>741,806</u>	<u>(741,806)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 805,673</u>	<u>\$ 347,825</u>	<u>\$ 1,153,498</u>		
Net position					
Net investment in capital assets				333,708	333,708
Unrestricted				741,804	741,804
Total net position				<u>1,075,512</u>	<u>1,075,512</u>
Total liabilities and net position				<u>\$ 17,893</u>	<u>\$ 1,171,391</u>

The Notes to Financial Statements are an integral part of this statement.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Statement of Activities and Revenues, Expenditures, and Changes in Governmental**  
**Fund Balances**  
**Year Ended December 31, 2024**

	Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances			Adjustments (Note 3)	Statement of Activities
	General Fund	Capital Fund	Total		
<b>Expenditures</b>					
Operating appropriations	\$ 490,089	\$ -	\$ 490,089	\$ 40,471	\$ 530,560
<b>Revenues</b>					
Revenues					
District taxes	564,000	-	564,000	-	564,000
Interest income	13	-	13	-	13
Uniform fire safety act revenues	16,390	-	16,390	-	16,390
Miscellaneous income	758	-	758	-	758
Total revenues	581,161	-	581,161	-	581,161
Excess (deficit) of revenues over expenditures	91,072	-	91,072	(40,471)	50,601
Transfers					
Transfers in	-	75,000	75,000	(75,000)	-
Transfers out	(75,000)	-	(75,000)	75,000	-
Total transfers	(75,000)	75,000	-	-	-
<b>Net change in fund balances</b>	16,072	75,000	91,072	(40,471)	50,601
Changes in net position	-	-	-	-	50,601
<b>Fund balances/net position</b>					
Beginning of the year	393,981	347,825	741,806	333,706	1,075,512
End of year	\$ 410,053	\$ 422,825	\$ 832,878	\$ 293,235	\$ 1,126,113

The Notes to Financial Statements are an integral part of this statement.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Statement of Activities and Revenues, Expenditures, and Changes in Governmental**  
**Fund Balances**  
**Year Ended December 31, 2023**

	Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances			Adjustments (Note 3)	Statement of Activities
	General Fund	Capital Fund	Total		
<b>Expenditures</b>					
Operating appropriations	\$ 475,923	\$ -	\$ 475,923	\$ 52,508	\$ 528,431
Capital appropriations	-	3,386	3,386	(3,386)	-
Total expenditures	<u>475,923</u>	<u>3,386</u>	<u>479,309</u>	<u>49,122</u>	<u>528,431</u>
<b>Revenues</b>					
Revenues					
District taxes	524,000	-	524,000	-	524,000
Supplemental fire services grant	444	-	444	-	444
Uniform fire safety act revenues	8,208	-	8,208	-	8,208
Miscellaneous income	<u>89</u>	<u>-</u>	<u>89</u>	<u>-</u>	<u>89</u>
Total revenues	532,741	-	532,741	-	532,741
Excess (deficit) of revenues over expenditures	<u>56,818</u>	<u>(3,386)</u>	<u>53,432</u>	<u>(49,122)</u>	<u>4,310</u>
Transfers					
Transfers in	-	75,000	75,000	(75,000)	-
Transfers out	<u>(75,000)</u>	<u>-</u>	<u>(75,000)</u>	<u>75,000</u>	<u>-</u>
Professional services	<u>(75,000)</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	(18,182)	71,614	53,432	(49,122)	4,310
Changes in net position	-	-	-	-	4,310
<b>Fund balances/net position</b>					
Beginning of the year, as restated	<u>412,163</u>	<u>276,211</u>	<u>688,374</u>	<u>382,828</u>	<u>1,071,202</u>
End of year	<u>\$ 393,981</u>	<u>\$ 347,825</u>	<u>\$ 741,806</u>	<u>\$ 333,706</u>	<u>\$ 1,075,512</u>

The Notes to Financial Statements are an integral part of this statement.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General Statement**

The accounting policies of the Borough of Englishtown Fire District No. 1 (the "District") conform to the accounting principles generally accepted in the United States of America and the standards applicable to special districts which have been prescribed by the State of New Jersey, Division of Local Government Services ("DLGS"), Department of Community Affairs ("DCA"). For the years ended December 31, 2024 and 2023 the financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units ("GAAP"). The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

**Reporting Entity**

The District is an instrumentality of the State of New Jersey, established to function as a special district. The Board of Fire Commissioners consists of elected officials and is responsible for the fiscal control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The combined financial statements include all funds and account groups of the District over which the board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in 2024 and 2023. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**Basis of Presentation**

*Combined Fund and Government-wide Financial Statements*

As a special purpose governmental entity engaged in a single governmental program, the District has opted to present its financial data in the form of combined fund and government-wide financial statements to simplify their annual financial reporting process.

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types." The District does not maintain any proprietary or fiduciary funds.

Governmental Fund Types

*General Fund:* The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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*Capital Fund:* The capital fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities and firefighting equipment. The financial resources are derived from issuance of debt and by reservation of fund balances that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at special election.

In conformity with GASB 34, the District's combined fund and government-wide financial statements present adjustments to reconcile the general and capital fund balances to net position.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the useful lives of capital assets and depreciation expense.

