

DELRAN TOWNSHIP FIRE DISTRICT No. 1

Financial Statements

For the year ended December 31, 2024

(With Independent Auditor's Report thereon)

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DELRAN TOWNSHIP FIRE DISTRICT No. 1
FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
For the year ended December 31, 2024
(With Independent Auditor's Report thereon)

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Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Board of Fire Commissioners
Delran Township Fire District No. 1
County of Burlington
Delran, New Jersey

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities of each major fund and the aggregate remaining fund information of the Delran Township Fire District No. 1, County of Burlington, State of New Jersey, herein referred to as the District, as of and for the year ended December 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of each major fund and the aggregate remaining fund information of the Delran Township Fire District No. 1, County of Burlington, State of New Jersey, herein referred to as the District, as of December 31, 2024, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit standards prescribed by the Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. 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.

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 generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Division of Local Government Services,

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 generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, 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 other required supplementary information as listed 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 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 accompanying other supplementary information as listed in the table of contents, is 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 21, 2025, 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.

Holt McNally & Assoc.

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

Medford, New Jersey
August 21, 2025

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Certified Public Accountants & Advisors

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

Board of Fire Commissioners
Delran Township Fire District No. 1
County of Burlington
Delran, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the governmental activities of the Delran Township Fire District No. 1 as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Delran Township Fire District No. 1's basic financial statements and have issued our report thereon dated August 21, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Delran Township 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 Delran Township Fire District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of Delran Township 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Delran Township Fire District No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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* or audit requirements as prescribed by the Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

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 Delran Township Fire District No. 1's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Local Finance Board and by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Holt McNally & Assoc.

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants and Advisors

Medford, New Jersey
August 21, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

UNAUDITED

The District provides fire protection services to a 7.5 square mile area of Delran Township. The population of the District is approximately 18,000. The District is a separate government body known as a Special District and is governed by an elected board of Commissioners. Fire districts are governed by *N.J.S.A.40A:14-70* et al. and organized as a taxing authority charged with the responsibility of providing resources necessary to provide fire-fighting services to the residents within its territorial location. This section of the District's financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended.

Description of the Basic Financial Statements

The financial statements consist of the following parts: Management's discussion and analysis; the basic financial statements consisting of government-wide financial statements, and fund financial statements (governmental); notes to the financial statements; and required supplementary information.

The basic government-wide and fund financial statements present the financial results on different methods of accounting. Included in the financial statements are reconciliations that explain the difference between the two methods.

Government-wide financial statements are prepared on the accrual basis of accounting and economic resources focus. The required financial statements are: Statement of Net Position (Exhibit A-1) and Statement of Activities (Exhibit A-2). The Statement of Net Position reports all assets and liabilities, both financial and capital, and short-term and long-term of the District. The Statement of Activities reports all revenue and expenses during the year, regardless of when cash is received or paid.

Governmental funds financial statements are prepared on the modified accrual basis of accounting and current financial resources focus. This the traditional form for our financial statements. The required financial statements are: Balance Sheet (Exhibit B-1) and Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit B-2). The Balance Sheet shows only assets and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included. The Statement of Revenues, Expenditures, and Changes in Fund Balances reports revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during or soon after the end of the year.

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities, traces the change in fund balances to the change in net position report in Exhibit B-3.

Governmental Funds

Governmental Funds are used to account for essentially the same functions reported as governmental activities as the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term in-flows and out-flows of spendable resources, as well as on balances of spendable resources available at the end of the year.

The District maintains three individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital projects fund and debt service fund all of which are considered major funds.

Condensed Government-wide Financial Data

	2024	2023
Unrestricted Current Assets	\$ 3,363,575	\$ 3,249,759
Capital Assets, Net of Accumulated Depreciation	5,982,997	6,212,782
Deferred Outflow of Resources	<u>190,601</u>	<u>35,567</u>
 Total Assets and Deferred Outflow of Resources	 <u>9,537,173</u>	 <u>9,498,108</u>
 Current Liabilities	 169,663	 246,277
Noncurrent Liabilities	509,991	684,537
Deferred Inflow of Resources	<u>33,451</u>	<u>29,500</u>
 Total Liabilities and Deferred Inflow of Resources	 <u>713,105</u>	 <u>960,314</u>
 Net Position:		
Invested in Capital Assets, Net of Accumulated Depreciation and Related Debt	5,982,997	5,885,042
Restricted Net Position	730,034	730,034
Unrestricted Net Position	<u>2,111,037</u>	<u>1,922,718</u>
 Total Net Position	 <u>8,824,068</u>	 <u>8,537,794</u>
 Total Liabilities and Net Position	 <u>\$ 9,537,173</u>	 <u>\$ 9,498,108</u>
 Expenditures, Governmental Activities, Net of Program Revenues	 \$ (2,062,363)	 \$ (2,046,685)
 General Revenues and Special Items:		
District Taxes	2,342,922	2,367,109
Interest Income	4,645	2,006
Miscellaneous Revenue	<u>1,070</u>	<u>77,989</u>
 Total General Revenues and Special Items	 <u>2,348,637</u>	 <u>2,447,104</u>
 Change in Net Position	 <u>\$ 286,274</u>	 <u>\$ 400,419</u>

Financial Analysis of the District as a Whole

The District's net position increased by \$286,274 for the fiscal year ended December 31, 2024, or approximately 3.35%, to a total of \$8,824,068. Of the \$8,824,068 in net position, \$5,982,997 is invested in capital assets (net of accumulated depreciation and related debt).

