

**TOWNSHIP OF HANOVER FIRE DISTRICT No. 3**  
**SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION**

The following summary or synopsis of the audit report, together with the recommendations is the minimum required to be published.

SUMMARY OR SYNOPSIS OF AUDIT REPORT OF THE TOWNSHIP OF HANOVER FIRE DISTRICT No. 3  
FOR THE YEAR ENDED DECEMBER 31, 2018 AS  
REQUIRED BY N.J.S. 40a:5A-16  
BALANCE SHEET - GOVERNMENTAL FUNDS

	Major Fund General Fund	Non-Major Fund Capital Fund	Total Governmental Funds
<b><u>ASSETS:</u></b>			
Cash and Cash Equivalents	\$ 986,613	\$ 23,073	\$ 1,009,686
Restricted Cash and Cash Equivalents		61,890	61,890
Total Assets	\$ 986,613	\$ 84,963	\$ 1,071,576
<b><u>LIABILITIES:</u></b>			
Accounts Payable	\$ 32,612		\$ 32,612
Total Liabilities	\$ 32,612		\$ 32,612
<b><u>FUND BALANCES:</u></b>			
Restricted for Capital Lease Payments		\$ 61,890	\$ 61,890
Unassigned	\$ 954,001	23,073	977,074
Total Fund Balances	954,001	84,963	1,038,964
Total Liabilities and Fund Balances	\$ 986,613	\$ 84,963	

Amounts Reported in the Statement of Activities are Different Because:

Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not Reported in the Funds.	\$ 1,981,293
Long-Term Liabilities, are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds	(63,685)
The Net Pension Liability for PERS and PFRS is not due and payable in the current period and is not reported in the District Wide Financial Statements.	(1,679,397)
Certain amounts related to the Net Pension Liability and Deferred and Amortized in the Statement of Activities are not reported in the Governmental Funds:	
Deferred Outflows of Resources Related to Pensions	804,682
Deferred Inflows of Resources Related to Pensions	(547,053)
Long-Term Liabilities, Including Lease Payable, are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds.	(61,890)
Net Position of Governmental Activities	\$ 1,472,914

TOWNSHIP OF HANOVER FIRE DISTRICT No. 3  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

	Non-Major Fund Capital Fund	Major Fund General Fund	Total Governmental Funds
<u>REVENUE:</u>			
Amount to be Raised by Taxation to			
Support District Budget		\$ 1,187,606	\$ 1,187,606
Rental Income		6,500	6,500
Interest Earned on Investments		2,903	2,903
EMS Services		610,311	610,311
Local Registration Fees		57,368	57,368
Fire Alarms and Standby Fees		19,428	19,428
Miscellaneous		23,206	23,206
Uniform Safety Act		31,162	31,162
Total Revenue	1,938,484	1,938,484	1,938,484
<u>EXPENDITURES:</u>			
Operating, Maintenance and			
Administration		1,638,348	1,638,348
Capital Lease Payment:			
Principal	\$ 60,100		60,100
Interest		3,635	3,635
Capital Outlay	446,283		446,283
Total Expenditures	506,383	1,641,983	2,148,366
Other Financing Sources/(Uses):			
Transfers In	446,283		446,283
Transfers Out		(446,283)	(446,283)
Total Other Financing Sources/(Uses)	446,283	(446,283)	
Net Change in Fund Balances	(60,100)	(149,782)	(209,882)
Fund Balances, Beginning of Year	145,063	1,103,783	1,248,846
Fund Balances, End of Year	\$ 84,963	\$ 954,001	\$ 1,038,964

TOWNSHIP OF HANOVER FIRE DISTRICT No. 3  
SUMMARY OR SYNOPSIS OF AUDIT REPORT FOR PUBLICATION  
(Continued)

It is recommended that:

1. The District maintain an adequate segregation of duties with respect to the recording and treasury functions.
2. The collections agency (NBCC) obtain a SOC 1, Type 2 report or similar report, which covers each calendar year.
3. All purchase orders are approved prior to the purchase of goods or services.

Thomas A. Quirk, Jr.  
Secretary