**Basis of Accounting**

*Fund Basis of Accounting*

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its fire districts the entire balance of taxes in the amount voted upon or certified prior to the end of the year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

*Government-wide Basis of Accounting*

The government-wide statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the full accrual basis, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

**Budgets/Budgetary Control**

Annual budgets are prepared each year for the operations of the fire districts. The budgets are approved by the State of New Jersey, DLGS, Department of Community Affairs. The budgets are then voted upon by the public. Budgetary transfers may be made during the last two months of the year.

Fire districts have a prescribed budgetary basis to demonstrate legal compliance. However, budgets are adopted on principally the same basis of accounting utilized for the preparation of the District's general-purpose financial statements.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and the fund basis of accounting previously described. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at year end.

**Encumbrances**

Under encumbrance accounting, purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Specific encumbrances in governmental funds are reported as liabilities at year end as they constitute expenditures rather than commitments related to unperformed contracts for goods and services.

The encumbered appropriation authority carries over into the following year. The balance of unencumbered appropriations is recorded as a reserve to fund balance for unrecorded expenditures and commitments that pertain to the prior year. At the end of the following year, an entry will be made to fund balance for expended appropriations of the prior year.

**Capital Assets**

In the fund financial statements, fixed assets used in governmental operations are accounted for as expenditures of the government fund upon acquisition.

In the government-wide basis of accounting, fixed assets are accounted for as capital assets. The District generally capitalizes assets with a cost of \$5,000 or more as outlays occur. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable.

The cost of normal maintenance and repairs that do not add value to the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Depreciation of all capital assets is recorded as an operating expense in the statements of activities and revenues, expenditures, and changes in governmental fund balances and net position with accumulated depreciation reflected in the statements of net position and governmental funds balance sheets.

Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation, generally 20 years for fire trucks, 5 years for other vehicles, 7-10 years for equipment, 10-20 years for building improvements, and 40 years for buildings.

**Impairment of Capital Assets**

In accordance with the provisions of the pronouncement related to accounting and financial reporting for impairment of capital assets, the District assesses capital assets for impairment whenever events or changes in circumstances indicate that the service utility of the capital asset have both significantly and unexpectedly declined. For the years ended December 31, 2024 and 2023, management has determined that there was no impairment of capital assets.

**Leases**

The District recognizes a lease liability and intangible right-to-use lease asset in the government-wide financial statements.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by principal portion of lease payments made. The lease asset is initially measured at the initial amount for the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. The District uses the interest rate charged by the lessor as the discount rate; however, when the interest rate is not provided by the lessor, the District uses its incremental borrowing rate as the discount rate for the lease. The lease term includes the noncancellable period of the lease, including all extension options that are reasonably certain to be exercised.

**Interfund Transactions and Balances**

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Transfers between the general and capital fund of the District net to zero on the fund basis of accounting and are eliminated in the statements of activities.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Those transactions are reported as interfund receivables and payables on the fund basis of accounting. Interfund payables and receivables between funds are eliminated in the statements of net position.

**Long-Term Obligations**

Long-term debt is recognized as a liability of a governmental fund. For long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

**Net Position**

*Fund Basis*

Fund balance is reported in classifications depicting the relative strength of the constraint that controls how specific amounts can be spent. Classifications are as follows:

- Nonspendable – includes amounts that are not in a spendable form or not expected to be converted to cash (inventory, for example) or are legally and contractually required to be maintained intact (principal of an endowment fund, for example).
- Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors, contributors, creditors, or law or regulations of other governments or through enabling legislation that creates a new revenue source and restricts its use. Restrictions may be changed or lifted with the consent of resource providers.
- Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority, the Board of Commissioners. The constraint can only be removed or changed by taking the same type of action the District employed to commit those amounts. Such formal action consists of an affirmative vote by the Board of Commissioners.
- Assigned – comprises amounts intended to be used by the District for specific purposes but are neither restricted nor committed. Intent is expressed by the District Board of Commissioners.
- Unassigned – this is the residual amount for the general fund and represents a fund balance that has not been restricted, committed, or assigned. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned, it may be necessary to report a negative unassigned fund balance.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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*Government-wide Basis*

Net position is classified in three components:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation and related debt.
- Unrestricted – all net positions that do not meet the definition of “net investment in capital assets” or “restricted for capital acquisitions.”

**2. ADJUSTMENTS TO ARRIVE AT NET POSITION**

**Capital Assets – Net, Related Liabilities, and Net Investment in Capital Assets**

As of December 31, 2024 and 2023, capital assets, net in the amount of \$293,237 and \$365,718, respectively, lease liability of \$-0- and \$32,010, respectively, and net investment in capital assets in the amount of \$293,237 and \$333,708, respectively, have been included in the government-wide presentation.

**Interfund Receivable and Payable**

As of December 31, 2024 and 2023, interfund receivables and payables in the amount of \$422,825 and \$347,825, respectively, have been eliminated in arriving at the government-wide presentation.

**Fund Balances, Unrestricted Net Position, and Net Position Restricted for Capital Acquisitions**

As of December 31, 2024 and 2023, a reclass of fund balances in the amounts of \$832,878 and \$741,806 to appropriate category of net position including unrestricted of \$832,876 and \$741,804, respectively, was made.

