

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX, NEW JERSEY  
REPORT OF AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared by:  
Gerard Stankiewicz, CPA  
Of the Firm of:  
Samuel Klein and Company, LLP  
Certified Public Accountants  
36 West Main Street, Suite 303  
Freehold, New Jersey 07728

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**

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BOROUGH OF JAMESBURG FIRE DISTRICT #1

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# SAMUEL KLEIN AND COMPANY, LLP

CERTIFIED PUBLIC ACCOUNTANTS

550 BROAD STREET, 11TH FLOOR  
NEWARK, N.J. 07102-9969  
PHONE (973) 624-6100  
FAX (973) 624-6101

36 WEST MAIN STREET, SUITE 303  
FREEHOLD, N.J. 07728-2201  
PHONE (732) 780-2000  
FAX (732) 780-1000

## INDEPENDENT AUDITOR'S REPORT

Board of Fire Commissioners  
Borough of Jamesburg Fire District No. 1  
County of Middlesex  
State of New Jersey

### **Report on the Audit of the Financial Statements**

#### Opinions

We have audited the financial statements of the governmental activities and each major fund of the Borough of Jamesburg Fire District No. 1 (the "District"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal 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 *Government Auditing Standards* and auditing standards prescribed by the Division of Local Government Service, Department of Community Affairs, State of New Jersey, 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 *Government Auditing Standards*, 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.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 budgetary comparison information 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 audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The identify accompanying supplementary information such as the combining and individual fund financial statements 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 accompanying supplementary information is 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 introductory and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 June 15, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

### Basis for Disclaimer of Opinion on Length of Service Award Program Fund ("LOSAP")

The financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited, and we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the District's financial statements.

Due to the fact that we were not required by the Division to audit nor were we engaged to audit the LOSAP financial statements as part of our audit of the District's financial statements, we do not express an opinion of the LOSAP financial statements.



Gerard Stankiewicz  
Certified Public Accountant  
Registered Municipal Accountant #431



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey  
June 15, 2022

550 BROAD STREET, 11TH FLOOR  
NEWARK, N.J. 07102-9900  
PHONE (973) 624-0100  
FAX (973) 624-0101

36 WEST MAIN STREET, SUITE 303  
FREEHOLD, N.J. 07728-2201  
PHONE (732) 780-2000  
FAX (732) 780-1030

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS – STATUTORY BASIS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Fire Commissioners  
Borough of Jamesburg Fire District #1  
County of Middlesex  
State of New Jersey

We have audited the financial statements of the Borough of Jamesburg Fire District #1, County of Middlesex, State of New Jersey (the "District"), as of and for the year ended December 31, 2021, and have issued our report thereon dated June 15, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected 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.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS – STATUTORY BASIS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(CONTINUED)**

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

Compliance and Other Matters

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

This report is intended solely for the information of the District and its management, and other federal and state awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.



Gerard Stankiewicz  
Certified Public Accountant



SAMUEL KLEIN AND COMPANY, LLP

Freehold, New Jersey  
June 15, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Within this section of the Borough of Jamesburg Fire District's (District) annual financial report, the management of the District provides narrative discussion and analysis of the financial activities of the District for the audit year ending December 31, 2021.

The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and notes following this section.

### **Discussion of Financial Statements Included in Annual Audit**

The District prepares and presents its financial statements on several different bases, because of accounting requirements and for internal use purposes.

The first set of statements which consist of the Statement of Net Position, the Statement of Activities and Change in Net Position is prepared on an accrual basis and is in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to enterprise funds of state and local governments. These statements are the official financial statements of the Borough of Jamesburg Fire District #1.

After the first set of statements and the "Notes to the Financial Statements" that follow is the second set of statements. These statements are considered "Supplemental Information".

The District has historically presented its financial statements on a "GAAP Basis", and continues to do so because it relates more fairly to the annual budget for the same period. The annual budget records all encumbrances as charges against the adopted appropriation even if the items or services have not been received.

Contained in the supplemental information are statements that report the Statement of Net Position, Statement of Revenues, Expenditures and Change in Net Position and Statement of Expenditures Compared to Budget. These statements compare the "Budget" revenues and expenses to "Actual" revenues and expenses. They include operating revenues and expenses, nonoperating revenues and nonoperating expenses. Principal and Interest are reported in this statement as Debt Service expense, and depreciation is not reported as an expense. On the "GAAP" based and "Modified GAAP" based, Depreciation Expense is included, and only the Interest Expense component of the Debt Service expense is reported.

The Budget to Actual statement is a very important statement to the District management, because it is how we measure our financial performance, particularly as it compares to the approved and adopted annual budget and how it relates to the operational performance.

Other information or statements incorporated within the annual audit report are the Schedules of Cash and Cash Equivalents – Restricted and Unrestricted and the Schedule of General Obligation Bonds Payable.

For the purpose of the Management Discussion and Analysis, the ensuing discussion will review the official statements of the District, those prepared on an accrual basis and in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to enterprise funds of state and local governments. This is the first set of statements included in the annual audit report.

**Borough of Jamesburg Fire District #1**

Comparative Statement of Net Position

The Borough of Jamesburg Fire District's total Assets increased \$1,812.02 and total liabilities increased \$37,784.94. Assets exceed liabilities by \$742,724.55 compared to 2020 where the assets exceeded liabilities by \$778,696.47.

