

TOWN OF RAMAPO, NEW YORK

**FINANCIAL STATEMENTS FOR THE YEAR ENDED
December 31, 2023
Together With
Independent Auditor's Reports**

Bonadio & Co., LLP
Certified Public Accountants

TOWN OF RAMAPO, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

June 17, 2024

To the Honorable Supervisor and Town Board of the
Town of Ramapo, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Ramapo (Town), New York as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town'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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town 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.

Change in Accounting Principle

As described in Note 14 to the financial statements, in 2023, the Town adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Information Technology Arrangements and GASB Statement No. 94 Public-Private and Public-Public Partnership and Availability Payment Arrangements. Our opinions are not modified with respect to this matter.

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 Town'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.

(Continued)

INDEPENDENT AUDITOR'S REPORT (Continued)

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* 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*, 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 Town'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 Town'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, budgetary comparison information, and schedules of changes in total OPEB liability and related ratios, proportionate share of net pension liability (asset), and contributions – pension plan 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.

(Continued)

INDEPENDENT AUDITOR'S REPORT (Continued)

Required Supplementary Information (Continued)

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 Town's basic financial statements. The accompanying combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare 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 combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of revenues, expenditures, and changes in fund balance – budget and actual: town outside village fund, highway fund and special districts funds but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2024 on our consideration of the Town'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 Town'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 the Town's internal control over financial reporting and compliance.

TOWN OF RAMAPO, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) DECEMBER 31, 2023

INTRODUCTION

The following Management's Discussion and Analysis (MD&A) is required supplementary information to the Town of Ramapo, New York's (Town) financial statements. It provides a narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2023.

These management comments written as of June 17, 2024 also provide the benefit of perspective on certain developments after December 31, 2023, which, while they occurred subsequent to the close of the fiscal year, are nevertheless relevant to the reader's understanding of the Town's fiscal condition at that date.

The MD&A is intended to serve as an introduction to the Town's basic financial statements, which have the following components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

The MD&A is designed to assist the reader in focusing on significant matters, provide an overview of the Town's finances, identify material changes from the original budget and highlight individual fund matters. Financial information is summarized in order to provide an understanding of the Town's financial condition. The following financial statements, notes and required supplementary information should be reviewed in conjunction with the MD&A.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements in this report include:

- Government-wide financial statements for the Town and its blended component unit, the Corporation, which is reported as a major enterprise fund;
- Fund level financial statements for all of the Town's governmental and enterprise funds; and
- Footnote disclosures providing key information relevant to the Town's financial statements.

Additionally, the Town presents:

- Required supplementary information regarding budgetary comparison schedules, pension, and other post-employment benefit obligations and
- Other supplementary information including combining sub-fund financial statements.

An overview of each of the statements included in the Town's financial statements is as follows:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

- The Government-wide Financial Statements are designed to provide a broad overview of the Town's financial activities in a comprehensive manner similar to the financial reports of a private sector business.
- These statements provide both long-term and short-term information about the Town's overall financial position.
- The Statement of Net Position presents all of the Town's current and long-term assets, its current and long-term liabilities as well as the total of deferred inflows and deferred outflows of resources at the end of the year.

GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

- The Statement of Activities presents a summary of all aspects of financial activity that, when aggregated, result in the increase or decrease in the net position of the Town during the year.
- All changes in net position are reported on a full accrual basis: revenues, expenses, and the related assets and liabilities are recorded as soon as the underlying event giving rise to the change occurs.
- The full accrual basis requires the recognition of revenue and expenses in the current year for items that will result in cash inflows and outflows in future years, such as the actuarially calculated long-term liability for pension benefits which will be paid out over future periods.
- The Statement of Activities distinguishes "governmental activities" which are supported by property taxes, non-property taxes and intergovernmental activities from "program activities" which recover a portion of their costs through user fees and charges (i.e., the Town's summer camp programs).

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 activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related laws and regulations. The diverse operations of the Town are accounted for in three types of funds: governmental, proprietary, and custodial.

Governmental Funds

The Town maintains the following individual governmental funds, each with a unique tax base: General Fund, Town Outside Villages Fund, Highway Fund, Special Districts (including Lighting, Water, Refuse, Sewer, Fire Protection and Ambulance Districts), Police Fund, Debt Service Fund and Capital Projects Fund. The General Fund, Police Fund, Debt Service Fund and Capital Projects Fund are considered to be major funds.

Fund accounting measures the current financial resources of each fund following the modified accrual basis. The measurement focus is on the near-term inflows and outflows of spendable resources as well as the balance of spendable resources available at the end of the year. Balance sheets at the fund level present only current assets and current liabilities.

The Town adopts annual budgets for each governmental fund. Comparisons of the actual results to the annual budgets are included within the required supplemental information herein.

Proprietary Funds

The Town reports two types of proprietary funds, an enterprise fund and two internal service funds: 1) the General liability Claims Fund; and 2) the Workers' Compensation Benefits Fund. Proprietary funds are reported on the accrual basis of accounting using the economic resources measurement focus.

The Town's enterprise fund consists of the Corporation, which was formed in 2008 by the New York State Legislature under the provisions of Section 1411 of the Not-For-Profit Corporation Law for purposes of fostering creation, retention and expansion of jobs and economic opportunities in the Town. The Corporation constructed and operates the Clover Stadium formerly known as Palisades Credit Union Park, which hosts the New York Boulders baseball team.

The internal service funds account for the cost of insurance coverage as well as the annual claims paid for general liability judgments and workers' compensation cases. The source of funding for internal service funds is provided by transfers-in from various governmental funds. Each year, the cost for general liability claims and workers' compensation claims in each of the individual government funds is estimated. Cash is transferred to the internal service funds so that a centralized payment can be made. In addition, a long-term liability is recorded at year end based on an independent actuarial calculation of the liabilities associated with the existing general liability and workers compensation cases.

Fiduciary Funds

The Town's fiduciary activities are reported within a custodial fund. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a condensed statement of government-wide net position for the Town at December 31, 2023:

	Governmental Activities		Business-Type Activity		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Assets						
Current assets						
Cash and cash equivalents	\$ 38,326,209	\$ 34,269,788	\$ 451,796	\$ 296,450	\$ 38,778,005	\$ 34,566,238
Receivables, net	5,978,378	8,085,171	271,505	258,076	6,249,883	8,343,247
Other	86,600	535,314	2,040,585	2,040,585	2,127,185	2,575,899
Total current assets	44,391,187	42,890,273	2,763,886	2,595,111	47,155,073	45,485,384
Non current assets	153,224,091	155,106,342	32,020,009	33,371,309	185,244,100	188,477,651
Total assets	197,615,278	197,996,615	34,783,895	35,966,420	232,399,173	233,963,035
Deferred outflows of resources	79,745,148	82,386,256	498,519	526,181	80,243,667	82,912,437
Liabilities						
Due within one year	35,204,430	36,679,238	2,271,427	2,200,072	37,475,857	38,879,310
Due in more than one year	371,750,484	317,354,840	19,907,316	20,782,848	391,657,800	338,137,688
Total liabilities	406,954,914	354,034,078	22,178,743	22,982,920	429,133,657	377,016,998
Deferred inflows of resources	53,256,114	103,029,339	1,114,602	1,263,215	54,370,716	104,292,554
Net position						
Net investment in capital assets	77,965,591	80,556,081	10,807,435	11,237,154	88,773,026	91,793,235
Restricted	23,692,989	15,317,258	-	-	23,692,989	15,317,258
Unrestricted	(284,509,182)	(272,553,885)	1,181,634	1,009,312	(283,327,548)	(271,544,573)
Total net position	\$(182,850,602)	\$(176,680,546)	\$ 11,989,069	\$ 12,246,466	\$(170,861,533)	\$(164,434,080)

The governmental activities current assets increased by \$1,500,914. The increase in current assets is primarily due to an increase in cash and cash equivalents. Non-current assets within the governmental activities decreased \$1,882,251 driven primarily a change of net pension asset to a liability. The changes in deferred outflows of resources is entirely related to the net pension liability reporting provided by the New York State and Local Retirement System (System) and other postemployment benefits.