**3. ADJUSTMENTS TO ARRIVE AT THE CHANGES IN NET POSITION**

**Appropriations**

For the year ended December 31, 2024, depreciation and amortization expense in the amount of \$72,481 has been included in the government-wide presentation. Additionally, capital lease principal payments has been decreased by \$32,010. The net effect on appropriations is an increase of \$40,471.

For the year ended December 31, 2023, depreciation and amortization expense in the amount of \$83,329 has been included in the government-wide presentation. Additionally, capital lease principal payments has been decreased by \$30,821. The net effect on appropriations is an increase of \$52,508.

**4. DEPOSITS AND INVESTMENTS**

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (“FDIC”), or by any other agency of the United States that insures deposits or the State of New Jersey Cash Management Fund. New Jersey statutes require public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

- The market value of the collateral must equal 5% of the average daily balance of public funds; or, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value equal to 100% of the amount exceeding 75%.
- All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. 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 which mature within one year. Collateralization of fund investments is generally not required.

**Borough of Englishtown Fire District No. 1**  
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**Notes to Financial Statements**  
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- The cash on deposit is partially insured by federal deposit insurance in the amount of \$250,000 in each depository. Balances above the federal deposit insurance amount are insured by the Government Unit Deposit Protection Act (“GUDPA”), N.J.S.A. 17:9-41, et seq., which insures all New Jersey governmental units’ deposits in excess of the federal deposit insurance maximums. Cash determined by the Board of Commissioners consists of all bank accounts and petty cash.

As of December 31, 2024 and 2023, the District’s cash accounts consisted of:

	<u>2024</u>	<u>2023</u>
Brunswick - Checking	\$ 75,251	\$ 300,211
Brunswick - Savings	581,257	259,230
Brunswick - Trust	<u>81,434</u>	<u>81,434</u>
Total cash	<u>\$ 737,942</u>	<u>\$ 640,875</u>

**Custodial Credit Risk**

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits may not be returned. The District does not have a deposit policy for custodial credit risk.

The carrying amount of the District’s cash at December 31, 2024 was \$737,897 and the bank balance was \$799,012. Of the balance, \$250,000 was covered by federal depository insurance and \$549,012 was covered by the Government Unit Deposit Protection Act (“GUDPA”), N.J.S.A. 17:9-41, et seq., for all New Jersey governmental units’ deposits in excess of the federal deposit maximums.

The carrying amount of the District’s cash at December 31, 2023 was \$640,875 and the bank balance was \$696,636. Of the balance, \$250,000 was covered by federal depository insurance and \$446,636 was covered by the Government Unit Deposit Protection Act (“GUDPA”), N.J.S.A. 17:9-41, et seq., for all New Jersey governmental units’ deposits in excess of the federal deposit maximums.

**Investments**

*Custodial Credit Risk*

For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District, and are held by either the counterparty or the counterparty’s trust department or agent but not in the District’s name. All of the District’s investments are held in the name of the District.

*Investment Interest Rate Risk*

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The District has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Borough of Englishtown Fire District No. 1**  
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**Investment Credit Risk**

The District has no investment policy that limits its investment choices other than the limitation of state law as follows:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government money market mutual funds.
- (c) Any obligation that a federal agency or federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the District or bonds or other obligations of the local units or units within which the District is located.
- (e) Bonds or other obligations having a maturity date of not more than 397 days from the date of purchase, approved by the Division of Investment in the Department of Treasury for investment by the District.
- (f) Local Government investment pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281.
- (h) Agreements for the repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The concentration of credit risk is the risk of loss that may be caused by the District's investment in a single issuer. The District does not have a concentration of credit risk policy; however, lack of policy does not present an undue risk as the District's investments include certificates of deposit with lending institutions which are listed below and are covered by the Government Unit Deposit Protection Act, which was previously detailed.

**Fair Value Measurement**

The District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in the active markets for identical assets or liabilities (Level I) and the lowest priority to unobservable inputs (Level III). This categorization is based on the lowest level input that is significant to the fair value measurement.

Assets and liabilities valued at fair value are categorized based on the inputs to the valuation techniques as follows:

*Level I* - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access. Fair value for these instruments is estimated using pricing models or quoted prices of securities with similar characteristics.

*Level II* - Inputs that include quoted market prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

*Level III* - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's assumptions, as there is little, if any, related market activity. Fair values for these instruments are estimated using appraised values.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
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Subsequent to initial recognition, the District may remeasure the carrying value of assets and liabilities measured on a non-recurring basis to fair value. Adjustments to fair value usually result when certain assets are impaired. Such assets are written down from their carrying amounts to their fair value.

During the year, the District had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of 2024 and 2023, no such investments were held by the District.

**5. ASSESSMENT AND COLLECTION OF MONEY AUTHORIZED BY VOTERS**

Upon proper certification pursuant to Section 9 of P.L. 1979 c. 453 (C 40[A]:14-79), the assessor of the municipality, in which the fire district is situated, shall assess the amount to be raised by taxation to support the district budget against the taxable property therein, in the same manner as municipal taxes are assessed and the same amount shall be assessed, levied, and collected at the same time and in the same manner as other municipal taxes.