Budgetary Highlights

Total General Fund expenditures were \$112,557 less than the amount of the modified budget.

Capital Assets

As of December 31, 2024, the District has invested \$11,754,594 in a broad range of capital assets including new equipment.

Bonds Payable

During the year ended December 31, 2024, the District paid off \$310,000 in principal towards the balance of the 2014 Refunding Bonds. The 2014 Refunding Bonds are now fully paid down.

Economic Factors and Next Year's Budget

The District's main source of revenue is property taxes. The District expects property tax revenues to increase by 1.90% to \$2,388,250 for the fiscal year ending December 31, 2025.

Budgeted expenditures are expected to increase by 4.00% to \$2,535,868 for the fiscal year ending December 31, 2025.

Contacting the District's Financial Management

This financial statement is designed to provide a general overview of the District's finances. If you have questions about this financial statement or need additional financial information, contact the District's office at 900 Chester Avenue, P.O. Box 1007, Delran, New Jersey 08075.

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DELRAN TOWNSHIP FIRE DISTRICT No. 1
STATEMENT OF NET POSITION
DECEMBER 31, 2024

EXHIBIT A-1

	GOVERNMENTAL ACTIVITIES
	DECEMBER 31, 2024
ASSETS	
Cash and Cash Equivalents (Note 3)	\$ 1,764,672
Investments (Note 4)	1,002,769
Prepaid Expense	10,404
Other Receivables	585,730
Capital Assets, net (Note 5)	5,982,997
Total Assets	<u>9,346,572</u>
DEFERRED OUTFLOW OF RESOURCES	
Related to Pensions (Note 7)	<u>190,601</u>
Total Deferred Outflow of Resources	<u>190,601</u>
Total Assets and Deferred Outflow of Resources	<u>9,537,173</u>
LIABILITIES	
Accounts Payable:	
Related to Pensions	51,071
Other	118,592
Noncurrent Liabilities (Note 6):	
Due Beyond One Year	<u>509,991</u>
Total Liabilities	<u>679,654</u>
DEFERRED INFLOW OF RESOURCES	
Related to Pensions (Note 7)	<u>33,451</u>
Total Deferred Inflow of Resources	<u>33,451</u>
NET POSITION	
Net Investment in Capital Assets	5,982,997
Restricted Net Position:	
Capital	730,034
Unrestricted (Deficit)	<u>2,111,037</u>
Total Net Position	<u><u>\$ 8,824,068</u></u>

The accompanying notes are an integral part of these financial statements.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

EXHIBIT A-2

	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES DECEMBER 31, 2024
Governmental Activities:				
Fire Protection:				
Administration	\$ 449,538	\$ -	\$ -	\$ (449,538)
Cost of Operations	952,054	-	46,041	(906,013)
Uniform Fire Safety Act	331,525	132,771	-	(198,754)
Aid to Emergency Squad	50,000	-	-	(50,000)
Interest on Long-Term Liabilities	9,687	-	-	(9,687)
Depreciation	448,371	-	-	(448,371)
Total Governmental Activities	<u>2,241,175</u>	<u>132,771</u>	<u>46,041</u>	<u>(2,062,363)</u>
General Revenues:				
District Tax				2,342,922
Interest Income				4,645
Miscellaneous				<u>1,070</u>
Total General Revenues				<u>2,348,637</u>
Changes in Net Position				286,274
Net Position Beginning of the Year				<u>8,537,794</u>
Net Position, End of the Year				<u><u>\$ 8,824,068</u></u>

The accompanying notes are an integral part of these financial statements.

EXHIBIT B-1

DELRAN TOWNSHIP FIRE DISTRICT No. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024

	GENERAL FUND	CAPITAL PROJECTS	TOTAL DECEMBER 31, 2024
Assets:			
Cash	\$ 1,034,638	\$ 730,034	\$ 1,764,672
Investments	1,002,769	-	1,002,769
Other Receivables	585,730	-	585,730
Prepaid Expense	10,404	-	10,404
Total Assets	<u>\$ 2,633,541</u>	<u>\$ 730,034</u>	<u>\$ 3,363,575</u>
Liabilities & Fund Balances:			
Liabilities:			
Accounts payable	\$ 118,383	\$ -	\$ 118,383
Payroll liability	209	-	209
Total Liabilities	<u>118,592</u>	<u>-</u>	<u>118,592</u>
Fund Balances:			
Restricted for:			
Capital Reserve	-	637,989	637,989
Capital Projects	-	92,045	92,045
Unassigned	2,514,949	-	2,514,949
Total Fund Balances	<u>2,514,949</u>	<u>730,034</u>	<u>3,244,983</u>
Total Liabilities & Fund Balances	<u>\$ 2,633,541</u>	<u>\$ 730,034</u>	