The Borough of Jamesburg Fire District's Net Position of \$742,724.55 is comprised of the following:

1. Invested in Capital Assets decreased \$74,025.04 and is computed as follows:

	December 31,	
	2021	2020
Capital Assets, Net	\$ 323,100.49	\$ 428,140.68
Less:		
Current Portion	32,209.24	31,015.15
Noncurrent Portion	-	32,209.24
	\$ 290,891.25	\$ 364,916.29

2. Net Position of \$10,000.00 is designated for offsetting 2022 budgeted expenses.
3. Restricted for future capital outlay is \$120,388.22 none of which has been appropriated.
4. Unrestricted net position \$257,552.94 represent the portion available to maintain the District's continuing obligations to the residents of its municipality area, its creditors, employees and bondholders and is available to be budgeted as reserve in subsequent years.

Comparative Statement of Net Position (Continued)

Net Position decreased by \$35,971.92.

	As of December 31,	
	<u>2021</u>	<u>2020</u>
Total Current Assets	\$ 418,356.96	\$ 342,454.75
Total Restricted Assets	184,280.36	153,330.36
Capital Assets, Net	<u>323,100.49</u>	<u>428,140.68</u>
 Total Assets	 <u>\$ 925,737.81</u>	 <u>\$ 923,925.79</u>
 Total Current Liabilities Payable from Current Assets	 \$ 150,804.02	 \$ 82,004.93
Noncurrent Liabilities	<u>32,209.24</u>	<u>63,224.39</u>
 Total Liabilities	 <u>\$ 183,013.26</u>	 <u>\$ 145,229.32</u>
 Restricted:		
Invested in Capital Assets	\$ 290,891.25	\$ 364,916.29
For Future Capital Purposes	120,388.22	89,438.22
Unrestricted:		
Reserved	73,892.14	81,392.14
Unreserved	<u>257,552.94</u>	<u>242,949.82</u>
 Net Position	 <u>\$ 742,724.55</u>	 <u>\$ 778,696.47</u>

Total Current Assets for cash and cash equivalents increased because of an increase in Current Liabilities Payable from Current Assets and increases in reserve for future capital use.

There was no change in depreciation expense.

Total Current Liabilities Payable from Current Assets for accrued expenses have decreased because of higher yearend obligations than in the prior years.

Total Noncurrent Liabilities are down because capital lease obligations have been reduced by paydown.

Comparative Statement of Revenues, Expenses and Change in Net Position

There was no change to Operating Revenues from Taxation of the District. This was due to the voter approved budget in the annual election.

Total Operating Expenses excluding depreciation increased by \$91,515.60 or 28.05% from the prior year.

Total Operating Revenues less Total Operating Expenses produced a deficit of \$48,991.97.. This was anticipated by the Commissioners in the annual budget.

Total Net Nonoperating Revenue increased by \$1,655.96.

Net Position as of December 31, 2021 decreased \$35,971.92 from \$778,696.47 to \$742,724.55.

	<u>Year Ending December 31,</u>	
	<u>2021</u>	<u>2020</u>
Total Operating Revenues	\$ <u>473,876.00</u>	\$ <u>463,000.00</u>
Operating Expenses	\$ 417,827.78	\$ 326,312.18
Depreciation	<u>105,040.19</u>	<u>105,040.19</u>
Total Expenses	\$ <u>522,867.97</u>	\$ <u>431,352.37</u>
Operating Income/(Loss)	\$ (48,991.97)	\$ 31,647.63
Nonoperating Revenues - Net	<u>13,020.05</u>	<u>11,364.09</u>
Change in Net Position/(Loss)	\$ (35,971.92)	\$ 43,011.72
Net Position, Beginning	<u>778,696.47</u>	<u>735,684.75</u>
Net Position, Ending	\$ <u>742,724.55</u>	\$ <u>778,696.47</u>

### Core Competencies

The District provides fire protection services for the Borough of Jamesburg and is the sole Authority for fire protection in the Borough.

The District's offices are contained within a building owned by the Jamesburg Fire Company, Inc. Public meetings are held in accordance with the open public meetings law and as needed special meetings. The Board consists of five (5) members elected by the voters at the annual Fire District Election held on the third Saturday of February. The terms are three years and are staggered terms (2, 2 and 1).

The District's budget is voted on at the Annual Fire District Election. The budget process begins in October with preparing the details and is finalized and introduced in December. A public hearing is held in January. If the voters defeat the budget, then the Mayor and Council of the Borough have the right to set the budget. The budget is prepared on a calendar year basis.

The District has a contract with the fire company for use of their building and for them to provide fire protection services. The Fire Company has approximately 40 volunteer members. The District also participates on a mutual aid consortium for assistance to and from neighboring municipalities.

The main revenue of the District is property taxes which are subject to the annual fire district election. The other sources of revenue are surplus and miscellaneous revenue which accrues to the fund balance of the District.

The majority of the budget relates to insurance, hydrant rentals and repair and maintenance of fire trucks.

Debt Service is appropriated to repay the debt for the purchase of a fire truck approved by the voters of the District. The District every several years acquires a new fire truck.

The District real estate base for 2021 of \$239,915,802.00 consists mostly of 1,601 residential units with assessed valuation of \$197,928,800.00 and 104 commercial units valued at \$30,099,300.00 and are within close proximity to the NJ Turnpike Exit 8A.