Long-term liabilities include general obligation bonds, compensated absences, self-insurance claims and judgments payable, landfill closure costs, pension and other postemployment benefit obligations. The value of the Town's proportionate net pension liability and OPEB are determined by the State of New York and an independent actuary, respectively. Total long-term liabilities increased by \$54,395,644 in 2023 driven primarily by an increase in OPEB of \$24,809,216 and a net increase in bonds payable of \$5,290,000. During 2023, the Town elected to amortize pension contributions and repayments net to \$33,051,771 in changes to the retirement system for the past contribution amortizations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The financial position of the business-type activity has remained relatively consistent and predictable. Material changes in assets represent accumulated depreciation, while major changes in liabilities represent reductions in long-term debt. Debt service payments are subsidized by the Town along with various operating expenses.

The following is a government-wide statement of changes in net position for December 31:

	Governmental Activities		Business-Type Activity		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 21,497,720	\$ 17,376,753	\$ 378,760	\$ 385,950	\$ 21,876,480	\$ 17,762,703
Operating grants and contributions	2,899,298	2,226,767	-	-	2,899,298	2,226,767
Capital grants and contributions	2,851,494	944,381	-	-	2,851,494	944,381
General revenues						
Taxes	89,514,939	88,626,759	-	-	89,514,939	88,626,759
Other	11,279,025	17,462,506	2,360	124	11,281,385	17,462,630
Total revenues	<u>128,042,476</u>	<u>126,637,166</u>	<u>381,120</u>	<u>386,074</u>	<u>128,423,596</u>	<u>127,023,240</u>
Expenses						
General governmental support	21,779,151	29,336,085	-	-	21,779,151	29,336,085
Public safety	53,886,989	45,780,681	-	-	53,886,989	45,780,681
Health	10,971,280	8,982,645	-	-	10,971,280	8,982,645
Transportation	12,842,363	11,109,847	-	-	12,842,363	11,109,847
Economic opportunity and development	2,614,802	481,368	-	-	2,614,802	481,368
Culture and recreation	13,150,881	11,318,860	-	-	13,150,881	11,318,860
Home and community services	14,877,155	13,449,134	-	-	14,877,155	13,449,134
Interest on long-term debt	1,870,321	2,209,028	-	-	1,870,321	2,209,028
Ramapo LDC	-	-	2,858,107	2,982,967	2,858,107	2,982,967
Total expenses	<u>131,992,942</u>	<u>122,667,648</u>	<u>2,858,107</u>	<u>2,982,967</u>	<u>134,851,049</u>	<u>125,650,615</u>
Contributions	<u>(2,219,590)</u>	<u>(2,224,617)</u>	<u>2,219,590</u>	<u>2,224,617</u>	<u>-</u>	<u>-</u>
Change in net position	<u>(6,170,056)</u>	<u>1,744,901</u>	<u>(257,397)</u>	<u>(372,276)</u>	<u>(6,427,453)</u>	<u>1,372,625</u>
Net position, beginning of year, as previously reported	<u>(176,680,546)</u>	<u>(178,425,447)</u>	<u>12,246,466</u>	<u>12,618,742</u>	<u>(164,434,080)</u>	<u>(165,806,705)</u>
Prior period adjustment (Note 14)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position, beginning of year, as restated	<u>(176,680,546)</u>	<u>(178,425,447)</u>	<u>12,246,466</u>	<u>12,618,742</u>	<u>(164,434,080)</u>	<u>(165,806,705)</u>
Net position, end of year	<u><u>\$(182,850,602)</u></u>	<u><u>\$(176,680,546)</u></u>	<u><u>\$ 11,989,069</u></u>	<u><u>\$ 12,246,466</u></u>	<u><u>\$(170,861,533)</u></u>	<u><u>\$(164,434,080)</u></u>

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

- Aggregate government-wide revenues increased by \$1,402,996 (an increase of 1.1%) primarily due to an increase in capital grants of \$1,907,113 a 202% increase.
- Aggregate government wide expenses increased by \$9,325,294 or 7.6%.
- Business Type Activity solely comprises the operations of the Ramapo Local Development Corporation resulting from the management of a minor league baseball stadium, known as Clover Stadium (formerly known as Palisades Credit Union Park Stadium). Charges for services decreased by \$7,190.
- The Town made contributions to the Corporation of \$2,219,590 and \$2,224,617 in 2023 and 2022 respectively. These contributions were entirely used to finance the operating and debt service costs of the Corporation on a cash basis.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

The Town uses fund accounting to ensure and demonstrate compliance with legal and finance-related requirements. Accounting at the fund level provides information about near-term inflows, outflows and balances of spendable resources. An operating budget in each fund is adopted by the Town Board each year. The annual budget is comprised of estimations of program revenues and expenditures which then forms the basis for the amount of taxes levied to provide adequate funds to provide general government support, public safety, health and transportation services as well as culture, recreation, home and community services.

The fund balance at the end of the year in each fund is a measure of the resources remaining after all revenues of the current year are recorded and all expenditures of the current year are paid or recorded as payable at the end of the year. These remaining resources, if positive, are often referred to as the "rainy day fund" that is available if needed in the following year.

The General Fund is an indicator of the overall financial health of the Town. The cost of general government support is accounted for in the General Fund and the resources of the General Fund (excluding any amounts specifically restricted by law or board resolution) are available for any and all general claims and liabilities of the Town.

The Town Outside Village Fund ("TOV" also referred to as the "Part Town" or "Unincorporated Ramapo") is used to account for those support services that are unrelated to the villages within the Town. Expenditures in this fund primarily encompass the cost of building, planning and zoning services.

The Police Fund captures the cost of providing police protection and public safety services in all parts of the Town except for two villages which have their own police force.

The Highway Fund is used to account for the cost of snow and brush removal as well as road repair and maintenance for all of the roads within the boundaries of the Part Town.

Special Districts include separate funds used to account for the costs associated with providing specific services to benefited areas. Districts within the Town include funds to account for the cost of streetlights, refuse and recycling services in the Part Town, sewer costs in the benefited areas and ambulance services provided on a Town-wide basis. The resources within the Special Districts funds are restricted to the specific purposes of each district and, therefore, are not available for the general claims or liabilities of the Town.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

The **Debt Service and Capital Projects Funds** are used to account for the current cash flows associated with acquisition or construction of capital assets and the related debt funding. Debt service payments are budgeted in the operating funds and then transferred into the Debt Service Fund for payment. When short-term debt such as bond anticipation notes (BANs) are issued they are initially recorded in the Capital Projects Fund. These short-term liabilities are replaced with the long-term liability recorded in the government-wide statement of net position once the long-term bonds are issued. The fund balance at the end of the year represents bond funds available to be expended for future capital projects.

Governmental Funds

The Town's governmental funds as presented in the balance sheet, reported a combined fund balance of \$23,543,911, of which \$23,692,989 is restricted for debt service, capital projects and other purposes.

During 2023, the Town's General Fund's fund balance decreased by \$6,997,192 to a fund balance of \$555,342.

In 2023, actual Police Fund revenues exceeded budgeted revenues by \$1,322,598. This was offset by actual expenditures which exceeded budgeted expenditures by \$1,209,186. This resulted in an operating increase in 2023 of \$692,248, bringing the Police Fund balance to a deficit \$1,834,420.

The Town's Capital Project Fund reported a \$5,594,410 increase in fund balance, primarily as the result of \$7,143,099 in capital outlays off set by \$1,280,747 in State and Federal grant revenues and \$11,316,000 in financing sources.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following schedule presents a summarized comparison of the General Fund's final budget compared to actual results.