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 assets is \$11,754,594 and the accumulated depreciation is \$5,771,597.	5,982,997
Deferred outflows and inflows of resources and accounts payable related to pension are applicable to future reporting periods and, therefore, are not reported in the funds	106,079
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported as liabilities in the funds.	<u>(509,991)</u>
	<u>\$ 8,824,068</u>

The accompanying notes are an integral part of these financial statements.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2024

	GOVERNMENTAL FUND TYPES			TOTAL
	GENERAL FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	DECEMBER 31, 2024
Miscellaneous Revenues:				
Interest on Investments	\$ 4,645	\$ -	\$ -	\$ 4,645
Operating Grant Revenue	46,041	-	-	46,041
Uniform Fire Safety Act	132,771	-	-	132,771
Other	1,070	-	-	1,070
Total Miscellaneous Revenues	184,527	-	-	184,527
Amount to be Raised by Taxation to Support the District Budget	2,017,422	-	325,500	2,342,922
Total Revenues	2,201,949	-	325,500	2,527,449
Expenditures:				
Administration	449,538	-	-	449,538
Cost of Operations	1,168,121	-	-	1,168,121
Uniform Fire Safety Act	331,525	-	-	331,525
Aid to Emergency Squad	50,000	-	-	50,000
Debt Service	-	-	325,500	325,500
Total Expenditures	1,999,184	-	325,500	2,324,684
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	202,765	-	-	202,765
Other Financing Sources/(Uses):				
Operating Transfers In/(Out)	-	-	-	-
Total Other Financing Sources/(Uses):	-	-	-	-
Net Change in Fund Balances	202,765	-	-	202,765
Fund Balance, January 1	2,312,184	730,034	-	3,042,218
Fund Balance, December 31	\$ 2,514,949	\$ 730,034	\$ -	\$ 3,244,983

The accompanying notes are an integral part of these financial statements.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES IN THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 202,765

Amounts reported for governmental activities in the statement of activities
 (Exhibit A-2) are different as follows:

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 exceed depreciation in the period.

Capital Outlay	\$	218,586	
Capital Asset Deletions		(50,000)	
Accumulated Depreciation Deletions		50,000	
Depreciation Expense		<u>(448,371)</u>	(229,785)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)

5,813

Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

310,000

Governmental funds report Fire District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the Fire District's pension contributions in the current period.

(20,259)

Amortization of premiums from refunded debt issuances are recorded when incurred in the governmental funds but are accrued and recaptured over time in the statement of activities.

17,740

Change in Net Position of Governmental Activities (Exhibit A-2)

\$ 286,274

The accompanying notes are an integral part of these financial statements.

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DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1. GENERAL INFORMATION

A. Description of Reporting Entity

Delran Township Fire District No.1 is a political subdivision of the Township of Delran, County of Burlington, State of New Jersey. A board of five commissioners oversees all of the operations of the Fire District. The length of each commissioner's term is three years with the annual election held the third Saturday of February.

Fire Districts are governed by the N.J.S.A. 40A: 14-70 et al. and are taxing authorities charged with the responsibility of providing the resources necessary to provide firefighting services to the residents within its territorial location.

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 whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the District holds the corporate powers of the organization;
- ◆ the District appoints a voting majority of the organization's board
- ◆ the District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. District Officials

The District is governed by a board of five commissioners. The following were in office at December 31, 2024:

<u>Officials</u>	<u>Term Expires December</u>
Joseph Parento III - President	2025
Anthony Quiciari - Vice President	2025
James C. Bauer - Secretary	2026
James T. Turcich - Treasurer	2024
Joseph Seybert - Asst. Treasurer	2024

C. Accounting Records

The official accounting records of Delran Township Fire District No. 1 are maintained in the office of the District.

D. Minutes

Minutes were recorded for meetings and contained approvals for disbursements.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 1. GENERAL INFORMATION (continued)

E. Component Units

GASB Statement No.14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units and GASB Statement No. 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61. The District had no component units as of for the year ended December 31, 2024.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of the Fire District conform to generally accepted accounting principles (GAAP) applicable to governmental funds of state and local governments in accordance with the provisions of N.J.A.C. 5:31-7-1. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

The basic financial statements report using the economic resources measurement focus and the accrual basis of accounting generally includes the reclassification or elimination of internal activity (between or within funds). Fiduciary fund financial statements also report using the same focus. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. The tax revenues are recognized in the year for which they are levied (see Note 2 N) while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon thereafter, within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred.

B. Fund Accounting

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."

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Fund Accounting (continued)

Governmental Funds:

General Fund

The General Fund is the general operating fund of the Fire District and is used to account for the 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.

Capital Projects 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 firehouses 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, which must be authorized by the voters as a separate question of 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 long-term debt.