## **Accountability**

The Borough of Jamesburg Fire District's mission statement is:

### **The Mission Statement:**

Our mission for the Borough of Jamesburg Fire District is to provide the ultimate in fire protection services. Always responsive to the residents' needs and the growing community, in compliance with the applicable laws, rules and regulations, the District will continue to set and exceed the standards for the protection of the property, while operating the most efficient system and maintaining a cost effective budget.

As the mission reads, this is who and what the District is accountable to. The District's accountability, first and foremost, is to protect the property. The goal is to provide a cost effective and reliable service, and at the same time to protect the property. This means the District is accountable to the residents, the agencies and people served using the same principals: cost effective, efficient, reliable and protective.

As a district, the District is also guided by or accountable to state government and the applicable rules and regulations that govern the Borough of Jamesburg Fire District. More specifically, the District is accountable to the Department of Community Affairs, Division of Local Government Services.

## **Management of the District**

The Commissioner's manage the daily operations of the District in conjunction with the Chief of Fire. The District employs an accountant to handle the bookkeeping operations.

## **Funding of Infrastructure and Debt Management**

The District is required by statute to present it's capital projects or capital assets acquisition to the voters of the District for approval. Once approved, the District can proceed to put the required financing in place; however, subject to the Local Finance Board's approval.

## **Auditors**

The District Auditor is Gerard Stankiewicz, CPA of Samuel Klein and Company.

Audits can be obtained by contacting the Borough of Jamesburg Fire District.

**FINANCIAL STATEMENTS**

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021

	Balance December 31, <u>2021</u>
<u>ASSETS</u>	
Current Position:	
Cash and Cash Equivalents	\$ <u>418,356.96</u>
Total Current Position	\$ <u>418,356.96</u>
Restricted Assets:	
Cash and Cash Equivalents	\$ <u>184,280.36</u>
Total Restricted Assets	\$ <u>184,280.36</u>
Noncurrent Assets:	
Capital Assets, Net	\$ <u>323,100.49</u>
Total Noncurrent Assets	\$ <u>323,100.49</u>
Total Assets	\$ <u>925,737.81</u>

See Accompanying Notes to Financial Statements

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021

	Balance December 31, <u>2021</u>
<u>LIABILITIES</u>	
Current Liabilities Payable from Current Assets:	
Accounts Payable	\$ 98,228.35
Accrued Expenses	51,490.63
Accrued Interest on Noncurrent Debt	<u>1,085.04</u>
Total Current Liabilities Payable from Current Assets	\$ <u>150,804.02</u>
Noncurrent Liabilities:	
Due within one year	\$ <u>32,209.24</u>
Total Noncurrent Liabilities	\$ <u>32,209.24</u>
Total Liabilities	\$ <u>183,013.26</u>
 <u>NET POSITION</u>	
Restricted:	
Invested in Capital Assets	\$ 290,891.25
Unrestricted:	
Reserved	194,280.36
Unreserved	<u>257,552.94</u>
Net Position	\$ <u>742,724.55</u>

See Accompanying Notes to Financial Statements

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

Exhibit A-2

		<u>Total Governmental Activities Net Revenue and Change in Net Position</u>
<u>Functions/Programs</u>		
Governmental Activities:		
Operating Appropriations:		
Administration:		
Paid Positions	\$ 14,396.00	
Professional Services	20,358.00	
Elections	1,076.63	
Office Supplies and Postage	<u>5,904.23</u>	\$ 41,734.86
Operations and Maintenance:		
Fire Hydrant Rentals	67,699.74	
Insurance-Premiums	49,418.00	
Training and Education	1,935.00	
Uniforms and Personal Equipment	10,829.56	
Utilities and Related Services	19,445.24	
Radio Service/Repair	16,046.93	
Diesel Gas/Fuel	1,205.77	
Building Maintenance and Supplies	68,415.99	
Air Pack and Bottle Repair	523.00	
Contingent	18,014.49	
Service Contracts	32,500.00	
Truck Repairs	44,144.96	
Equipment Testing	12,698.64	
Fire Equipment	<u>15,160.76</u>	358,038.08
LOSAP		16,665.53
Unallocated Depreciation		105,040.19
Interest on Noncurrent Debt		<u>1,389.31</u>
Total Governmental Activities		<u>\$ 522,867.97</u>
<u>General Revenues:</u>		
Taxes:		
General Purposes	\$ 407,600.71	
Debt Service	33,449.29	
Capital Projects	<u>30,950.00</u>	\$ 472,000.00
Grants - SFSP		<u>\$ 1,876.00</u>
Total General Revenues		<u>\$ 473,876.00</u>
Excess/(Deficit) of Revenue over Expenditures		(48,991.97)
Nonoperating Expense:		
Adjustment for Prior Year Fixed Assets:		
Investment Earnings	\$ 10,995.39	
Miscellaneous	<u>2,024.66</u>	<u>13,020.05</u>
Increase in Net Position		\$ (35,971.92)
Net Position - Beginning		<u>778,696.47</u>
Net Position - Ending		<u>\$ 742,724.55</u>

See accompanying Notes to Financial Statements.