	Year Ended December 31, 2023		
	Final Budget	Actual	Variance
Total revenues	<u>\$ 38,278,291</u>	<u>\$ 38,457,357</u>	<u>\$ 179,066</u>
Expenditures			
General Government	22,035,818	25,099,206	(3,063,388)
Culture and recreation	8,909,792	9,754,892	(845,100)
Other program areas	1,359,743	4,193,951	(2,834,208)
Debt service (capital leases)	<u>209,383</u>	<u>530,028</u>	<u>(320,645)</u>
Total expenditures	<u>32,514,736</u>	<u>39,578,077</u>	<u>(7,063,341)</u>
Excess of revenues over expenditures	5,763,555	(1,120,720)	(6,884,275)
Other financing uses	<u>(9,014,278)</u>	<u>(5,876,472)</u>	<u>3,137,806</u>
Operating surplus (deficit)	<u>\$ (3,250,723)</u>	<u>\$ (6,997,192)</u>	<u>\$ (3,746,469)</u>

GENERAL FUND BUDGETARY HIGHLIGHTS (Continued)

The positive variance of \$179,066 in total revenues is primarily due to a negative variance in estimated mortgage tax revenues of \$2,770,873 offset by an aggregate of federal and state grant funds of \$2,679,457 plus a net positive variance in other revenues of \$270,482. The Mortgage tax variance was due do the Federal Reserve interest rate increase which led to a material decline in new mortgage activity in the last half year.

Expenditures exceeded budget by \$7,036,341. This variance was the result of unbudgeted federally funded expenditures of approximately \$2,700,000; a legal settlement of \$3,000,000 and greater than expected retirement costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets include land, land improvements, buildings and improvements, machinery and equipment, infrastructure and leases. The primary government's investment in capital assets (net of accumulated depreciation) is approximately \$182.7 million at December 31, 2023.

	Governmental Activities		Business-Type Activity		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Capital assets						
Land	\$ 39,284,905	\$ 39,293,461	\$ 8,338,047	\$ 8,338,047	\$ 47,622,952	\$ 47,631,508
Land improvements	15,469,945	16,954,879	4,305,170	4,305,170	19,775,115	21,260,049
Buildings and improvements	42,074,692	43,518,336	17,288,522	18,488,937	59,363,214	62,007,273
Machinery and equipment	4,383,726	4,272,382	1,112,658	1,112,658	5,496,384	5,385,040
Infrastructure	48,426,346	43,072,037	-	-	48,426,346	43,072,037
Leases	2,019,043	1,634,701	-	-	2,019,043	1,634,701
Total capital assets, net	<u>\$ 151,658,657</u>	<u>\$ 148,745,796</u>	<u>\$ 31,044,397</u>	<u>\$ 32,244,812</u>	<u>\$ 182,703,054</u>	<u>\$ 180,990,608</u>

LONG-TERM DEBT

The following tables summarizes the Town's long-term debt obligations as of December 31, 2023 and 2022:

	Governmental Activities		Business-Type Activity		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Long-term debt						
Bonds payable	\$ 70,355,000	\$ 65,065,000	\$ 20,545,000	\$ 21,170,000	\$ 90,900,000	\$ 86,235,000
Plus unamortized premium	893,637	775,165	1,719,830	1,805,821	2,613,467	2,580,986
Installment purchase agreements	432,512	692,053	-	-	432,512	692,053
Leases	2,011,917	1,568,535	-	-	2,011,917	1,568,535
Total long-term debt, net	<u>\$ 73,693,066</u>	<u>\$ 68,100,753</u>	<u>\$ 22,264,830</u>	<u>\$ 22,975,821</u>	<u>\$ 95,957,896</u>	<u>\$ 91,076,574</u>

In past years, the Town obtained long-term financing in the form of general obligation bonds to help finance the acquisition of capital assets. Additionally, the Town has guaranteed the bonds issued by its blended component unit, the Corporation.

LONG-TERM DEBT (Continued)

In September of 2023, the Standard & Poor's rating agency raised the Town's general obligation debt credit rating from A+ to AA-. With this updated rating, the Town returned to the bond market by issuing \$10.83 million in public improvement bonds to fund the installation of new sidewalks, the repair and reconstruction of existing sidewalks and other road safety and traffic improvements. In addition the Town issued a \$3.0 million bond anticipation note to fund a settled claim. This note has been refinanced as long-term debt in 2024.

CURRENTLY KNOWN FACTS AFFECTING THE TOWN:

The Town is the eighth largest in New York State with a land area of approximately 61 square miles. For the year ended December 31, 2023, the macroeconomic fundamentals of the Town have been stable.

Economic highlights are as follows:

- 2022 Census Bureau Population of 148,919, up from 126,595 in 2010
- Median family income of \$91,743
- Median value of owner-occupied housing units (2018 – 2022) of \$570,300
- Annual average unemployment rates among the lowest in New York State: 2023 – 2.8%
- Stable taxable assessed property valuation of \$1.6 billion (2015 – 2023)

(Source: U.S. Census Bureau, New York State Department of Labor, Town of Ramapo Tax Roll)

The Town anticipates that the Rockland County/NYC suburban economy will remain stable during 2024. Very modest increases were built into the 2024 budgets.

REQUESTS FOR INFORMATION

Questions or comments concerning any of the information in the report should be addressed to:

*Town Supervisor
Town of Ramapo
237 Route 59
Suffern, NY 10901*

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF NET POSITION
DECEMBER 31, 2023**

	Governmental Activities	Business-Type Activities	Total Primary Government
ASSETS			
Cash - Unrestricted	\$ 19,505,447	\$ 451,796	\$ 19,957,243
Cash - Restricted	18,820,762	-	18,820,762
Receivables:			
Accounts receivable	3,690,231	120,620	3,810,851
Due from other governments	1,872,902	-	1,872,902
Lease receivable	69,972	150,885	220,857
Public-private partnership receivable	340,392	-	340,392
Accrued interest receivable	4,881	-	4,881
Prepaid items	86,600	-	86,600
Property under sales contract	-	2,040,585	2,040,585
Total current assets	44,391,187	2,763,886	47,155,073
Non-current assets:			
Non-depreciable capital assets	39,284,905	8,338,047	47,622,952
Depreciable assets, net of accumulated depreciation	112,373,752	22,706,350	135,080,102
Lease receivable, net of current portion	1,565,434	975,612	2,541,046
Total non-current assets	153,224,091	32,020,009	185,244,100
Deferred outflows of resources:			
Deferred outflows of resources - Deferred loss on refunding	-	498,519	498,519
Deferred outflows of resources - Postemployment benefits	47,580,293	-	47,580,293
Deferred outflows of resources - pensions	32,164,855	-	32,164,855
Total deferred outflows of resources	79,745,148	498,519	80,243,667
Total assets and deferred outflows of resources	277,360,426	35,282,414	312,642,840
LIABILITIES			
Accounts payable and accrued liabilities	16,751,019	-	16,751,019
Accrued interest	327,775	280,581	608,356
Unearned revenues	29,951	-	29,951
Lease liability	679,590	-	679,590
SBITA liability	37,044	-	37,044
Other liabilities	478,113	-	478,113
Bond anticipation notes payable	2,619,000	-	2,619,000
Deposits under sales contract	-	1,162,681	1,162,681
Current portion of non-current liabilities	14,281,938	828,165	15,110,103
Total current liabilities	35,204,430	2,271,427	37,475,857
Non-current liabilities:			
Bonds payable	63,252,627	19,907,316	83,159,943
Lease liability, net of current portion	1,332,327	-	1,332,327
Installment purchase agreements	248,940	-	248,940
Compensated absences	4,130,899	-	4,130,899
Net pension liability	35,451,404	-	35,451,404
Claims and judgments	10,194,606	-	10,194,606
Retirement incentive and other pension obligations	5,528,056	-	5,528,056
Estimated liability for landfill closure and post closure costs	543,907	-	543,907
Total other postemployment benefits liability	251,067,718	-	251,067,718
Total long-term liabilities	371,750,484	19,907,316	391,657,800
Total liabilities	406,954,914	22,178,743	429,133,657
Deferred inflows of resources:			
Deferred inflows of resources - Leases/public-private partnerships	1,984,437	1,114,602	3,099,039
Deferred inflows of resources - Pensions	841,448	-	841,448
Deferred inflows of resources - Other post employment benefits	50,430,229	-	50,430,229
Total deferred inflows of resources	53,256,114	1,114,602	54,370,716
Total liabilities and deferred inflows of resources	460,211,028	23,293,345	483,504,373
NET POSITION			
Net investment in capital assets	77,965,591	10,807,435	88,773,026
Restricted	23,692,989	-	23,692,989
Unrestricted	(284,509,182)	1,181,634	(283,327,548)
Total net position	\$ (182,850,602)	\$ 11,989,069	\$ (170,861,533)