C. District Wide Financial Statements

District Wide Financial Statements

The district-wide financial statements (A-1 and A-2) report information of all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Individual funds are not displayed but the statements distinguish governmental activities as generally supported through taxes and user fees.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. District Wide Financial Statements (continued)

Net position is restricted when constraints placed on it is either externally imposed or imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

D. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose 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. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. 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.

In its accounting and financial reporting, Delran Township Fire District No. 1 follows the pronouncements of the Governmental Accounting Standards Board (GASB).

E. Budgets and Budgetary Accounting

The Fire District must adopt an annual budget in accordance with N.J.S.A. 40A: 14-78.1 et al.

The fire commissioners must introduce and adopt the annual budget no later than sixty days prior to the annual election. At introduction, the commissioners shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper having substantial circulation in the fire district. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the fire commissioners may, by majority vote, adopt the budget.

Amendments may be made to the Fire District budget in accordance with N.J.S.A 40A: 14-78.3.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Budgets and Budgetary Accounting (continued)

Subsequent to the adoption of the Fire District budget, the amount of money to be raised by taxation in support of the Fire District budget must appear on the ballot for the annual election for approval of the legal voters.

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 Fire Districts general-purpose financial statements.

F. 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. Open encumbrances, other than in the special revenue fund, are reported as reservations of fund balances at year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Encumbered appropriations carry over into the next fiscal year. An entry will be made at the beginning of the next year to increase the appropriation reflected in the adopted budget by the outstanding encumbrance amounts as of the current year-end. There were no encumbrances as of December 31, 2024.

G. Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds and cash in banks. All certificates of deposit are recorded as cash regardless of the date of maturity. Fire districts are required by N.J.S.A. 40A: 5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey organized under the laws of the United States or of the State of New Jersey or with the New Jersey Cash Management Fund. N.J.S.A. 40A: 5-15.1 provides a list of investments that may be purchased by fire districts.

N.J.S.A. 17:9-42 requires New Jersey governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the provision of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in the State of New Jersey.

Public funds are defined as the funds of any governmental unit. Public depositories include savings and loan institutions, banks (both State and National banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of five percent of its average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

H. Prepaid Expenses

Prepaid expenses that benefit future periods are recorded as an expenditure during the year of purchase.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Debt Limitation

N.J.S.A.40A:14-84 governs procedures for the issuance of any debt related to such purchases. In summary, fire districts may purchase firefighting apparatus, equipment, land and buildings to house such property in an amount not exceeding 5 mills on the dollar of the last assessed valuation of property within the district upon the approval of the legal voters. Debt may be issued up to \$60,000 or 2 percent of the assessed valuation of property, whichever is larger.

J. Capital Assets

Capital assets, which include land, building, improvements and equipment, are reported in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Donated assets are valued at their estimated fair value on the date donated. The District has set capitalization thresholds for reporting capital assets of \$2,600.

Depreciation is recorded on the straight-line method (with no depreciation applied to the first year of acquisition) over the useful lives of the assets as follows:

Building and Improvements	5 to 40 Years
Equipment	5 to 15 Years

K. Inventory, Materials and Supplies

The inventory on hand at any time is small. Accordingly, purchases are charged directly to fixed assets or to maintenance costs, as applicable.

L. Interfund Receivable/Payable

Interfund receivables and payables that arise from transactions between funds that are due within one year are recorded by all funds affected by such transactions in the periods in which the transaction is executed.

M. Revenues and Expenditures

Revenues are recorded when they are determined to be both available and measurable. Generally, fees and other non-tax revenues are recognized when qualifying expenditures are incurred.

Expenditures are recorded when the related liability is incurred, if measurable, except for un-matured interest on general long-term debt, which is recognized when due.

N. Fire District Taxes

Upon proper certification to the assessor of the municipality in which the Fire District is located, the assessor shall assess the amount of taxes to be realized in support of the Fire District's budget in the same manner as all other municipal taxes. The collector or treasurer of the municipality shall then pay over to the treasurer or custodian of funds of the Fire District the taxes assessed in accordance with the following schedule: on or before April 1, an amount equaling 21.25% of all monies assessed, on or before July 1, an amount equaling 22.5% of all monies assessed, on or before October 1, an amount equaling 25% of all monies assessed and on or before December 31 an amount equal to the difference between the total of all monies assessed and the total of monies previously paid over.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

P. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Fund Equity

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, Delran Township Fire District No. 1 of the Township of Delran classifies governmental fund balances as follows:

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making District and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds

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

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified in the following three components:

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – 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.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

S. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount 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.

T. Impact of Recently Issued Accounting Principles

Recently Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended December 31, 2024:

Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance to better meet the information needs of the financial statement users for compensated absences. The standard requires that liabilities for compensated absences be recognized for leave that hasn't been used and leave that has been used but not paid yet. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. The adoption of this pronouncement had no material effect on the financial statements.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 102, *Certain Risk Disclosure Requirements*, requires a government to disclose information about concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The standard will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. Statement No. 102 is effective for reporting periods beginning after June 15, 2024. Management has not yet determined the potential impact on the District's financial statements.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

U. 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 active markets for identical assets or liabilities (Level I) and the lowest priority to unobservable inputs (Level III). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the 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 District has the ability to access. Fair values for these instruments are 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. Subsequent to initial recognition, the District may remeasure the carrying value of assets and liabilities measured on a nonrecurring 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.