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**STATEMENT OF NET POSITION**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2021**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 418,356.96	\$ 184,280.36	\$ 602,637.32
<b>Total Assets</b>	<b>\$ 418,356.96</b>	<b>\$ 184,280.36</b>	<b>\$ 602,637.32</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 98,228.35	-	\$ 98,228.35
Accrued Expenses	51,490.63	-	51,490.63
<b>Total Liabilities</b>	<b>\$ 149,718.98</b>	<b>-</b>	<b>\$ 149,718.98</b>
<b>Net Position:</b>			
Restricted	\$ 10,000.00	\$ 63,892.14	\$ 73,892.14
Unassigned	258,637.98	120,388.22	379,026.20
<b>Total Net Position</b>	<b>\$ 268,637.98</b>	<b>\$ 184,280.36</b>	<b>\$ 452,918.34</b>

Amounts reported for Governmental Activities in the Statement of Net Position (A-1) are different because:

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. The Cost of the Net Position is \$2,192,245.17 and the Accumulated Depreciation is \$1,869,144.68. (Note 4)	\$ 323,100.49
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Lease Purchase Agreements Payable (Note 5)	(32,209.24)
Certain liabilities are not due and payable in the current period, and therefore, are not reported in funds:	
Accrued Interest on Noncurrent Debt	
(Accrued interest is a current liability that will be paid from the debt service fund. Therefore, the liability reduces the restricted for debt service net position balance.)	(1,085.04)
<b>Net Position of Governmental Activities (A-1)</b>	<b>\$ 742,724.55</b>

See accompanying Notes to Financial Statements.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN NET POSITION**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	Special Revenue Fund	Capital Projects	Debt Service Fund	Total Governmental Funds
<b>Revenue:</b>					
Amount to be Raised by Taxation to Support the District Budget	\$ 407,600.71		\$ 30,950.00	\$ 33,449.29	\$ 472,000.00
Other Grants/Entitlements		\$ 1,876.00			1,876.00
<b>Total Revenues</b>	<b>\$ 407,600.71</b>	<b>\$ 1,876.00</b>	<b>\$ 30,950.00</b>	<b>\$ 33,449.29</b>	<b>\$ 473,876.00</b>
<b>Expenditures:</b>					
Administration	\$ 41,734.86				\$ 41,734.86
Cost of Operations and Maintenance	356,162.08	\$ 1,876.00			358,038.08
Length of Service Award Program	19,000.00				19,000.00
<b>Debt Service:</b>					
Principal				\$ 31,015.15	31,015.15
Interest				2,434.14	2,434.14
<b>Total Expenditures</b>	<b>\$ 418,896.94</b>	<b>\$ 1,876.00</b>	<b>-</b>	<b>\$ 33,449.29</b>	<b>\$ 452,222.23</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<b>\$ (9,296.23)</b>	<b>-</b>	<b>\$ 30,950.00</b>	<b>-</b>	<b>\$ 21,653.77</b>
<b>Other Financing Sources:</b>					
Miscellaneous Revenue	\$ 13,329.86				\$ 13,329.86
Interest/Income	2,024.66				2,024.66
	15,354.52				15,354.52
<b>Change in Net Position</b>	<b>\$ 6,058.29</b>	<b>-</b>	<b>\$ 30,950.00</b>	<b>-</b>	<b>\$ 37,008.29</b>
<b>Net Position, January 1</b>	<b>262,579.69</b>		<b>153,330.36</b>		<b>415,910.05</b>
<b>Net Position, December 31</b>	<b>\$ 268,637.98</b>	<b>-</b>	<b>\$ 184,280.36</b>	<b>-</b>	<b>\$ 452,918.34</b>

See accompanying Notes to Financial Statements.

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGE IN NET POSITION OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2021

Total Net Change in Net Position - Governmental Funds (From B-2)	\$ 37,008.29
Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	
Depreciation Expense	(105,040.19)
Repayments of lease principal are expenditures in the governmental funds, but the repayment reduces noncurrent liabilities in the statement of net position and is not reported in the statement of activities.	
	31,015.15
In the statement of activities, interest on noncurrent debt is accrued, regardless of when due. In the governmental funds, interest is reported when due.	
	<u>1,044.83</u>
Change in Net Position of Governmental Activities (from A-2)	<u>\$ (35,971.92)</u>

See accompanying Notes to Financial Statements.

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2021

	Deferred Compensation LOSAP <u>(Unaudited)</u>
<u>ASSETS</u>	
Cash and Investments with Fiscal Agents	\$ 683,012.27
Due from District	<u>23,383.27</u>
Total Current Assets	<u>\$ 686,395.54</u>
 <u>NET POSITION</u>	
Held in Trust For:	
Deferred Compensation	\$ <u>686,395.54</u>
Total Net Position	<u>\$ 686,395.54</u>

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX  
STATEMENT OF CHANGE IN NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

	Deferred Compensation LOSAP <u>(Unaudited)</u>
Additions	
Contributions:	
District Contribution	\$ <u>23,383.27</u>
Total Contributions	<u>23,383.27</u>
Investment Earnings:	
Net Decrease In Fair Value of Investments	\$ 87,302.79
Interest	<u>1,783.98</u>
Net Investment Earnings	<u>89,086.77</u>
Total Additions:	\$ <u>112,470.04</u>
Deductions:	
Benefits paid to Participants or Beneficiaries	\$ 32,084.34
Prior Year Contribution Adjustments	<u>741.57</u>
Total Deductions	\$ <u>32,825.91</u>
Change in Net Position	\$ 79,644.13
Net Position - January 1	<u>606,751.41</u>
Net Position - December 31	\$ <u>686,395.54</u>

**NOTES TO FINANCIAL STATEMENTS**

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 1. **REPORTING ENTITY**

This report includes the financial statements of the Borough of Jamesburg Fire District #1 (the "District"), within the County of Middlesex, in the State of New Jersey and reflects the activities for the District that are under the control of the Board of Fire Commissioners.