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT:							
Governmental activities -							
General governmental support	\$ 21,779,151	\$ 2,461,133	\$ 1,979,703	\$ 1,960,434	\$ (15,377,881)	\$ -	\$ (15,377,881)
Public safety	53,886,989	1,154,192	179,226	28,402	(52,525,169)	-	(52,525,169)
Health	10,971,280	8,188,783	97,000	-	(2,685,497)	-	(2,685,497)
Transportation	12,842,363	2,483,935	643,369	851,048	(8,864,011)	-	(8,864,011)
Economic opportunity and development	2,614,802	-	-	-	(2,614,802)	-	(2,614,802)
Culture and recreation	13,150,881	3,946,878	-	-	(9,204,003)	-	(9,204,003)
Home and community services	14,877,155	3,262,799	-	11,610	(11,602,746)	-	(11,602,746)
Interest	1,870,321	-	-	-	(1,870,321)	-	(1,870,321)
Total governmental activities	131,992,942	21,497,720	2,899,298	2,851,494	(104,744,430)	-	(104,744,430)
Business-Type Activity	2,858,107	378,760	-	-	-	(2,479,347)	(2,479,347)
Total Primary Government	\$ 134,851,049	\$ 21,876,480	\$ 2,899,298	\$ 2,851,494	(104,744,430)	(2,479,347)	(107,223,777)
GENERAL REVENUES:							
Real property taxes					88,564,508	-	88,564,508
Other property tax items:							
Payment in lieu of taxes					527,243	-	527,243
Interest and penalties on real property taxes					423,188	-	423,188
Non-property taxes:							
Franchise fees					275,671	-	275,671
Non-property distribution from Rockland County					2,998,549	-	2,998,549
Use of money and property					2,740,690	2,360	2,743,050
Gain on sale of property					177,233	-	177,233
Other New York State and Rockland County taxes					4,355,707	-	4,355,707
Other revenues					731,175	-	731,175
Total general revenues					100,793,964	2,360	100,796,324
TOWN CONTRIBUTIONS					(2,219,590)	2,219,590	-
Change in net position					(6,170,056)	(257,397)	(6,427,453)
Net position - beginning of year					(176,680,546)	12,246,466	(164,434,080)
Net position - end of year					\$ (182,850,602)	\$ 11,989,069	\$ (170,861,533)

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	<u>Major Funds</u>				<u>Total</u>
	<u>General Fund</u>	<u>Police</u>	<u>Capital Projects</u>	<u>Non-major Funds</u>	
ASSETS:					
Cash and cash equivalents	\$ 4,507,121	\$ 5,875,370	\$ -	\$ 9,491,363	\$ 19,873,854
Cash - restricted	-	-	17,946,518	-	17,946,518
Accounts receivable	489,537	24,200	-	3,176,494	3,690,231
Lease receivable	1,635,406	-	-	-	1,635,406
Public-private partnership receivable	340,392	-	-	-	340,392
Due from other funds	350,717	-	7,504	74,747	432,968
Due from other governments	<u>495,410</u>	<u>9,866</u>	<u>200,000</u>	<u>1,167,626</u>	<u>1,872,902</u>
 Total assets	 <u>\$ 7,818,583</u>	 <u>\$ 5,909,436</u>	 <u>\$ 18,154,022</u>	 <u>\$ 13,910,230</u>	 <u>\$ 45,792,271</u>
LIABILITIES:					
Accounts payable and accrued liabilities	\$ 5,010,801	\$ 7,743,856	\$ 1,127,789	\$ 2,821,445	\$ 16,703,891
Due to other funds	8,527	-	353,802	70,639	432,968
Due to other governments	21,891	-	-	248,588	270,479
Unearned revenue	29,951	-	-	-	29,951
Bond anticipation notes payable	-	-	2,619,000	-	2,619,000
Other liabilities	<u>207,634</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,634</u>
 Total liabilities	 <u>5,278,804</u>	 <u>7,743,856</u>	 <u>4,100,591</u>	 <u>3,140,672</u>	 <u>20,263,923</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred inflow - Leases/public-private partnerships	<u>1,984,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,984,437</u>
 Total deferred inflows of resources	 <u>1,984,437</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>1,984,437</u>
FUND BALANCE:					
Restricted	-	-	14,053,431	9,639,558	23,692,989
Assigned - appropriated for subsequent year's expenditures	1,750,000	-	-	1,130,000	2,880,000
Unassigned	<u>(1,194,658)</u>	<u>(1,834,420)</u>	<u>-</u>	<u>-</u>	<u>(3,029,078)</u>
 Total fund balance	 <u>555,342</u>	 <u>(1,834,420)</u>	 <u>14,053,431</u>	 <u>10,769,558</u>	 <u>23,543,911</u>
 Total liabilities, deferred inflows and fund balance	 <u>\$ 7,818,583</u>	 <u>\$ 5,909,436</u>	 <u>\$ 18,154,022</u>	 <u>\$ 13,910,230</u>	 <u>\$ 45,792,271</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2023

Total fund balance - governmental funds \$ 23,543,911

Total net position reported for governmental activities in the Statement of Net Position is different because:

Deferred outflows of resources not reported in governmental funds, related to the following:

Pension	32,164,855
Postemployment benefits healthcare costs	47,580,293

Deferred inflow of resources not reported in governmental funds, related to the following:

Pension	(841,448)
Postemployment benefits healthcare costs	(50,430,229)

Capital assets used in governmental activities are not current financial resources and; therefore, are not reported in the funds. 151,658,657

Internal service funds are used by management to charge the costs of workers' compensation and general liabilities to individual governmental funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. (12,195,363)

Long-term liabilities that are not due and payable in the current period are not reported in the funds:

General obligation bonds	(70,355,000)
Compensated absences	(4,589,888)
Installment purchase agreements	(432,512)
Lease liability	(2,011,917)
SBITA liability	(37,044)
Net pension liability, proportionate share	(35,451,404)
Estimated liability for landfill closure and post closure care costs	(725,210)
Postemployment benefits liabilities	(251,067,718)
Retirement incentive	(8,444,054)

Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. (893,664)

Interest payable applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. However these liabilities are included in the Statement of Net Position. (322,867)

Total net position of governmental activities \$ (182,850,602)