The following methods and assumptions were used by the District in estimating the fair value of its financial instruments:

Fixed Account Investment Contract: Valued at the contract's market value as reported by the insurance company.

The preceding methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The District does currently hold investments see note 4 for more information.

V. Subsequent Events

Delran Township Fire District No.1 has evaluated subsequent events occurring after December 31, 2024 through the date of July 10, 2025, which is the date the financial statements were available to be issued. No items have come to the attention of the District that would require disclosure.

NOTE 3. CASH

The Fire District is governed by the deposit limitations of New Jersey state law. The deposits held at December 31, 2024, and reported at fair value are as follows:

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 3. CASH (continued):

	Carrying Value
Deposits:	
Demand Deposits	<u>\$ 1,764,672</u>
Total Deposits	<u>\$ 1,764,672</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. As of December 31, 2024, the District’s bank balance of \$1,786,398 was insured or collateralized as follows:

FDIC Insured	\$ 476,292
Collateralized in the District’s Name Under GUDPA	<u>1,310,106</u>
Total	<u>\$ 1,786,398</u>

NOTE 4. INVESTMENTS

A. Custodial Credit Risk

For an investment, custodial credit risk is a risk that, in the event of the failure of the counterparty, the Fire 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 Fire District, and are held by either the counterparty or the counterparty’s trust department or agent but not in the Fire District’s name. All of the District’s investments are held in the name of the District and are collateralized by GUDPA.

B. Investment Interest Rate Risk

Interest rate risk is the risk that changes in interest rates that will adversely affect the fire value of an investment. The Fire 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. Maturities of investments held at December 31, 2024, are provided in the below schedule.

C. Investment Credit Risk

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

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- Government money market mutual funds;
- 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;
- Bonds or other obligations of the Fire District or bonds or other obligations of the local unit or units within which the Fire District is located;

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 4. INVESTMENTS (continued)

- 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 Fire District;
- Local Government investment pools;
- Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281; or
- Agreements for the repurchase of fully collateralized securities

The following table sets forth by level, within the value hierarchy, the District's assets at fair value at December 31, 2024.

<i>Assets at Fair Value as of December 31, 2024</i>				
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Annuity Funds:				
Fixed Income	\$ 1,002,769	\$ -	\$ -	\$ 1,002,769
Total	<u>\$ 1,002,769</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,002,769</u>

NOTE 5. CAPITAL ASSETS

Fixed assets as of December 31, 2024 consisted of the following:

	Beginning Balance <u>12/31/2023</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>12/31/2024</u>
Land	\$ 343,900	\$ -	\$ -	\$ 343,900
Building & Improvements	5,621,893	600	-	5,622,493
Equipment & Vehicles	<u>5,620,216</u>	<u>217,985</u>	<u>(50,000)</u>	<u>5,788,201</u>
Subtotal	<u>11,586,009</u>	<u>218,585</u>	<u>(50,000)</u>	<u>11,754,594</u>
Less Accumulated Depreciation:				
Building & Improvements	(2,226,144)	(132,899)	-	(2,359,043)
Equipment & Vehicles	<u>(3,147,083)</u>	<u>(315,471)</u>	<u>50,000</u>	<u>(3,412,554)</u>
Subtotal	<u>(5,373,227)</u>	<u>(448,370)</u>	<u>50,000</u>	<u>(5,771,597)</u>
Total	<u>\$ 6,212,782</u>	<u>\$ (229,785)</u>	<u>\$ -</u>	<u>\$ 5,982,997</u>

N.J.S.A. 40A: 14-84 governs the procedures for the acquisition of property and equipment for the Fire Districts, and the *N.J.S.A. 40A: 14-85-87* governs procedures for the issuance of any debt related to such purchases. In summary, Fire Districts may purchase firefighting apparatus, equipment, land, and buildings to house such property in an amount not exceeding five mills on the dollar of the least assessed valuation of property within the district upon the approval of the legal voters. Debt may be issued up to \$60,000 or two percent of the assessed valuation of property, whichever is larger.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 6. NONCURRENT LIABILITIES

During the fiscal year ended December 31, 2024 the following changes occurred in noncurrent liabilities:

	Beginning Balance <u>12/31/2023</u>	<u>Additions</u>	<u>Retirements</u>	Ending Balance <u>12/31/2024</u>	Due Within One Year
Premium on Bonds	\$ 17,740	\$ -	\$ 17,740	\$ -	\$ -
Serial Bonds Payable	310,000	-	310,000	-	-
Net Pension Liability	<u>356,797</u>	<u>153,194</u>	<u>-</u>	<u>509,991</u>	<u>-</u>
	<u>\$ 684,537</u>	<u>\$ 153,194</u>	<u>\$ 327,740</u>	<u>\$ 509,991</u>	<u>\$ -</u>

NOTE 7. PENSION OBLIGATIONS

A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Annual Comprehensive Financial Report (ACFR) which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

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

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7. PENSION OBLIGATIONS (continued)

A. Public Employees' Retirement System (PERS) (continued)

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 43:15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2023, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. For the year ended December 31, 2024, the District's contractually required contribution to PERS plan was \$51,071.