The District was established in accordance with the provisions of N.J.S.A. 40A:14-70.

The District is not a component unit of any other financial reporting entity nor does the District have any component units to be presented in accordance with Governmental Accounting Standards Board (GASB) Statements No. 14/61.

Note 2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Basis of Accounting**

The accrual basis of accounting is followed. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the fiscal period. Expenditures are recognized in the period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

**Fund Accounting**

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

**Governmental Funds**

**General Fund** – The General Fund is the general operating fund of the District and is used to account for its inflows and outflows of financial resources. The acquisition of certain capital assets, such as firefighting apparatus and equipment, is accounted for in the General Fund when it is responsible for the financing of such expenditures.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

Special Revenue Fund – The Special Revenue Fund is used to account for the proceeds of specific revenue sources, such as state or federal government grants and appropriations that are legally restricted to expenditures for specified purposes.

Capital Project Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities such as fire houses and firefighting apparatus. Generally, the financial resources of the Capital Projects Fund are derived from the issuance of debt or by the reservation of fund balance that must be authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund – The Debt Service Fund is used to account for resources that will be used to service general noncurrent liabilities recorded in the General Noncurrent Debt Account Group.

Capital Assets – Property, plant and equipment purchased by the general fund and the capital projects fund are recorded as expenditures at the time of purchase. The historical cost, or if such cost is not practically determinable, the estimated historical cost, of such fixed assets is reflected in the Capital Assets account.

Fiduciary Funds

The Trust Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Volunteer Length of Service Award Plan ("LOSAP")

The Fire District has established a volunteer Length of Service Award Plan ("LOSAP")("Plan") to ensure retention of the Borough of Jamesburg's volunteer fire department. The plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "Length of service plan under section 457(e)11 of the Internal Revenue Code". The LOSAP financial statements have not been nor are they required to be audited.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Equity

Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated or assigned fund balances represent plans for future use of financial resources.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the Statement on Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the statement of net position. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the fall of each preceding year for the general, special revenue, and debt service funds. The budgets are submitted to the State, Department of Community Affairs, Division of Local Government Services, Bureau of Authority Regulation for approval and are voted upon by the registered voters of the Borough at the annual fire district election on the third Saturday in February. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts. Transfers of appropriations may be made by District resolution at any time during the last three months of the fiscal year.

Formal budgetary integration into the accounting system is employed as a management control device during the year. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

Subsequent Events

Management has reviewed and evaluated all events and transactions from December 31, 2021 through June 15, 2022, the date that the financial statements are issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the Authority that would require disclosure.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

A. Cash

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

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

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

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

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

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

All collateral must be deposited with the Federal Reserve Bank, The Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

The amount on deposit of District's cash and cash equivalents at December 31, 2021 was \$613,431.51.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

B. Investments

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

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

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

C. Risk Analysis

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

As of December 31, 2021, there were no securities categorized as Investments as defined by GASB Statement No. 3 as amended by No. 40.

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 4. **CAPITAL ASSETS**

All reported capital assets except for land are depreciated. At December 31, 2021, capital assets and the useful lives used for determination of annual depreciation were as follows:

	Balance December 31, 2020	<u>Current Year's Activity</u>  Increase	Balance December 31, 2021	Useful Life
Improvements	\$ 227,546.87		\$ 227,546.87	10-15 Years
Trucks	1,210,470.81		1,210,470.81	10-15 Years
Equipment	627,038.64		627,038.64	10 Years
Vehicles	<u>127,188.85</u>		<u>127,188.85</u>	5 Years
	\$ 2,192,245.17		\$ 2,192,245.17	
Less:				
Accumulated Depreciation	<u>1,764,104.49</u>	\$ <u>105,040.19</u>	<u>1,869,144.68</u>	
	<u>\$ 428,140.68</u>	<u>\$ (105,040.19)</u>	<u>\$ 323,100.49</u>	

Accumulated depreciation at December 31, 2021 was \$1,869,144.68.

Depreciation expense for the years ended December 31, 2021 and 2020 were \$105,040.19 and \$105,040.19, respectively.

Note 5. **NONCURRENT DEBT**

**A. Capital Lease Obligations Payable**

The District is leasing a truck under a capital lease. The following is a schedule of the future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at December 31, 2021:

Year Ending December 31,	<u>Truck</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ <u>32,209.24</u>	\$ <u>1,240.05</u>	\$ <u>33,449.29</u>

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 5. NONCURRENT DEBT (CONTINUED)

B. Summary of Debt

During the fiscal year ended December 31, 2021 the following changes occurred in noncurrent liabilities:

	<u>Beginning Balance</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Noncurrent Portion</u>
Capital Leases	\$ 93,089.73	\$ 60,880.49	\$ 32,209.24	\$ 32,209.24	

Note 6. LENGTH OF SERVICE AWARDS PROGRAM

On February 20, 1999, the voters of the District approved a referendum authorizing the establishment of a Length of Service Awards Program (LOSAP). The LOSAP will provide tax-deferred income benefits to the active volunteer firefighters who are eligible to participate.