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Major Funds</u>				Total
	General Fund	Police	Capital Projects	Non Major Funds	
REVENUES:					
Real property taxes	\$ 19,675,683	\$ 44,334,335	\$ -	\$ 24,554,490	\$ 88,564,508
Other tax items	769,845	180,586	-	3,270,456	4,220,887
Nonproperty tax items	3,764	-	-	-	3,764
Departmental income	6,855,852	15,337	-	9,253,528	16,124,717
Intergovernmental charges	-	-	-	2,295,298	2,295,298
Use of money and property	691,227	871,069	-	1,176,394	2,738,690
Licenses and permits	5,825	-	-	1,933,025	1,938,850
Fines and forfeitures	1,138,855	-	-	-	1,138,855
Sale of property and compensation for loss	59,880	21,929	-	95,424	177,233
Interfund revenue	2,213,318	-	-	-	2,213,318
State aid	4,363,651	35,524	461,490	720,648	5,581,313
Federal aid	2,651,446	172,104	819,257	882,379	4,525,186
Miscellaneous	28,011	408,543	140,762	151,545	728,861
	<u>38,457,357</u>	<u>46,039,427</u>	<u>1,421,509</u>	<u>44,333,187</u>	<u>130,251,480</u>
EXPENDITURES:					
General governmental support	25,099,206	-	-	876	25,100,082
Public safety	842,882	44,930,441	-	525,525	46,298,848
Health	-	-	-	10,971,280	10,971,280
Transportation	286,321	-	-	10,531,322	10,817,643
Economic opportunity and development	2,614,802	-	-	-	2,614,802
Culture and recreation	9,754,892	-	-	-	9,754,892
Home and community services	449,946	-	-	14,766,089	15,216,035
Debt service -					
Principal	486,116	666,084	-	9,079,426	10,231,626
Interest	43,912	36,535	-	1,962,003	2,042,450
Capital outlay	-	393,890	7,143,099	-	7,536,989
	<u>39,578,077</u>	<u>46,026,950</u>	<u>7,143,099</u>	<u>47,836,521</u>	<u>140,584,647</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,120,720)</u>	<u>12,477</u>	<u>(5,721,590)</u>	<u>(3,503,334)</u>	<u>(10,333,167)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	10,448,716	10,448,716
Transfers out	(9,089,324)	-	-	(3,578,982)	(12,668,306)
Proceeds from issuance of debt	3,000,000	-	10,830,000	-	13,830,000
Premium on Issuance of Debt	-	-	-	241,550	241,550
BANs redeemed from appropriations	-	-	486,000	-	486,000
Proceeds from leases	212,852	679,771	-	444,954	1,337,577
	<u>(5,876,472)</u>	<u>679,771</u>	<u>11,316,000</u>	<u>7,556,238</u>	<u>13,675,537</u>
CHANGE IN FUND BALANCE	<u>(6,997,192)</u>	<u>692,248</u>	<u>5,594,410</u>	<u>4,052,904</u>	<u>3,342,370</u>
FUND BALANCE - beginning of year	<u>7,552,534</u>	<u>(2,526,668)</u>	<u>8,459,021</u>	<u>6,716,654</u>	<u>20,201,541</u>
FUND BALANCE - end of year	<u>\$ 555,342</u>	<u>\$ (1,834,420)</u>	<u>\$ 14,053,431</u>	<u>\$ 10,769,558</u>	<u>\$ 23,543,911</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023

Net change in fund balances - governmental funds \$ 3,342,370

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report outlays as expenditures. However, in the
statement of activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense. This is the
amount by which capital outlay exceeded depreciation expense in the current period:

Capital outlay expenditures less disposals	8,403,747
Depreciation and amortization expense	(6,828,463)

Net change in deferred outflows of resources related to:

Pensions	(3,330,284)
Postemployment benefits healthcare costs	689,176

The net operating surplus (loss) of the internal service funds is reported
within governmental activities.

6,627,411

The issuance of long-term debt and increase in obligations provides current financial
resources to governmental funds, while the repayment of the principal of long term debt
consumes the current financial resources of governmental funds:

Debt issued	(13,830,000)
Repayment of debt principal	8,634,508
Compensated absences	(224,177)
Lease proceeds	1,337,577
Repayment of installment purchase agreements	259,541
Net pension liability - proportionate share	(37,865,873)
Estimated liability for landfill closure and post closure care costs	(122,737)
Retirement incentive and other pension obligations payable	2,046,587
Postemployment benefits healthcare costs	(24,809,216)
Accrued interest payable	51,365
BANs redeemed from appropriation	(486,000)

Net change in deferred inflows of resources related to:

Pensions	36,185,715
Postemployment benefits healthcare costs	13,865,141

Accrued interest on lease receivable

2,028

Premiums of bond issuances recognized in governmental funds statements when
issued and capitalized and amortized in the Statement of Activities

(118,472)

Change in net position of governmental activities

\$ (6,170,056)

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2023**

	Business-Type <u>Activities</u> Local Development <u>Corporation</u>	Governmental <u>Activities</u> Internal Service <u>Fund</u>
ASSETS		
Cash - Restricted	\$ 451,796	\$ 505,837
Accounts receivable	120,620	-
Prepaid items	-	86,600
Lease receivable	150,885	-
Property under sales contracts	<u>2,040,585</u>	<u>-</u>
Total current assets	<u>2,763,886</u>	<u>592,437</u>
Non-current assets:		
Lease receivable net of current portion	975,612	-
Capital assets		
Non-depreciable capital assets	8,338,047	-
Depreciable capital assets, net of accumulated depreciation	<u>22,706,350</u>	<u>-</u>
Total non-current assets	<u>32,020,009</u>	<u>-</u>
Deferred outflows of resources:		
Deferred outflows of resources - refunding	<u>498,519</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>35,282,414</u>	<u>592,437</u>
LIABILITIES		
Accounts payable and accrued liabilities	-	47,128
Accrued interest	280,581	-
Deposits under sales contract	1,162,681	-
Bonds payable, current	828,165	-
Claims payable, current	-	995,980
Judgments payable, current	<u>-</u>	<u>1,550,086</u>
Total current liabilities	<u>2,271,427</u>	<u>2,593,194</u>
Non-current liabilities:		
Bonds payable, net of current portion	19,907,316	-
Claims and judgments, net of current portion	-	4,117,561
Judgments payable, net of current portion	<u>-</u>	<u>6,077,045</u>
Total long-term liabilities	<u>19,907,316</u>	<u>10,194,606</u>
Total liabilities	<u>22,178,743</u>	<u>12,787,800</u>
Deferred inflow of resources:		
Deferred inflow of resources - leases	<u>1,114,602</u>	<u>-</u>
Total liabilities and deferred inflow of resources	<u>23,293,345</u>	<u>12,787,800</u>
NET POSITION		
Net investment in capital assets	10,807,435	-
Unrestricted	<u>1,181,634</u>	<u>(12,195,363)</u>
Total net position	<u>\$ 11,989,069</u>	<u>\$ (12,195,363)</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Business-Type <u>Activities</u> Local Development <u>Corporation</u>	Governmental <u>Activities</u> Internal Service <u>Fund</u>
OPERATING REVENUES		
New York Boulders:		
Fixed lease revenue	\$ 148,613	\$ -
Lease interest	27,277	-
Variable lease revenue	120,370	-
Charges for services	-	719,001
Rental income	82,500	-
Insurance recoveries	-	501,877
	<u>378,760</u>	<u>1,220,878</u>
Total operating revenues		
OPERATING EXPENSES		
General and administrative	154,954	376,574
Salaries and employee benefits	57,471	-
Professional fees	21,876	-
Utilities	310,135	-
Repairs and maintenance	210,009	-
Real estate taxes	43,037	-
Depreciation	1,200,415	-
Claims	-	(5,747,849)
	<u>1,997,897</u>	<u>(5,371,275)</u>
Total operating expenses		
Operating income (loss)	<u>(1,619,137)</u>	<u>6,592,153</u>
NONOPERATING REVENUES (EXPENSES)		
Interest income	2,360	35,258
Interest expense	(860,210)	-
	<u>(857,850)</u>	<u>35,258</u>
Total nonoperating revenues (expenses)		
OTHER FINANCING SOURCES		
Contribution from the Town of Ramapo	<u>2,219,590</u>	<u>-</u>
Net changes in proprietary net position	(257,397)	6,627,411
Net position, beginning of year	<u>12,246,466</u>	<u>(18,822,774)</u>
Net position, end of year	<u>\$ 11,989,069</u>	<u>\$ (12,195,363)</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Business-Type Activities Local Development Corporation	Governmental Activities Internal Service Fund
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES		
Cash received from providing services and insurance recoveries	\$ 367,603	\$ 1,220,878
Cash paid for contractual expenses	(740,011)	(1,775,304)
Cash paid for personal services and employee benefits	(57,471)	-
	<u>(429,879)</u>	<u>(554,426)</u>
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES		
Contribution from the Town of Ramapo	<u>2,219,590</u>	<u>-</u>
CASH FLOWS USED BY CAPITAL AND RELATED FINANCING ACTIVITIES		
Bond repayments	(665,000)	-
Interest payments	(971,725)	-
	<u>(1,636,725)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	<u>2,360</u>	<u>35,258</u>
	155,346	(519,168)
CASH AND CASH EQUIVALENTS, beginning of year		
	<u>296,450</u>	<u>1,025,005</u>
CASH AND CASH EQUIVALENTS, end of year		
	<u>\$ 451,796</u>	<u>\$ 505,837</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	\$ (1,619,137)	\$ 6,592,153
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation	1,200,415	-
Changes in operating assets and liabilities		
Accounts receivable	(10,267)	-
Lease receivable	147,723	-
Deferred inflow of resources - Leases	(148,613)	-
Accounts payable and accrued expenses	-	13,860
Claims and judgment payable	-	(7,160,439)
	<u>(429,879)</u>	<u>(554,426)</u>
Net cash provided (used) by operating activities	<u>\$ (429,879)</u>	<u>\$ (554,426)</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
DECEMBER 31, 2023**