Components of Net Pension Liability - At December 31, 2024, the District's proportionate share of the PERS net pension liability was \$509,991. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The District's proportion measured as of June 30, 2024, was 0.003753% which was an increase of 0.001290% from its proportion measured as of June 30, 2023.

Balances at December 31, 2024 and December 31, 2023

	<u>12/31/2024</u>	<u>12/31/2023</u>
Actuarial valuation date (including roll forward)	June 30, 2024	July 1, 2023
Deferred Outflows of Resources	\$ 190,601	\$ 35,567
Deferred Inflows of Resources	33,451	29,500
Net Pension Liability	509,991	356,797
Fire District 's portion of the Plan's total Net Pension Liability	0.003753%	0.002463%

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7. PENSION OBLIGATIONS (continued)

A. Public Employees' Retirement System (PERS) (continued)

Pension Expense and Deferred Outflows/Inflows of Resources - At December 31, 2024, the District's proportionate share of the PERS expense/(benefit), calculated by the plan as of the June 30, 2024 measurement date is \$53,181.

At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 10,216	\$ 1,358
Changes of Assumptions	634	5,803
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	23,647
Changes in Proportion and Differences between Fire District Contributions and Proportionate Share of Contributions	<u>179,751</u>	<u>2,643</u>
	<u>\$ 190,601</u>	<u>\$ 33,451</u>

The District will amortize the above sources of deferred outflows and inflows related to PERS over the following number of years:

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7. PENSION OBLIGATIONS (continued)

A. Public Employees' Retirement System (PERS) (continued)

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2019	-	5.21
June 30, 2020	5.16	-
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	5.08	-
June 30, 2024	5.08	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	-
June 30, 2024	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2019	5.00	5.00
June 30, 2020	5.00	5.00
June 30, 2021	5.00	5.00
June 30, 2022	5.00	5.00
June 30, 2023	5.00	5.00
June 30, 2024	5.00	5.00
Changes in Proportion and Differences between Contributions and		
Pro Year of Pension Plan Deferral:		
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
June 30, 2024	5.08	-

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7. PENSION OBLIGATIONS (continued)

A. Public Employees' Retirement System (PERS) (continued)

The following is a summary of the deferred outflows of resources and deferred inflows of resources related to PERS that will be recognized in future periods:

Year Ending <u>Dec 31,</u>	<u>Amount</u>
2025	\$ 170,500
2026	(131,928)
2027	75,901
2028	43,817
2029	<u>(1,140)</u>
	<u>\$ 157,150</u>

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	2.75%-6.55% based on years of service
Investment Rate of Return	7.00%
Period of Actuarial Experience	
Study upon which Actuarial	
Assumptions were Based	July 1, 2018 - June 30, 2021

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee Mortality Table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7. PENSION OBLIGATIONS (continued)

A. Public Employees' Retirement System (PERS) (continued)

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.63%
Non-U.S. Developed Markets Equity	12.75%	8.85%
International Small Cap Equity	1.25%	8.85%
Emerging Markets Equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yield	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash Equivalents	2.00%	3.57%
U.S. Treasuries	4.00%	3.57%
Risk Mitigation Strategies	3.00%	7.10%
	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments to determine the total pension liability.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 7. PENSION OBLIGATIONS (continued)

A. Public Employees' Retirement System (PERS) (continued)

Sensitivity of the District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Fire District 's Proportionate Share of the Net Pension Liability	\$ 683,357	\$ 509,991	\$ 370,404

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

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of December 31, 2024. The State's proportionate share of the contribution associated with the special funding situation was \$1,644 as of December 31, 2024. These are based on measurements as of June 30, 2024.

NOTE 8. FUNDING

The activities of the Board of Commissioners are primarily funded by fire tax on the property owners within the Fire District, as provided for by state statute. For the year ended December 31, 2024, the Delran Township Fire District No. 1 tax rate was \$0.160 per \$100 of assessed valuation.

NOTE 9. RISK MANAGEMENT

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

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2024

NOTE 9. RISK MANAGEMENT (continued)

Property and Liability Insurance

The District maintains commercial insurance coverage for property, liability and surety bonds. Insurance coverage was maintained in amounts consistent with prior years. The District did not have any claims that exceeded coverage.

NOTE 10. FUND BALANCE

General Fund – Of the \$2,514,949 General Fund balance at December 31, 2024, \$2,514,949 is unassigned.

Capital Projects Fund – Of the \$730,034 Capital Projects Fund balance at December 31, 2024, \$637,989 is restricted for capital reserve and \$92,045 is restricted for capital projects.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation.

NOTE 11. SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred between December 31, 2024 and August 21, 2025, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements.