The LOSAP funds are administered independently and distinct from the District and are subject to a review in accordance with the American Institute of Certified Public Accountants Standards for Accounting and Review Services. The required annual review report as of December 31, 2021 has been prepared.

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

The District has selected Variable Annuity Life Insurance Company (VALIC) to administer its LOSAP Program. As of December 31, 2021, the District's LOSAP Program had cash, cash equivalents and investment of \$663,012.27. The contributions for last three (3) years are as follows:

<u>Year</u>	<u>District Contribution</u>	<u>Contribution per Member</u>
2021	\$ 23,383.27 *	\$ 741.57
2020	17,797.68	767.74
2019	17,312.00	752.69

\* This amount had an additional \$116 per member contribution

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 7. PENSION PLAN AND OTHER POST-RETIREMENT BENEFITS (OPEB)

The District does not participate in the State of New Jersey Public Employee Retirement System (PERS) and therefore, is not required to provide accounting in accordance with GASB#68 – Accounting for Pension Liabilities. The District does not have employees that receive OPEB and therefore, no accounting in accordance with GASB#75 – Accounting for Post-Retirement Benefits is required.

Note 8. CONTINGENT LIABILITIES

The District's Attorney representation has revealed no material contingent liability for the District.

Note 9. NET POSITION

Net position represents the difference between assets and liabilities. Net position invested in capital assets, to the extent expended consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Note 10. NET POSITION – NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets, Governmental Activities, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. The net investment in capital assets of \$290,891.25 indicated as part of the Governmental Activities net position is calculated as follows:

	<u>Amount</u>
Capital assets, net of depreciation	\$ 323,100.49
Capital lease (used to build or acquire capital assets)	<u>(32,209.24)</u>
	<u>\$ 290,891.25</u>

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Note 11. FUND BALANCE APPROPRIATED

Basic Financial Statements:

Unrestricted:

General Fund – Of the \$250,840.30 General Fund balance at December 31, 2021, \$10,000.00 has been assigned as designated for subsequent years expenditures and the balance \$240,840.30 is unassigned.

Restricted:

Capital Projects Fund – Of the \$184,280.36 fund balance at December 31, 2021, \$120,388.22 is reserved for future capital outlay and \$63,892.14 has been designated for project expenditures.

Note 12. SUBSEQUENT EVENT: COVID-19 CORONAVIRUS PANDEMIC

The COVID-19 Coronavirus outbreak in the United States has caused the Governor of the State of New Jersey to mandate closures and a curfew for all nonessential citizens and businesses. The management of the District (which is essential) has evaluated the impact of the situation and has determined that there is no adverse impact on its December 31, 2021 financial statements (*audited*). Financial impact in 2022 is uncertain at this time. A significant portion of the revenue to support District 2022 operations is taxation; all of which was collected in 2022. It is not known at this time if there are any federal or state funds available for impact relief.

OTHER INFORMATION

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**GOVERNMENTAL FUNDS - GENERAL FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES COMPARED TO BUDGET**  
**YEAR ENDED DECEMBER 31, 2021**

	Budget as Adopted	Budget as Modified	Actual	Excess (Deficit)
<b>Revenue:</b>				
Amount to be Raised by Taxation	\$ 407,600.71	\$ 407,600.71	\$ 407,600.71	_____
<b>Total Revenue</b>	<b>\$ 407,600.71</b>	<b>\$ 407,600.71</b>	<b>\$ 407,600.71</b>	<b>_____</b>
<b>Appropriations:</b>				
<b>Operating Appropriations:</b>				
<b>Administration:</b>				
Paid Positions	\$ 15,900.00	\$ 15,900.00	\$ 14,396.00	\$ 1,504.00
Professional Services	30,000.00	30,000.00	20,368.00	9,642.00
Elections	7,500.00	7,500.00	1,076.63	6,423.37
Office Supplies and Postage	5,200.00	5,200.00	5,904.23	(704.23)
<b>Total Administration</b>	<b>58,600.00</b>	<b>58,600.00</b>	<b>41,734.86</b>	<b>16,865.14</b>
<b>Operations and Maintenance:</b>				
Fire Hydrant Rentals	58,000.00	58,000.00	67,699.74	(9,699.74)
Insurance Premiums	51,000.00	51,000.00	49,418.00	1,582.00
Training and Education	12,000.00	12,000.00	1,935.00	10,065.00
Uniforms and Personal Equipment	17,000.00	17,000.00	10,829.56	6,170.44
Utilities and Related Services	21,000.00	21,000.00	19,445.24	1,554.76
Radio Service/Repair	12,000.00	12,000.00	16,046.93	(4,046.93)
Diesel Gas Fuel	5,000.00	5,000.00	1,205.77	3,794.23
Truck Service/Repair	30,000.00	30,000.00	44,144.96	(14,144.96)
Equipment Testing	8,000.00	8,000.00	12,698.64	(4,698.64)
Building Maintenance	55,000.00	55,000.00	67,295.01	(12,295.01)
Building Supplies	2,000.00	2,000.00	1,120.98	879.02
Air Pack & Bottle Repair	2,000.00	2,000.00	523.00	1,477.00
Service Contracts	32,500.00	32,500.00	32,500.00	_____
Contingent	25,000.00	25,000.00	18,014.49	6,985.51
Fire Equipment	17,000.00	17,000.00	13,284.76	3,715.24
<b>Total Operations and Maintenance</b>	<b>347,500.00</b>	<b>347,500.00</b>	<b>366,162.08</b>	<b>(8,662.08)</b>
<b>LOSAP</b>	<b>19,000.00</b>	<b>19,000.00</b>	<b>19,000.00</b>	<b>_____</b>
<b>Total General Fund Appropriations</b>	<b>\$ 425,100.00</b>	<b>\$ 425,100.00</b>	<b>\$ 416,896.94</b>	<b>\$ 8,203.06</b>
<b>Reconciliation of Budget:</b>				
Revenue	\$ 407,600.71			
Appropriations	425,100.00			
<b>Excess: Net Position Used</b>	<b>\$ 17,499.29</b>			
<b>Analysis of Actual:</b>				
<b>Cash Disbursed:</b>				
Operating			\$ 292,768.59	
Accounts Payable			98,228.35	
Accrued Expenses			25,900.00	
			<b>\$ 416,896.94</b>	
<b>Analysis of Excess:</b>				
Appropriation				<b>\$ 8,203.06</b>