	<u>Custodial Fund</u>
ASSETS	
Cash and cash equivalents	\$ 832,947
NET POSITION	
Restricted:	
Metro North Rail	2,550
Building and zoning escrows	816,245
State bail	14,100
Other	<u>52</u>
Total net position	<u>\$ 832,947</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUND FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>Custodial Fund</u>
ADDITIONS	
Building and zoning escrows	\$ 331,560
Bail	353
Metro North payment	4,050
Other	1,016,571
Property tax collections - other governments	317,818,079
PILOT collections - other governments	<u>2,911,894</u>
Total additions	<u>322,082,507</u>
DEDUCTIONS	
Building and zoning escrows	193,143
Bail	3,224
Other	1,016,571
Property tax collections - other governments	317,818,027
Metro North payment	4,900
PILOT collections - other governments	<u>2,911,894</u>
Total deductions	<u>321,947,759</u>
Net changes in fiduciary net position	134,748
Net position, beginning of year	<u>698,199</u>
Net position, end of year	<u><u>\$ 832,947</u></u>

TOWN OF RAMAPO, NEW YORK

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Ramapo (Town) was established in 1791 and operates in accordance with Town Law and other general laws of the State of New York. The Town Board is the legislative body responsible for overall operations. The Town Supervisor serves as the chief executive officer and the Town Comptroller serves as the chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the Town's more significant accounting policies:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the Town, b) organizations for which the Town is financially accountable and c) other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The following organization is included in the Town's reporting entity as a proprietary component unit:

The Ramapo Local Development Corporation (Corporation) was formed in 2008 by the New York State Legislature under the provisions of Section 1411 of the Not-for-Profit Corporation Law for purposes of fostering the creation, retention and expansion of jobs and economic opportunities in the Town. Additionally, the Corporation is authorized to construct, acquire, rehabilitate, and improve facilities for use by other in the Town. In 2017, the Town Board became the Board of the Corporation.

The Corporation is reported as a major enterprise fund in the Town's financial statements. The Corporation issues stand-alone financial statements that can be obtained from its administrative office at the address indicated below.

Ramapo Local Development Corporation
237 Route 59
Suffern, New York 10901

The Town's support of the Corporation is critical to its operations and financial condition. The Corporation's revenues and cash flows from operations are not sufficient to meet its debt service requirements and day-to-day cash needs. As a result, the Corporation is dependent upon the Town for short-term liquidity in the form of inter-organization loans (when applicable) and contributions.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Financial Reporting Entity (Continued)

In addition, the Town incurs administrative and operational costs on behalf of the Corporation. See Note 1e regarding the Town's contribution of property held for sale or redevelopment to the Corporation. A summary of amounts reported as contributions from the Town to the Corporation for the year ended December 31, 2023 are as follows:

Operating costs	\$	582,865
Debt service costs		1,636,725
	\$	<u>2,219,590</u>

In September 2017, the Town began making the majority of debt service payments on the Corporation's outstanding bonds, which the Town has guaranteed, without being reimbursed. Debt service payments by the Town that the Corporation has the ability to repay are recorded as due to the Town (when applicable). Debt service payments by the Town that the Corporation does not have the ability to repay are recorded as contributions from the Town. The Corporation remains contingently liable to reimburse debt service costs incurred on behalf of the Town to the Town if it is ever able to do so. The Corporation is contingently liable to the Town for the repayment of contributions for debt service costs of \$10,095,823 as of December 31, 2023. The Town has not recorded this contingent receivable in its financial statements due to the financial uncertainty of the Corporation.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental 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.

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been allocated and are reported as direct program expenses or individual functions and programs. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and custodial funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. The Town maintains internal service and fiduciary funds, which are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activity's column of the government-wide presentation. The Town's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The Town has the following major governmental funds.
 - General Fund - The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.
 - Police Fund- The Police Fund is used to account for police services provided to residents of the Town other than those residing in two villages that maintain their own police department. The major revenue of the Police Fund is real property taxes.
 - Capital Projects Fund – The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Financial Statements (Continued)

a. Governmental Funds – (Continued)

The Town has the following non-major governmental funds.

- Debt Service Fund – The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.
- Special Revenue Funds – The special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The following are the Town's special revenue funds:
 - Town Outside Villages Districts – The Town Outside Villages Districts is used to account for transactions which by statute effect only those areas outside the boundaries of the Villages located within the Town. The major revenues of this fund are real property taxes, non-property taxes, departmental income and licenses and permits.
 - Highway Fund – The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenues of the highway fund are real property taxes, intergovernmental charges and state aid. The Highway Fund is broken down between Town-Wide Highway and Town Outside Villages Highway. Expenditures for repairs and improvements to highways outside the boundaries of the Villages located within the Town are accounted for in the Town Outside Villages Highway Fund.
 - Special Districts Fund – The Special Districts Fund is used to account for the operation and maintenance of the Town's water, ambulance, sewer, street lighting, refuse and garbage and fire protections districts. The major revenues of this fund are real property taxes and departmental income.

b. Proprietary Funds – Proprietary funds include the Town's enterprise fund and internal service fund. The enterprise fund is used to report the Corporation. Internal service funds are used to account for operations that provide services to other departments or agencies of the government, or other governments, on a cost reimbursement basis. The Town has established a Workers' Compensation Fund and a General Liability Fund as internal service funds.

c. Custodial Fund – (not included in government-wide financial statements) – The custodial fund is used to account for assets held by the Town in a trustee or custodial capacity. The Town's custodial fund is used to account for assets held on behalf of outside parties, including other governments.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The government-wide financial statements and the proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town generally considers revenues to be available if they are collected within ninety days after the year end. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims, compensated absences and other post-employment benefit obligations are recorded only when the payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

The Custodial Fund has no measurement focus and utilizes the accrual basis of accounting.

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances

1. Cash and Cash Equivalents – Cash and cash equivalents consist of funds deposited in demand accounts, time deposit accounts, and certificates of deposit with original maturities of three months or less.

The Town's investments are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. The Town authorized the use of demand deposit accounts, time deposit accounts, and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies repurchase agreements, and obligations of New York State or its political subdivisions. The Town has no investments as of December 31, 2023.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

1. Collateral is required for demand deposit accounts, time deposit accounts, and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and Town subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town discloses deposits exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances at December 31, 2023 are fully secured by a combination of Federal Deposit Insurance and the pledge of externally segregated liquid assets with a combined value of 105% of the aggregate bank balance.