The collector or treasurer of the municipality, in which said district is situated, shall pay over all monies so assessed to the treasurer or custodian of funds of said fire district as follows; on or before April 1, an amount equaling 21.25% of all monies so assessed; on or before July 1, an amount equaling 22.50% of all monies so assessed; on or before October 1, an amount equaling 25% of all monies so assessed; and on or before December 31, an amount equaling the difference between the total of all monies so assessed and the total amount of such monies previously paid over, to be held and expended for the purpose of providing and maintaining means for extinguishing fires in such district.

Notwithstanding anything herein to the contrary, the municipal governing body may authorize, in the cash management plan adopted by it pursuant to N.J.S. 40A:5-14, a schedule of payments of the fire districts monies by which an amount greater than required on any of the first three payment dates cited herein may be paid over. The municipal governing body and board of fire commissioners may, by concurrent resolution, adopt a schedule of payments of the fire district monies by which an amount less than required in any of the first three payment dates, cited herein may be paid over. Such resolution shall be included in the cash management plan adopted by the municipal governing body pursuant to N.J.S. 40A:5-14.

The commissioners may also pay back, or cause to be paid back to such municipality, any funds or any part thereof paid to the treasurer or custodian of funds of such fire district by the collector or treasurer of the municipality, representing taxes levied for fire district purposes but not actually collected in cash by said collector or treasurer.

**6. FUNDING**

The activities of the Borough of Englishtown Fire District No. 1 are primarily funded by the striking of a fire tax on the property owners of the Fire District, as provided for by state statute. For the years ended December 31, 2024 and 2023, the fire tax rate was \$0.149 and \$0.147, respectively, per \$100 of assessed valuation.

The tax revenue is supplemented by income earned on surplus funds invested in savings during the year. Additionally, revenues are generated by the fire bureau through participation in the Uniform Fire Safety Act.

**7. LENGTH OF SERVICE AWARD PROGRAM (“LOSAP”)**

The District maintains a LOSAP (“Program”) in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the DLGS.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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The Program permits the District to provide tax-deferred income benefits to active volunteer members of an emergency service organization. The tax-deferred income benefits come from contributions made solely by the governing body of the District, on behalf of those volunteers who meet the criteria of the Plan created by the governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

A LOSAP set up in accordance with the requirements of New Jersey State General Municipal Law would constitute a rabbi trust and, therefore, the plan itself would not be subject to GASB Statement 67 and the sponsor would not be subject to GASB Statement 68 requirements.

**Contributions**

If an active member meets the year of active service agreement, a length of service award program must provide a benefit between the minimum contribution of \$100 and a maximum contribution of \$2,141 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40a:14-185(f)). The DLGS of the State of New Jersey will issue the permitted maximum annually. Contributions by the District to this program have been made each year since its inception.

For 2024 and 2023, the budgeted amount of the contribution was \$35,000 for each year, and the contributions made for the years ended December 31, 2024 and December 31, 2023 were \$32,115, and \$39,330, respectively. The remaining budget is reserved for future distribution. Participants direct the investment of the contributions into various investment options offered by the Plan. The District has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The type of investment options, and the administering of such investments, rests solely with the third-party, Lincoln Financial Group ("Plan Administrator"), an approved LOSAP provider.

**Participant Accounts**

Each participant's account is credited with the District's contribution and Plan earnings and charged with administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The District has placed the amounts deferred, including earnings, in a trust maintained by the Plan Administrator for the exclusive benefit of the plan participants and their beneficiaries. Such funds, although subject to the claims of the District's creditors until distributed as benefit payments, are not available for funding the operations of the District. The funds may also be used to pay the administrative fees charged by the Plan Administrator.

The District's practical involvement in the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

**Vesting**

Benefits, plus actual earnings thereon, are 100% vested after five (5) years of service.

**Payment of Benefits**

Upon retirement or disability, participants may select various payout options, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate. In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the Plan Administrator to payout a portion of vested accumulated deferrals. For the years ended December 31, 2024 and 2023, no payments were made to vested participants.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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**Forfeited Accounts**

There were no forfeitures during the years ended December 31, 2024 and 2023.

**Risks and Uncertainties**

The Plan invests in various investment securities and is exposed to various risks such as interest rate, market, and credit risks due to the level of risk associated with certain investment securities. It is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net position and governmental funds balance sheets.

**Plan Information**

Additional information about the District's LOSAP can be obtained by contacting the Plan Administrator.

**8. LEASES**

On December 29, 2017, the District entered into a lease purchase agreement with Motorola Solutions, Inc. to finance the purchase of portable and mobile radio equipment and accessories. The value of the right-of-use asset, capitalized as a fixed asset with equipment, as of December 31, 2024 is \$200,581 and is fully amortized as of December 31, 2024. The maturity date for the lease was December 2024. The lease bore an interest rate of 3.86%.

Interest expense on long-term debt amounted to \$1,236 and \$2,425 for the years ended December 31, 2024 and 2023, respectively.