The Fire District of Delran No. 1 entered into an emergency loan agreement with Township of Delran dated June 10, 2025. The Township of Delran loaned the district \$900,000 for the repair and replacement of a non-functioning HVAC system. The Fire District of Delran No. 1 will be budgeting for the repayment of funds to the Township within the 2026 budget.

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**DELRAN TOWNSHIP FIRE DISTRICT No. 1
BUDGETARY COMPARISON SCHEDULE -
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

	ORIGINAL BUDGET	MODIFIED BUDGET	ACTUAL BUDGETARY BASIS	POSITIVE / (NEGATIVE) VARIANCE
Miscellaneous Revenue:				
Interest on Investments & Deposits	\$ 500	\$ 500	\$ 4,645	\$ 4,145
Total Miscellaneous Revenue	500	500	4,645	4,145
Operating Grant Revenue:				
Supplemental Fire Service Act (P.L. 1985, c.295)	5,162	5,162	5,162	-
Other Grants & Entitlements	-	-	40,879	40,879
Total Operating Grant Revenue	5,162	5,162	46,041	40,879
Revenues Offset with Appropriations:				
Uniform Fire Safety Act (P.L. 1983, Ch. 383):				
Annual Registration Fees	41,657	41,657	81,251	39,594
Penalties & Fines	1,000	1,000	281	(719)
Other Revenues	30,000	30,000	24,577	(5,423)
Total Uniform Fire Safety Act Revenue	72,657	72,657	106,109	33,452
Other Revenues Offset With Appropriation				
Permit Fees	15,000	15,000	4,108	(10,892)
Registrations	1,000	1,000	22,554	21,554
Total Other Revenues Offset With Appropriations	16,000	16,000	26,662	10,662
Total Revenues Offset with Appropriations	88,657	88,657	132,771	44,114
Amount to be Raised by Taxation to Support the District Budget	2,017,422	2,017,422	2,017,422	-
Total Anticipated Revenues	2,017,422	2,017,422	2,017,422	-
Non-Budgetary Revenues:				
Miscellaneous	-	-	1,070	1,070
Total Non-Budgetary Revenues	-	-	1,070	1,070
Total Revenues	2,111,741	2,111,741	2,201,949	90,208
Operating Appropriations:				
Administration - Personnel:				
Salaries & Wages (excl. Commissioners)	67,500	69,650	69,612	38
Commissioners	37,500	36,750	36,750	-
Fringe Benefits	44,389	113,389	113,332	57
Total Administration - Personnel:	149,389	219,789	219,694	95
Administration - Other:				
Administration Operating Expense	70,000	66,100	66,059	41
Insurance	65,000	69,600	69,596	4
Professional Services	88,000	79,300	79,285	15
Contingent Expenses	10,000	9,100	9,038	62
Operating Supplies	10,000	5,900	5,866	34
Total Administration - Personnel:	243,000	230,000	229,844	156
Total Administration	392,389	449,789	449,538	251

**DELRAN TOWNSHIP FIRE DISTRICT No. 1
BUDGETARY COMPARISON SCHEDULE -
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

	ORIGINAL BUDGET	MODIFIED BUDGET	ACTUAL BUDGETARY BASIS	POSITIVE / (NEGATIVE) VARIANCE
Cost of Operations - Personnel:				
Salaries & Wages	200,000	111,800	-	111,800
Employee Benefits	168,400	-	-	-
Total Cost of Operations - Personnel:	368,400	111,800	-	111,800
Cost of Operations - Other:				
Other Costs of Operations	685,000	811,400	811,342	58
Rental Charges	30,000	30,200	30,101	99
Training	70,000	57,500	57,454	46
Contingent Expenses	10,000	8,200	8,174	26
Pagors	20,000	10,000	9,903	97
Operating Supplies	135,000	119,900	119,883	17
Personal Protective Equipment	80,000	131,300	131,264	36
Total Cost of Operations - Other:	1,030,000	1,168,500	1,168,121	379
Total Cost of Operations	1,398,400	1,280,300	1,168,121	112,179
Appropriations Offset with Revenue:				
Personnel:				
Salaries & Wages	169,750	168,050	168,036	14
Employee Benefits	53,202	121,102	121,100	2
Uniform Fire Safety Act:				
L.E.A. Office Operations	40,000	38,900	38,848	52
Fire Prevention Materials	8,000	3,600	3,541	59
Total Appropriations Offset with Revenue	270,952	331,652	331,525	127
Appropriations Duly Inc. First Aid/Rescue Squad				
Aid to Emergency Squad	50,000	50,000	50,000	-
Total Approp. First Aid/Rescue Squad	50,000	50,000	50,000	-
Total Expenditures	2,111,741	2,111,741	1,999,184	112,557
Excess/(Deficiency) of Revenues				
Over/(Under) Expenditures	-	-	202,765	202,765
Fund Balances, January 1	3,042,218	3,042,218	3,042,218	-
Fund Balances, December 31	\$ 3,042,218	\$ 3,042,218	\$ 3,244,983	\$ 202,765