2. Property tax – Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, police, highway, and special districts taxes, which are due January 1st and payable without penalty to January 31st. The Town retains the total amount of the Town, Police, Highway, and Special Districts taxes from the total collection and returns the balance to Rockland County.
3. Lease-related amounts are recognized at the inception of leases in which the Town is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.
4. Subscription-based information technology arrangements (SBITA) are contracts that convey the right to use another party's software as specified in the contract for a period of time in an exchange or exchange-like transaction. The Town recognizes a SBITA intangible asset and corresponding subscription liability when the asset is placed in service. The asset is amortized over the subscription term and the liability is reduced as paid.
5. Public-private participation agreements are recognized at the inception of the agreement. The deferred inflow of resources is recorded in an amount equal to the corresponding agreement receivable plus certain additional amounts received from the private organization at or before the commencement of the agreement term that relate to future periods, less any agreement incentives paid to, or on behalf of, the organization at or before the commencement of the agreement term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.
6. Other Receivables – Other receivables include accounts receivable and amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as services are provided or as specific program expenditures/expenses are incurred. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

7. Interfund Transactions – During the course of its operations, the Town processes certain transactions that affect more than one fund and other transactions between the various funds. Interfund services provided and used are accounted for as revenues in the provider funds and expenditures or expenses in the user funds. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Advances or loans from one fund to another are recorded as receivables in the remitting fund and payables in the receiving fund. Other interfund transactions generally represent transfers of resources from one fund to be utilized in another fund and are reported as transfers. Interfund transactions that are unpaid between funds are recorded in the financial statements as due from other funds (receivables) and due to other funds (payables).
8. Prepaid Expenses/Items – Certain payments to vendors reflect expenditures applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Reported amounts in governmental funds, if any, are equally offset by non-spendable fund balance, which indicates that these amounts do not constitute available spendable resources even though they are a component of current assets.
9. Capital Assets – Capital assets which include land, land improvements, buildings and improvements, machinery and equipment, infrastructure (e.g., roads, bridges, sidewalks, and similar items), lease assets, and SBITA assets are reported in the government-wide financial statements and are capitalized at cost on the government-wide statement of net position and enterprise fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at fair value at the time received.

In the case of the initial capitalization of general infrastructure assets (i.e. those reported by governmental activities) the Town includes all such items regardless of their acquisition date or amount. The Town estimated the historical cost for the initial reporting of these assets through back trending (i.e. estimating the current replacement cost of the infrastructure to be capitalized and using the appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend asset lives is not capitalized.

The Town's capitalization threshold is \$5,000. All reported capital assets, except land and construction in progress, if any, are depreciated. Depreciation is computed using the straight-line method over the following estimated lives:

<u>Asset Class</u>	<u>Life in Years</u>
Land improvements	20
Buildings and improvements	20 - 25
Machinery and equipment	5 - 20
Infrastructure	20 - 65

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

9. Management periodically reviews capital assets for impairment to determine whether any events or circumstances indicate the carrying value of the assets may not be recoverable. No impairments were recognized in 2023.

Capital assets also include lease assets with a term greater than one year. The Town does not implement a capitalization threshold for lease assets or SBITA assets. Lease assets are amortized on a straight-line basis over the term of the lease.

10. Property Under Sales Contracts and Deposits Held Under Sales Contracts – The Corporation values property under sales contracts at the lower of cost or net realizable value. When property is transferred from the Town, cost represents the Town's carrying value at the time of transfer. In March 2016, the Town transferred, without consideration, a parcel of land to the Corporation, land located at 301 Pomona Road, at \$2,040,585, the Town's carrying value at the time of the transfer. Management has evaluated the property's net realizable value and determined that no impairment was necessary for the year ended December 31, 2023.

In April 2017, the Corporation entered into a transaction for the sale of its property located at 301 Pomona Road with a developer who intends to build 485,000 square foot mixed-use development, including a hotel, retail and residential space. At the time, the buyer made a down payment of approximately \$1.2 million. The total potential sale price of approximately \$5.8 million is subject to downward adjustment based on the approved amount of square feet of the development. If the approval is less, the price will decrease proportionally. In addition, the buyer intends to grant to the Corporation participation in 10% profits on the buyer's resale of the property after return of the capital, expenses of the development, and a 6% return on the equity of the buyer. If the buyer does not resell the property within 10 years, the corporation has an option that would monetize their profit share based on a formula.

The Corporation's property sales are accounted for in accordance with GASB Codification Section R30: *Real Estate*. In accordance with these provisions, the Corporation has determined that the above sale has not been consummated for accounting purposes as all consideration to be exchanged is contingent and variable upon the developer's ability to obtain necessary approvals from certain governmental organizations. Accordingly, the Corporation has applied the deposit method of accounting for reporting this transaction. Under the deposit method, the seller (Corporation) does not recognize any gain or receivable from the buyer (developer) and continues to report in its financial statement the underlying property. Cash received from the buyer (developer) of \$1,194,264 is reported as a deposit on the sales contract, net of deferred selling costs of \$31,583.

The deposits held under sales contracts, net of deferred selling costs, will be recognized upon the finalization of the consideration amount, which is expected to occur when the buyer (developer) obtains the necessary approvals from certain governmental organizations. As of the date of the financial statements, no square footage approvals have been obtained, and the profit share agreement is unsigned and in draft form.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

11. In addition to assets, the Statement of Net Position typically reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and as so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has the following items reported in this category:

- Deferred charges resulting from pension and OPEB contributions made subsequent to the measurement date of the plan. Amortization is expensed against pension expense and OPEB expense in future periods.
- Deferred charges resulting from differences between projected and actual earnings on pension plan investments of the plan. Amortization is expensed against pension expense in future periods.
- The Town has reported deferred outflows of resources of \$498,519 for deferred loss on refunding bonds in the business-type activities. This amount results from the difference in carrying value of the refunded debt and its reacquisition price. The deferred loss on refunding is being amortized on a straight-line basis and is reported as a component of interest expense.

In addition to liabilities, the Statement of Net Position will typically report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

The Town has the following items reported in this category:

- The net amount of the Town's balances of deferred inflows of resources related to pensions is reported in the government-wide Statement of Net Position as deferred inflows of resources. This represents the effect of the net change in the Town's proportion of the collective net pension asset or liability and the difference during the measurement period between the Town's contributions and its proportionate share of total contributions to the pension systems not included in pension expense.
- Deferred charges resulting from changes of benefit terms, differences between expected and actual experience, and changes in assumptions related to OPEB. Amortization is offset against OPEB expense in future periods.
- Lease-related and Public-private partnership-related amounts are recognized at the inception of leases and arrangements when the Town is the lessor or the Town is in such arrangements. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee or private entity at or before the commencement of the lease or arrangement term that relate to future periods, less any lease or arrangement incentives paid to, or on behalf of, the lessee or private entity at or before the commencement of the lease or arrangement term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease or arrangement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

12. Long-Term Liabilities – In the government-wide and proprietary fund financial statements, long-term liabilities consist of bonds payable, compensated absences, claims and judgements payable, lease liabilities, SBITA liabilities, landfill closure costs, retirement incentives and other pension obligations payable, other post-employment benefits liability and the net pension liability.

Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the Fund Financial Statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as Capital Projects Fund expenditures.

13. Compensated Absences – Compensated absences are payments to employees for accumulated time such as paid vacation, paid holiday, sick pay, and sabbatical leave. A liability for compensated absences that is attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Town and its employees earn the right to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Town and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The Town uses the vesting method to calculate the compensated absences amount. The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The entire compensated absence liability is reported on the government-wide financial statements. The current portion is the amount estimated to be used in the following year. Expenditures are recognized in the governmental funds as payments come due each period.