The District's long-term lease consisted of the following at December 31, 2024 and 2023:

	<b>2024</b>				
	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>	<u>Current Portion</u>
Governmental Activities					
Lease payable					
Equipment lease	\$ 32,010	\$ -	\$ 32,010	\$ -	\$ -
	<b>2023</b>				
	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>	<u>Current Portion</u>
Governmental Activities					
Lease payable					
Equipment lease	\$ 62,831	\$ -	\$ 30,821	\$ 32,010	\$ 32,010

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

**9. CAPITAL ASSETS**

The following schedules are a summary of the capital assets by source for the years ended December 31, 2024 and 2023:

<u>Description</u>	<u>January 1, 2024</u>	<u>Additions</u>	<u>Transfer/ Deletions</u>	<u>December 31, 2024</u>
Capital assets being depreciated				
Buildings	\$ 400,000	\$ -	\$ -	\$ 400,000
Buildings improvements	94,017	-	-	94,017
Fire trucks	1,045,483	-	-	1,045,483
Other vehicles	244,882	-	-	244,882
Equipment	416,756	-	-	416,756
	<u>2,201,138</u>	<u>-</u>	<u>-</u>	<u>2,201,138</u>
and amortization				
Buildings	295,000	10,000	-	305,000
Buildings improvements	55,014	3,837	-	58,851
Fire trucks	870,068	26,987	-	897,055
Other vehicles	226,468	7,128	-	233,596
Equipment	388,870	24,529	-	413,399
	<u>1,835,420</u>	<u>72,481</u>	<u>-</u>	<u>1,907,901</u>
Net capital assets	<u>\$ 365,718</u>	<u>\$ (72,481)</u>	<u>\$ -</u>	<u>\$ 293,237</u>
<u>Description</u>	<u>January 1, 2023</u>	<u>Additions</u>	<u>Transfer/ Deletions</u>	<u>December 31, 2023</u>
Capital assets being depreciated				
Buildings	\$ 400,000	\$ -	\$ -	\$ 400,000
Buildings improvements	94,017	-	-	94,017
Fire trucks	1,045,483	-	-	1,045,483
Other vehicles	244,882	-	-	244,882
Equipment	416,756	-	-	416,756
	<u>2,201,138</u>	<u>-</u>	<u>-</u>	<u>2,201,138</u>
Less: Accumulated depreciation				
Buildings	285,000	10,000	-	295,000
Buildings improvements	51,177	3,837	-	55,014
Fire trucks	843,081	26,987	-	870,068
Other vehicles	215,034	11,434	-	226,468
Equipment	357,799	31,071	-	388,870
	<u>1,752,091</u>	<u>83,329</u>	<u>-</u>	<u>1,835,420</u>
Net capital assets	<u>\$ 449,047</u>	<u>\$ (83,329)</u>	<u>\$ -</u>	<u>\$ 365,718</u>

Depreciation expense for the years ended December 31, 2024 and 2023 amounted to \$72,481 and \$83,329, respectively.

**10. LITIGATION**

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Financial Statements**  
**December 31, 2024 and 2023**

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As of the date of this report, there is no litigation pending which, if decided adversely to the District, would have a material impact on the District.

**11. RISK ASSESSMENT**

The District is exposed to various risks of loss related to limited torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year, and settlements have not exceeded coverage in the past three years.

**12. SUBSEQUENT EVENTS**

The District has evaluated subsequent events occurring after the statement of net position and governmental fund balance sheet date through the date of September 4, 2025, which is the date the financial statements were available to be issued. Based on this evaluation, the District has determined that no subsequent events require disclosure in the financial statements.

**BOROUGH OF ENGLISHTOWN FIRE DISTRICT NO. 1**  
**Monmouth County, New Jersey**

**SUPPLEMENTARY INFORMATION**

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual – General Fund**  
**Year Ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>General Fund</u>	<u>Budgetary Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
District taxes	\$ 564,000	\$ 564,000	\$ 564,000	\$ -
Supplemental fire services grant	444	444	-	444
Interest income	-	-	13	(13)
Uniform fire safety act revenues	15,000	15,000	16,390	(1,390)
Miscellaneous income	-	-	758	(758)
Fund balance utilized - unrestricted	<u>93,053</u>	<u>93,053</u>	<u>-</u>	<u>93,053</u>
Total revenues	<u>672,497</u>	<u>672,497</u>	<u>581,161</u>	<u>91,336</u>
<b>Expenditures</b>				
Operating appropriations				
Administration				
Elections	2,500	2,500	1,895	605
Office expenses	1,500	1,500	7,660	(6,160)
Professional services	55,000	55,000	60,074	(5,074)
Advertising	<u>1,500</u>	<u>1,500</u>	<u>90</u>	<u>1,410</u>
Total administration	<u>60,500</u>	<u>60,500</u>	<u>69,719</u>	<u>(9,219)</u>
Operations and maintenance				
Salary and wages	-	-	-	-
Commissioners	<u>47,750</u>	<u>47,750</u>	<u>19,650</u>	<u>28,100</u>
Total salary and wages	<u>47,750</u>	<u>47,750</u>	<u>19,650</u>	<u>28,100</u>
Fringe benefits				
LOSAP	35,000	35,000	32,115	2,885
Fringe benefits	<u>4,500</u>	<u>4,500</u>	<u>3,586</u>	<u>914</u>
Total fringe benefits	<u>39,500</u>	<u>39,500</u>	<u>35,701</u>	<u>3,799</u>

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual – General Fund**  
**Year Ended December 31, 2024**

