

**TOWNSHIP OF WEYMOUTH
FIRE DISTRICT NO. 1**

**Management's Discussion and Analysis
Year Ended December 31, 2021
(Unaudited)**

As management of the Township of Weymouth Fire District No. 1 (Fire District) we offer readers of the Fire District's financial statements this narrative overview and analysis of the financial activities of the Fire District for the year ended December 31, 2021. The intent of this discussion and analysis is to look at the Fire District's financial performance as a whole; readers should also review the information furnished in the notes to the basic financial statements to enhance their understanding of the Fire District's financial performance.

FINANCIAL HIGHLIGHTS

The financial statements included in this report provide insight into the financial status for the year.

Key financial highlights for 2021 are as follows:

- Total net position as of December 31, 2021 was \$87,629.
- Total revenues for the governmental activity were \$152,032.
- Total spending for the governmental activity was \$128,529 for the year.
- The Fire District did not incur any capital expenditures in 2021.
- The Fire District reserved \$10,000 in funds for future capital expenditures in 2021.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Fire District's basic financial statements. The Fire District's basic financial statements comprise of three components: (1) district-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

District-Wide Financial Statements

The district-wide financial statements are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business.

The Statement of Net Position presents information on all the Fire District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Fire District is improving or deteriorating.

The Statement of Activities presents information showing how the Fire District's net position changed during the most recent year. All changes in the net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the Fire District that are principally supported by taxes and intergovernmental revenues (governmental activities). The activity of the Fire District includes firefighting services which are provided to the citizens of the Township of Weymouth.

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Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. The Fire District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Fire District constitute one fund type, governmental funds.

Governmental Funds

All of the Fire District's activities are reported in governmental funds, which focuses on how money flows into and out of those funds and the balance left at year-end that is available for spending. These funds are reported using an accounting method called modified accrual accounting which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's fire-fighting operations.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

District-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position.

| Township of Weymouth Fire District No. 1 Net Position | | December 31, | |
|---|--|--------------|------------|
| | | 2021 | 2020 |
| Current and Other Assets | | \$ 87,629 | \$ 122,235 |
| Capital Assets | | | |
| Total Assets | | 87,629 | 122,235 |
| Long-term Liabilities Outstanding | | | |
| Other Liabilities | | 0 | 28,248 |
| Total Liabilities | | 28,248 | 59,109 |
| Net Position | | | |
| Invested in Capital Assets, Net of Related Debt | | 0 | 0 |
| Restricted | | 60,000 | 50,000 |
| Unrestricted | | 27,629 | 43,987 |
| Total Net Position | | \$ 87,629 | \$ 93,987 |

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The Statement of Activities shows the cost of the governmental activities' program services and the charges for services and grants offsetting those services. Key elements of the increase in governmental activities are as follows:

**Township of Weymouth
Fire District No. 1
Statement of Activities**

| | For the Years Ended December 31, | |
|------------------------------------|---|-------------|
| | 2021 | 2020 |
| Expenses: | | |
| Operating Appropriations | | |
| Administration | \$ 9,247 | \$ 8,499 |
| Cost of Operations and Maintenance | 119,282 | 79,267 |
| Miscellaneous | 0 | 0 |
| Total Program Services | 128,529 | 87,766 |
| General Revenue: | | |
| Taxes | | |
| Levied for General Purposes | 123,187 | 110,410 |
| State Aid Unrestricted | | |
| Unrestricted Investment Income | 13 | 11 |
| Miscellaneous Income | 29,832 | 20,997 |
| Total General Revenues | 152,032 | 131,418 |
| Change in Net Position | 24,503 | 43,652 |
| Net Assets, Beginning (Restated) | 63,126 | 50,335 |
| Net Assets, Ending | \$ 87,629 | \$ 93,987 |

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. The actual expenditures of the general fund were \$128,529, which is below the original budget estimate of \$133,187.

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Capital Assets

The Fire District did not have investment in capital assets for its governmental activities as of December 31, 2021.

Debt Administration

The District had no long-term financial obligations outstanding at year end.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to:

Township of Weymouth Fire District No.1
PO Box 175
Dorothy, NJ 08317