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**CAPITAL PROJECTS FUND**  
**SUMMARY STATEMENT OF PROJECT EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Issue/Project Title</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Balance December 31, 2020</u>	<u>Balance December 31, 2021</u>
Air Filling Station	09/20/16	\$ 250,000.00	\$ 53,715.14	\$ 53,715.14
Radio System	09/20/16	55,000.00	5,210.00	5,210.00
General Utility Vehicle	11/15/18	<u>70,000.00</u>	<u>4,967.00</u>	<u>4,967.00</u>
		<u>\$ 375,000.00</u>	<u>\$ 63,892.14</u>	<u>\$ 63,892.14</u>

BOROUGH OF JAMESBURG FIRE DISTRICT #1  
COUNTY OF MIDDLESEX  
GOVERNMENTAL FUNDS - DEBT SERVICE FUND  
SCHEDULE OF REVENUES AND EXPENDITURES COMPARED TO BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budget</u>	<u>Actual</u>
<u>Revenue:</u>		
Amount to be Raised by Taxation	\$ 33,449.29	\$ 33,449.29
Total Revenue	<u>\$ 33,449.29</u>	<u>\$ 33,449.29</u>
<u>Appropriation:</u>		
Principal on Capital Leases	\$ 31,015.15	\$ 31,015.15
Interest on Capital Leases	<u>2,434.14</u>	<u>2,434.14</u>
Total Appropriations	<u>\$ 33,449.29</u>	<u>\$ 33,449.29</u>
<u>Reconciliation of Budget:</u>		
Budgeted Revenue	\$ 33,449.29	
Budgeted Appropriations	<u>33,449.29</u>	
Excess: Net Position Utilized	<u>\$ None</u>	
<u>Analysis of Actual:</u>		
Cash Disbursed		<u>\$ 33,449.29</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART II

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**GOVERNMENTAL FUNDS**  
**SCHEDULE OF RECEIPTS, DISBURSEMENTS**  
**AND CHANGES IN CASH AND CASH EQUIVALENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Fund				Total
	General	Special Revenue	Capital Projects	Debt Service	
<b>Receipts:</b>					
District Taxes	\$ 407,600.71		\$ 30,950.00	\$ 33,449.29	\$ 472,000.00
Interest on Investments	2,024.66				2,024.66
Miscellaneous	13,329.86				13,329.86
SFSP		\$ 1,876.00			1,876.00
	<u>\$ 422,955.23</u>	<u>\$ 1,876.00</u>	<u>\$ 30,950.00</u>	<u>\$ 33,449.29</u>	<u>\$ 489,230.52</u>
<b>Disbursements:</b>					
Accounts Payable	\$ 22,186.75				\$ 22,186.75
Accrued Expenses	32,097.68				32,097.68
Operating Appropriations	292,768.59	\$ 1,876.00		\$ 33,449.29	328,093.88
	<u>\$ 347,053.02</u>	<u>\$ 1,876.00</u>		<u>\$ 33,449.29</u>	<u>\$ 382,378.31</u>
<b>Increase in Cash and Cash Equivalents</b>	<b>\$ 75,902.21</b>		<b>\$ 30,950.00</b>		<b>\$ 106,852.21</b>
Cash and Cash Equivalents, January 1, 2021	342,454.75		153,330.36		495,785.11
Cash and Cash Equivalents, December 31, 2021	<u>\$ 418,356.96</u>		<u>\$ 184,280.36</u>		<u>\$ 602,637.32</u>
<b>Analysis of Cash and Cash Equivalents:</b>					
Cash - Checking	\$ (10,255.15)				\$ (10,255.15)
Money Market	428,612.11		\$ 184,280.36		612,892.47
	<u>\$ 418,356.96</u>		<u>\$ 184,280.36</u>		<u>\$ 602,637.32</u>

**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**COUNTY OF MIDDLESEX**  
**SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