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:

Capital Reserve	\$ 637,989
Capital Projects	92,045
Unassigned Fund Balance	<u>2,514,949</u>
Total Fund Balance	<u>\$ 3,244,983</u>

**DELRAN TOWNSHIP FIRE DISTRICT No. 1
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE -
STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

REVENUES	ORIGINAL BUDGET	ADJUSTED FINAL BUDGET	ACTUAL	POSITIVE / (NEGATIVE) VARIANCE
Amount to be Raised by Taxation to Support the District Budget	\$ 325,500	\$ 325,500	\$ 325,500	\$ -
Total Revenues	325,500	325,500	325,500	-
EXPENDITURES				
Principal Payments:				
Serial Bonds	310,000	310,000	310,000	-
Interest Payments:				
Serial Bonds	15,500	15,500	15,500	-
Total Expenditures	325,500	325,500	325,500	-
Excess/(Deficiency) of Revenues & Other Financing Sources Over/ (Under) Expenditures	-	-	-	-
Fund Balances, January 1	-	-	-	-
Fund Balances, December 31	\$ -	\$ -	\$ -	\$ -

DELRAN TOWNSHIP FIRE DISTRICT No. 1
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0.00375%	0.00246%	0.00224%	0.00225%	0.00228%	0.00232%	0.00235%	0.00232%	0.00234%	0.00227%
District's proportionate share of the net pension liability (asset)	\$ 509,991	\$ 356,797	\$ 338,233	\$ 267,010	\$ 372,225	\$ 418,811	\$ 463,121	\$ 541,081	\$ 693,300	\$ 508,501
District's covered-employee payroll	\$ 255,988	\$ 201,333	\$ 165,172	\$ 165,172	\$ 165,172	\$ 165,172	\$ 165,172	\$ 163,778	\$ 161,028	\$ 156,256
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	199.22%	177.22%	204.78%	161.66%	225.36%	253.56%	280.39%	327.59%	423.32%	315.78%
Plan fiduciary net position as a percentage of the total pension liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

*The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

DELRAN TOWNSHIP FIRE DISTRICT No. 1
SCHEDULE OF AUTHORITY CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 51,071	\$ 32,923	\$ 28,263	\$ 26,396	\$ 24,970	\$ 22,609	\$ 23,396	\$ 21,533	\$ 20,796	\$ 19,475
Contributions in relation to the contractually required contribution	51,071	32,923	28,263	26,396	24,970	22,609	23,396	21,533	20,796	19,475
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 243,500	\$ 255,988	\$ 201,333	\$ 165,172	\$ 165,172	\$ 165,172	\$ 165,172	\$ 165,172	\$ 163,778	\$ 161,028
Contributions as a percentage of covered-employee payroll	20.97%	12.86%	14.04%	15.98%	15.12%	13.69%	14.16%	13.04%	12.70%	12.09%

DELRAN TOWNSHIP FIRE DISTRICT No. 1
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

Public Employees' Retirement System (PERS)

Changes of Benefit Terms – None

Changes of Assumptions – None.

EXHIBIT F-1

**DELRAN TOWNSHIP FIRE DISTRICT No. 1
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2024**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE 12/31/2024
			PRIOR YEARS	CURRENT YEAR	
Firefighting Equipment	2/15/2023	\$ 90,000	\$ 36,572	\$ -	\$ 53,428
Apparatus Upgrades	2/15/2023	40,000	40,000	-	-
Computer System Upgrades	2/15/2023	20,000	20,000	-	-
Station Upgrades	2/15/2023	100,000	61,383	-	38,617
Drone	2/15/2023	11,000	11,000	-	-
			<u>\$ 168,955</u>	<u>\$ -</u>	<u>\$ 92,045</u>

EXHIBIT I-1

**DELRAN TOWNSHIP FIRE DISTRICT No. 1
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
FOR THE YEAR ENDED DECEMBER 31, 2024**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JANUARY 1, 2023	RETIRED	BALANCE DECEMBER 31, 2024
			DATE	AMOUNT				
General Refunding Bonds, 2014	7/16/14	\$ 2,638,000	N/A	N/A	N/A	\$ 310,000	\$ 310,000	\$ -
Total						\$ 310,000	\$ 310,000	\$ -

DELRAN TOWNSHIP FIRE DISTRICT No. 1
Schedule of Financial Statement Findings
For the Year Ended December 31, 2024

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Bureau of Authority Regulation, Division of Local Government Services, Department of Community Affairs, State of New Jersey.

None.

DELRAN TOWNSHIP FIRE DISTRICT No. 1
Summary Schedule of Prior Year Audit Findings
And Recommendations as Prepared by Management
For the Year Ended December 31, 2024

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No financial statement findings in prior year.

Federal Awards

N/A – No Federal Single Audit in prior year

State Financial Assistance

N/A – No State Single Audit in prior year



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

Acknowledgment

We express our appreciation for the assistance and courtesies extended to the members of the audit team.

Holt McNally & Assoc.

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

Medford, New Jersey
August 21, 2025

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