	<u>Budgeted Amounts</u>		<u>General Fund</u>	<u>Budgetary Variance</u>
	<u>Original</u>	<u>Final</u>		
Other expenses				
Training	23,000	23,000	5,137	17,863
Uniform fire safety act expenses	55,500	55,500	18,487	37,013
Insurance	90,000	90,000	88,083	1,917
Dues and subscriptions	7,000	7,000	3,853	3,147
Maintenance and repairs	80,000	80,000	84,047	(4,047)
Rental charges	36,000	36,000	33,000	3,000
Non-bondable fire fighting equipment	65,000	65,000	56,480	8,520
Fuel purchase	15,000	15,000	7,362	7,638
Utilities	45,000	45,000	35,324	9,676
Capital lease principal	32,011	32,011	32,010	1
Capital lease interest	1,236	1,236	1,236	-
Total other expenses	<u>449,747</u>	<u>449,747</u>	<u>365,019</u>	<u>84,728</u>
Total operations and maintenance	<u>536,997</u>	<u>536,997</u>	<u>420,370</u>	<u>116,627</u>
Total operating appropriations	<u>597,497</u>	<u>597,497</u>	<u>490,089</u>	<u>107,408</u>
<b>Capital appropriations</b>				
Capital improvements	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>75,000</u>
Transfers out	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>(75,000)</u>
Total capital appropriations	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total expenditures	<u>672,497</u>	<u>672,497</u>	<u>565,089</u>	<u>107,408</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	16,072	<u>\$ (16,072)</u>
<b>Fund balances</b>				
Changes in net position				
Beginning of year			<u>393,981</u>	
End of year			<u>\$ 410,053</u>	

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Notes to Required Supplementary Information**  
**Year Ended December 31, 2024**

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**A. BUDGETARY BASIS OF ACCOUNTING**

There are no substantial differences between the District’s budgetary basis of accounting and the fund basis of accounting described below.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, expendable trust funds, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which are recorded when due.

Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute. The municipality is required to remit to its fire districts the entire balance of taxes in the amount voted upon or certified prior to the end of the year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable.”

**B. BUDGET CANCELLATION**

Regulations allow the District to cancel unexpended appropriations before year end by resolution. During the year ended December 31, 2024, the District canceled \$-0- of appropriations resulting in a reservation of fund balance as follows:

Adopted budget	\$ 672,497
Expenditures	<u>565,089</u>
Favorable variance	107,408
Canceled	<u>-</u>
Fund balance reserve	<u>\$ 107,408</u>

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Improvement Authorizations – Capital Fund**  
**Year Ended December 31, 2024**

Purpose	Authorized Appropriation		Balance	2024	2024	2024	Balance
	Date	Amount	January 1, 2024	Authorization	Paid/Charged	Transferred/Cancelled	December 31, 2024
Self contained breathing apparatus compressor system	2006	\$ 45,000	\$ 31,126	\$ -	\$ -	\$ -	\$ 31,126
Paving of the parking lot, repairs to overhead doors	2008	75,000	4,271	-	-	14,000	18,271
Class A pumper	2008	550,000	265	-	-	-	265
Mechanical room and washer & dryer	2015	60,000	20,804	-	-	(14,000)	6,804
Utility truck	2016	60,000	867	-	-	-	867
Chief Response Vehicle	2021	75,000	14,786	-	-	-	14,786
		<u>\$ 865,000</u>	<u>\$ 72,119</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,119</u>

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Improvement Authorizations – Capital Fund**  
**Year Ended December 31, 2023**

<u>Purpose</u>	<u>Authorized Appropriation</u>		<u>Balance</u>	<u>2023</u>	<u>2023</u>	<u>Balance</u>
	<u>Date</u>	<u>Amount</u>	<u>January 1,</u>	<u>Authorization</u>	<u>Paid/Charged</u>	<u>December 31,</u>
			<u>2023</u>			<u>2023</u>
Self contained breathing apparatus compressor system	2006	\$ 45,000	\$31,126	\$ -	\$ -	\$ 31,126
Paving of the parking lot, repairs to overhead doors	2008	75,000	4,271	-	-	4,271
Class A pumper	2008	550,000	265	-	-	265
Mechanical room and washer & dryer	2015	60,000	20,804	-	-	20,804
Chief response vehicle	2016	60,000	867	-	-	867
	2021	<u>75,000</u>	<u>14,786</u>	<u>-</u>	<u>-</u>	<u>14,786</u>
		<u>\$ 865,000</u>	<u>\$ 72,119</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,119</u>

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Statistical Information**  
**Years Ended December 31, 2024 and 2023**

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**Property Tax Levies**

The following is a tabulation of the district's assessed valuations, tax levies, and property tax rates per \$100 of assessed valuation for the current and preceding ten (10) years:

<u>Fiscal Year</u>	<u>Assessed Valuations</u>	<u>Total Tax Levy</u>	<u>Property Tax Rates</u>
2024	380,815,300	564,000	0.149
2023	357,218,400	524,000	0.147
2022	324,074,100	512,000	0.158
2021	276,798,200	499,000	0.181
2020	263,644,700	492,000	0.187
2019	256,456,600	492,000	0.192
2018	248,186,000	484,000	0.196
2017	242,616,500	472,925	0.195
2016	240,537,900	469,000	0.195
2015	239,850,700	460,000	0.192