<u>Series</u>	<u>Interest Rate</u> <u>Payable</u>	<u>Date</u>	<u>Maturity</u>	<u>Amount of</u> <u>Original Issue</u>	<u>Balance</u> <u>January 1, 2021</u>	<u>Paid</u>	<u>Balance</u> <u>December 31,</u> <u>2021</u>
Fire Apparatus	3.146%	2/10/22	\$ 32,209.24	\$ 273,341.00	\$ 63,224.39	\$ 31,015.15	\$ 32,209.24
					<u>\$ 63,224.39</u>	<u>\$ 31,015.15</u>	<u>\$ 32,209.24</u>

SUPPLEMENTARY INFORMATION

**BOARD OF FIRE COMMISSIONERS**  
**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**STATISTICAL INFORMATION**  
**DECEMBER 31, 2021**

Property Tax Levies

Following is a tabulation of the district's assessed valuations, tax levies and property tax rates per \$100 of assessed valuations for the current and preceding five (5) years:

<u>Fiscal Year</u>	<u>Assessed Valuation</u>	<u>Total Tax Levy</u>	<u>Property Tax Rate</u>
2021	\$ 239,915,802	\$ 472,000.00	0.197
2020	238,693,604	463,000.00	0.194
2019	238,079,094	463,000.00	0.195
2018	238,108,688	463,000.00	0.195
2017	234,388,900	463,000.00	0.197

Unreserved Net Position

<u>Fiscal Year Ended</u>	<u>End of Fiscal Year</u>	<u>Utilization in Subsequent Year Budget</u>
December 31, 2021	\$ 268,637.98	\$ 10,000.00
December 31, 2020	262,579.69	17,500.00
December 31, 2019	184,349.20	None
December 31, 2018	197,185.52	None
December 31, 2017	128,401.53	None

Reserved Net Position

<u>Fiscal Year Ended</u>	<u>End of Fiscal Year</u>	<u>Utilization in Subsequent Year Budget</u>
December 31, 2021	\$ 120,388.32	\$ None
December 31, 2020	89,438.22	None
December 31, 2019	50,488.22	None
December 31, 2018	72,838.22	70,000.00
December 31, 2017	20,188.22	None

**BOARD OF FIRE COMMISSIONERS**  
**BOROUGH OF JAMESBURG FIRE DISTRICT #1**  
**ROSTER OF OFFICIALS**  
**DECEMBER 31, 2021**

<u>Board of Commissioners</u>	<u>Position</u>	<u>Amount of Surety Bond</u>
Dina Walker	Chairman	
Stephanie Rampacek	Treasurer	\$ 50,000.00 *
Brian Wright	Clerk	
Pradeep Mathew	Commissioner	
Salvatore Giorgianna	Commissioner	

Other Officials

Joseph D. Youssouf, Esq.	Board Attorney
First Constitution	Official Depository

\* Surety Company

First Responder Insurance Fund  
Bond #FIR110104-97

GENERAL COMMENTS AND RECOMMENDATIONS

**GENERAL COMMENTS**  
**DECEMBER 31, 2021**

Scope of Examination and Conditions of Records

Our examination covered the funds of the Board of Fire Commissioners, Fire District #1, Borough of Jamesburg handled by the Treasurer.

The financial records were maintained in good condition.

Minutes of Board meetings were properly maintained by the Recording Secretary.

Cash and Cash Equivalents

The balances in banks at December 31, 2021 were verified with the bank and reconciliations and/or statements issued by the depositories.

Our examination revealed that the Fire District maintains funds in a money market fund.

Examination of Claims

In verifying expenditures, computations were tested on claims approved and paid. No attempt was made in this connection to establish proof of rendition, character or extent of services, nor quantities, nature, propriety of prices or receipt of materials, these elements being left necessarily to internal review in connection with approval of claims.

Claims paid during the period under audit were examined on a test basis to determine that they are submitted on Board vouchers, audit, itemized, signed by the officials as to approval for payment, allocation to the proper accounts and charged to the proper fiscal period, and in agreement with bill lists set forth in the approved minutes of the Board.

Expenditures in total should be curtailed to funds available in the budget.

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

N.J.S. 40A:11-4 (as amended) states, "Every contract or agreement, for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds not included within the terms of Section 3 of this act, shall be made or awarded only after public act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding the aggregate \$17,500.00 in the absence of a Qualified Purchasing Agent ("QPA"), except by contract or agreement."

The members of the Borough of Jamesburg Fire District #1 have the responsibility of determining 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.

**GENERAL COMMENTS (CONTINUED)**  
**DECEMBER 31, 2021**

Contracts and Agreements Required to be Advertised for N.J.S. 40A:11-4 (as amended)  
(Continued)

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

The results of our examination indicated that no 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 there had been no advertising for bids in accordance with provisions of N.J.S.A. 40A:11-21.

The District has purchased firefighting equipment utilizing the state contract method during the year in accordance with the Local Public Contracts bidding threshold.

LOSAP

The Length of Service Awards Program as Accountants Review Report for December 31, 2021 has been prepared.

Miscellaneous

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

Acknowledgment

During the course of the audit, we received the cooperation of the officials of the Fire District and we appreciate the courtesies extended to us.

**RECOMMENDATIONS**  
**DECEMBER 31, 2021**

None.

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

Should any questions arise as to my comments or recommendations, or should you desire assistance in implementing my recommendations, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "G Stankiewicz".

Gerard Stankiewicz, CPA, RMA  
For The Firm  
SAMUEL KLEIN AND COMPANY, LLP