**General Fund – Fund Balance before Current Year Appropriation Reserves**

<u>Fiscal Year Ended</u>	<u>End of Fiscal Year</u>	<u>Utilization in Subsequent Budget</u>
December 31, 2024	\$ 410,053	\$ 198,907
December 31, 2023	393,981	93,053
December 31, 2022	480,889	94,853
December 31, 2021	484,564	94,853
December 31, 2020	251,121	94,853
December 31, 2019	209,622	80,656
December 31, 2018	133,096	80,656
December 31, 2017	94,508	70,556
December 31, 2016	79,592	62,894
December 31, 2015	87,147	62,894

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Statistical Information**  
**Years Ended December 31, 2024 and 2023**

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**Capital Fund – Fund Balance**

<u>Fiscal Year Ended</u>	<u>End of Fiscal Year</u>	<u>Utilization in Subsequent Budget</u>
December 31, 2024	\$ 422,825	\$ -
December 31, 2023	347,825	-
December 31, 2022	276,211	-
December 31, 2021	225,786	-
December 31, 2020	200,787	-
December 31, 2019	50,707	-
December 31, 2018	25,707	-
December 31, 2017	20,707	-
December 31, 2016	15,707	-
December 31, 2015	70,707	55,000

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Roster of Officials**  
**Years Ended December 31, 2024 and 2023**

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<u>Board of Commissioners</u>	<u>Position</u>	<u>Term Expiration</u>	<u>Amount of Surety Bond*</u>
Peter Cooke	Chairperson	2026	\$1,000,000*
Gerald Maresca	Vice Chairman	2026	1,000,000*
Melisa Scorone	Clerk	2027	1,000,000*
Brian Stonaker	Commissioner-at-large	2025	1,000,000*
Thomas Kirkland	Treasurer	2027	1,000,000*

**Other Officials**

Joseph D. Youssouf                      Board Attorney

\* Blanket Bond Coverage

**Surety Company**

First Responder Insurance Fund

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Comments and Recommendations**  
**Year Ended December 31, 2024**

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**Scope of Examination and Conditions of Records**

We have audited the basic financial statements of the Borough of Englishtown Fire District No. 1, Monmouth County, New Jersey (the "District") for the years ended December 31, 2024 and 2023. In accordance with requirements prescribed by the DLGS, Department of Community Affairs, State of New Jersey, the following are the General Comments and Recommendations for the years then ended.

The financial records were readily available upon request.

Minutes of Board meetings were properly maintained by the Board Clerk.

**Cash in Banks**

The balances in banks at December 31, 2024 were reconciled with statements issued by the depositories.

**Examination of Bills**

Paid bills during the period under review were examined on a test basis to determine that they are submitted on Board vouchers, itemized, signed by the officials as to approval for payment, allocated to the proper accounts and charged to the proper fiscal period, and in agreement with the bill list set forth in the approved minutes of the Board. The results of testing did not disclose any discrepancies with respect to signatures, certification, or supporting documentation.

The District's five (5) Commissioners receive a fee for meeting attendance during the year.

**Testing of Cash Receipts**

A test check of cash receipts was performed. The results of the test did not disclose any discrepancies.

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

N.J.S.A. 40A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. N.J.S. 40A:11-3 defines the bid threshold for any contract awarded as \$17,500."

The commissioners of the District have the responsibility of determining whether the expenditures in any category will exceed the statutory minimum within the fiscal year where questions arise as to whether any contract or agreement might result in violation of the statute and, when necessary, the Board Attorney's opinion should be sought before a commitment is made.

The results of our testing indicated that eight individual payments, contracts, or agreements were made "for the performance of any work or the furnishing or hiring of any materials or supplies", in excess of the statutory thresholds where advertising for bids in accordance with provisions of N.J.S.A. 40A:11-21 was not required as they were state contract purchases.

Review of the minutes and financial transactions did not identify any bids requested by public advertising.

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

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Comments and Recommendations**  
**Year Ended December 31, 2024**

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

**Contracts and Agreements Requiring Solicitation of Quotations**

The examination of expenditures did not reveal any individual payments, contracts or agreements in excess of \$17,500 "for the performance of any work or the furnishings or hiring of any materials or supplies", other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provisions of (N.J.S.A.40A:11-6.1).

The supporting documentation indicated that quotes were requested for all items that required them.

**Capital Assets**

The Capital Asset subledger was maintained properly and a reconciliation between the physical and perpetual inventory records was performed at year-end.

**Miscellaneous**

An exit conference was held in accordance with the Generally Accepted Governmental Auditing Standards in the United States of America.

**Acknowledgment**

We received the adequate cooperation of all staff of the District and we greatly appreciate the courtesies extended to the members of the audit team during our audit, we did not note any problems or weaknesses significant enough that would affect our ability to express an opinion on the financial statements taken as a whole.

**Recommendations**

See schedule of findings and responses under Generally Accepted Government Auditing Standards.

**Prior Year Comments**

Two, as noted in prior year schedule of findings.

The problems and weaknesses noted in our review were not of such magnitude that they would affect our ability to express an opinion on the financial statements taken as a whole.

Respectfully submitted,

September 4, 2025

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

## INDEPENDENT AUDITOR'S REPORT

To the Board of Fire Commissioners,  
Borough of Englishtown Fire District No. 1:

We have audited, 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 the audit requirements prescribed by the Division of Local Government Services ("DLGS"), Department of Community Affairs, State of New Jersey, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Borough of Englishtown Fire District No. 1 as of and for the year ended December 31, 2024, and the related notes to financial statements, which collectively comprise the Borough of Englishtown Fire District No. 1's basic financial statements, and have issued our report thereon dated September 4, 2025.

### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Englishtown Fire District No. 1's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Englishtown Fire District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Englishtown Fire District No. 1's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses under generally accepted governmental auditing standards as items 2024-001 that we consider to be a material weakness.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough of Englishtown Fire District No. 1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## The District's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

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



September 4, 2025

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Findings and Responses under Generally Accepted *Government Auditing Standards***  
**Year Ended December 31, 2024**

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**Finding 2024-001**

**Deficiency in Financial Reporting Process**

**Criteria:** The District's internal financial reporting process lacked sufficient knowledge to implement accounting standards or those outside the daily operations which resulted in significant audit adjustments. Management is responsible for making all management decisions and performing all management functions relating to the financial statements and all financial transactions.

**Condition:** The District did not properly implement accounting standards or those outside the daily operations.

**Effect or Potential Effect:** In the improper recording, the District puts itself at the risk of misstating their general or capital fund balances, therefore potentially causing the District to be in violation of not acting within their budget.

**Cause:** The Commissioners should implement procedures to ensure financial information is recorded properly and reported accurately within the reporting requirements. Additionally, we recommend the District hiring an individual who possesses knowledge of Generally Accepted Accounting Principles ("GAAP"), GASB, and DLGS.

**Views of Responsible Official(s) and Planned Corrective Actions:** The Commissioners are aware of the need to properly report their financials under GAAP, GASB, and DLGS guidelines.

**Management's Response:** Management takes the finding of the above-mentioned significant deficiency very seriously. The individual responsible for the financial reporting was relieved of their duties during the fiscal year. The District will hire new professionals to adequately service the District and all records will be reviewed quarterly.

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Prior Year Findings and Responses under Generally Accepted Government**  
**Auditing Standards**  
**Year Ended December 31, 2024**

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**Finding 2023-001**

**Deficiency in Financial Reporting Process**

**Criteria:** The District's internal financial reporting process lacked sufficient knowledge to implement accounting standards or those outside the daily operations which resulted in significant audit adjustments. Management is responsible for making all management decisions and performing all management functions relating to the financial statements and all financial transactions.

**Condition:** The District did not properly implement accounting standards or those outside the daily operations.

**Effect or Potential Effect:** In the improper recording, the District puts itself at the risk of misstating their general or capital fund balances, therefore potentially causing the District to be in violation of not acting within their budget.

**Cause:** The Commissioners should implement procedures to ensure financial information is recorded properly and reported accurately within the reporting requirements. Additionally, we recommend the District hiring an individual who possesses knowledge of Generally Accepted Accounting Principles ("GAAP"), GASB, and DLGS.

**Views of Responsible Official(s) and Planned Corrective Actions:** The Commissioners are aware of the need to properly treat the LOSAP and not record a reserve for liability.

**Management's Response:** Management takes the finding of the above-mentioned significant deficiency very seriously. The District will hire new professionals to adequately service the District and all records will be reviewed quarterly.

**Update as of December 31, 2024:** Management has resolved the LOSAP issue noted above, however issues still pertain in the financial reporting process, and is noted in finding 2024-001.

**Material Weaknesses:**

None reported

**Borough of Englishtown Fire District No. 1**  
**Monmouth County, New Jersey**  
**Schedule of Prior Year Findings and Responses under Generally Accepted Government**  
**Auditing Standards**  
**Year Ended December 31, 2024**

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**Finding 2023-002**

**Lateness in Filing of Audited Financial Statements**

**Criteria:** The timeliness of filing the audited financial statements as required by the DLGS, Department of Community Affairs, State of New Jersey, is needed to ensure compliance with state regulations.

**Condition:** The audit was not received timely from the Borough of Englishtown Fire District No. 1 (the "District") in order to meet the DLGS, Department of Community Affairs, State of New Jersey, filing deadline of December 31, 2023.

**Context:** During the course of audit procedures, it was determined the audited financial statements could not be submitted to the DLGS, Department of Community Affairs, State of New Jersey, on a timely basis.

**Effect or Potential Effect:** Without the timely filing of the audited financial statements, the District could be in violation of not acting within the terms of its agreement with the DLGS, Department of Community Affairs, State of New Jersey.

**Cause:** Due to various delays, the information needed to complete the audit of the District's financial statements was not available in a timely manner.

**Recommendation:** The Commissioners should implement procedures to ensure information is made available to the certified public accountant to enable the completion of a timely audit.

**Views of Responsible Official(s) and Planned Corrective Actions:** The Commissioners are aware of the regulatory requirements of the DLGS, Department of Community Affairs, State of New Jersey, and had issues with compliance in the past. Due to various delays, the District was unable to comply with the filing deadlines for the year ended December 31, 2023.

**Management's Response:** Management is in agreement with the need to resolve the above-mentioned findings and are in the process of working with the outside accountant to resolve issues which have led to previously mentioned delays to audit procedures.

**Update as of December 31, 2024:** Management has resolved the above finding as of December 31, 2024 and no finding was noted.

**Material Weakness**

None reported.