14. Claims and Judgments Payable – The Internal Service Fund reflects workers' compensation and general liabilities which are based upon actuarial estimates of the ultimate cost of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims and judgements liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actuarial historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

15. Landfill Closure Costs- During November 1997, the Town closed and capped its only landfill. State and Federal laws and regulations require the Town to perform certain maintenance and monitoring functions at the site for thirty years after closure. The amount reported as landfill closure costs of \$543,907 at December 31, 2023 represents the estimated post-closure liability, based on 100% use of the landfill's capacity. Actual cost may differ due to inflation, changes in technology, or changes in regulations.
16. Pensions – The Town is a participating member in the New York State and Local Retirement System (ERS) and the New York State and Local Police and Fire Retirement (PFRS) (collectively, the system). Employees in the ERS and PFRS permanent positions are required to enroll in the System, while employees in ERS part-time or seasonal positions have the option of enrolling. The System is a cost-sharing, multiple-employer, public employee defined benefit retirement system. The impact on the Town's financial position and results of operation due to its participation in the System is more fully disclosed in Note 9.
17. Retirement Incentives and Other Pension Obligations Payable – New York State, at various times, may enact laws which allow local employers to defer a portion of their retirement bill and enact laws authorizing local governments to make available various retirement incentive programs and amortize certain contributions. Note 9 provides detail of the programs in which the Town has elected to participate.
18. Total Other Postemployment Benefits Liability – The Town recognizes in its financial statements that the impact of other postemployment benefits, principally employer funded healthcare costs. The impact of the Town's financial position and the results of the operations associated with other postemployment benefits is more fully disclosed in note 10.
19. Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is classified into the following components.
 - Net investment in capital assets – The category groups all capital assets, including restricted capital assets, into one component of net position. Accumulated depreciation and the outstanding balance of debt, including bonds and bond anticipation notes, which are attributable to the acquisition, construction, or improvement of those assets, reduce the balance in this category.
 - Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of the Town or other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
 - Unrestricted Net Position – This category represents net position of the Town not restricted for any other purpose.
 - Order of Spending – When both restricted and unrestricted resources are available for use, the Town normally uses restricted resources first, and then unrestricted resources as needed, unless there are legal requirements to the contrary. The Town does not have a formal policy with respect to the order in which unrestricted resources are to be used, therefore in accordance with GASB Statement No. 54, the Town's unrestricted resources will be used in the following order: restricted and unrestricted.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities Deferred Inflows/Outflows of Resources and Net Position or Fund Balances (Continued)

Fund Balance – Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

- Non-spendable – This category includes amounts that cannot be spent because they are either not in a spendable form (inventories, prepaid amounts, long term receivables) or they are legally or contractually required to remain intact (the corpus of a permanent fund).
- Restricted – This category is reported when constraints placed on the use of the resources are imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items described in the General Municipal Law of the State of New York.
- Committed – This category is reported for amounts that can be used for specific purposes pursuant to formal action of the Town's highest level of decision-making authority. The Town Board is the highest level of decision-making authority for the Town that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town removes or changes the purpose by taking the same action that was used to establish commitment.
- Assigned – This category represents amounts constrained only by the Town's intent to be used for a specific purpose but are not restricted or committed in any manner.
- Unassigned – This category represents the residual amount after all the other classifications have been established for the General Fund. Other governmental funds cannot report a positive unassigned fund balance.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balances are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

Within the governmental funds, encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to assign a portion of the applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Town Outside Villages, Police, Highway, and Special District Funds. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Data

The Town generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) During August and September of each year, the various department heads and the Town Supervisor develop a detailed preliminary budget for review by the Board.
- b) The Town Clerk presents the tentative budget to the Town Board at a regular or special Town Board meeting by October 5th.
- c) The Town Board reviews the tentative budget and may modify it by passing a resolution in a Town Board meeting. Once the changes are approved the tentative budget becomes the preliminary budget which is filed with the Town Clerk and made available to the public.
- d) The Town Board must then hold a public hearing by the Thursday following election day.
- e) After the Public Hearing, the Town Board may modify the preliminary budget which then becomes the final budget to be adopted by resolution at a Town Board meeting by November 20th.
- f) If required, transfers between appropriation amounts at the functional level require approval of the board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriation also require Board approval. Appropriations lapse at the end of the year except that outstanding encumbrance are re-appropriated in the succeeding year.

Budgeted amounts are as originally adopted or amended by the Town Board.

B. Property Tax Limitation

On June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 (Tax Levy Limitation Law). This applies to all local governments. The Tax Levy Limitation Law became permanent as part of the 2019/2020 New York State Budget. With some exceptions, the Tax Levy Limitation Law limits the amount local governments can increase property taxes to the lower of the percent (2%), or the rate of inflation. On an annual basis, local governments are responsible for reporting to the New York State Office of the State Comptroller (OSC) the information necessary to calculate their tax levy limit and whether they plan to stay within the tax cap. Local government boards must pass local law or resolution by at least sixty percent (60%) vote to override the tax cap.

2. STEWARDSHIP COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Real Property Tax Assessment and Collection Procedures

The Town Assessor is responsible for preparing and maintaining the property tax roll including determining the assessed value and taxable assessed value for all properties within the Town. The Town Tax Receiver is responsible for billing and collecting all real property taxes levied on the properties within the Town.

Real property taxes are levied using the Town's property tax roll for the Town and its special districts, the County of Rockland, Rockland County Sewer District Number One, Rockland Green (formerly known as the Rockland County Solid Waste Authority), and the fire districts located within the Town, annually no later than December 31st. The Town and its special districts recognize real property tax revenue on January 1st of the year for which they are levied.

These taxes are billed and collected by the Town Tax Receiver. Payments can be made until January 31st without penalty. There is a 1% penalty for payments made after January 31st through the last day of February, a 2% penalty for payments made after the last day of February through March 31st. After March 31st, unpaid tax bills are turned over to the Rockland County Commissioner of Finance for collection.

Real property taxes are also levied using the Town's property tax roll for the two school districts within the Town annually no later than September 1st. The Town Tax Receiver bills, collects and remits these taxes to the respective school districts. After November 1st, unpaid school tax bills are turned over to the Rockland County Commissioner of Finance for collection.

D. Fund Deficits

The following governmental funds reflect deficits at December 31, 2023:

<u>Fund</u>	<u>Deficit Amount</u>
Governmental Funds	
Police Fund	\$ 1,834,420
Proprietary Funds	
Workers' Compensation Internal Service Fund	4,630,015
General Liability Internal Service Fund	<u>7,565,348</u>
	<u>\$ 14,029,783</u>

The Worker's Compensation Fund and General Liability Fund deficits are attributable to the accrual of claims and judgments payable, including incurred but not reported claims, which will not be satisfied in subsequent years.

The Town has developed a plan to address the governmental fund's deficit, which includes budgetary measures and realignment of property tax rates.

The General Fund has an unassigned deficit of \$1,194,658. The town has developed a plan to eliminate this deficit.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

A. Due From/To other Funds

The balances reflected as due from/to other funds at December 31, 2023 were as follows:

<u>Due from Other Funds</u>	<u>Due to Other Funds</u>			
	<u>General</u>	<u>Police</u>	<u>Capital Projects</u>	<u>Non Major</u>
Capital Projects	\$ -	\$ -	\$ -	\$ 7,504
General Fund			350,717	
Non-Major Funds	<u>8,527</u>	<u>-</u>	<u>3,085</u>	<u>63,135</u>
Total	<u>\$ 8,527</u>	<u>\$ -</u>	<u>\$ 353,802</u>	<u>\$ 70,639</u>

Due to/from balances are short term and are expected to be resolved in the next year.

B. Interfund Transfers

Interfund transfers are defined as the flow of assets (such as cash or goods or services) between funds of the Town without equivalent flows of assets in return and without a requirement for repayment.

Interfund transfers for the year ended December 31, 2023 are as follows:

<u>Transfers from Other Funds</u>	<u>Transfers to Other Funds</u>		
	<u>General</u>	<u>Non Major Funds</u>	<u>Total</u>
Debt Service	\$ 6,869,734	\$ 3,578,982	\$ 10,448,716
Corporation	<u>2,219,590</u>	<u>-</u>	<u>2,219,590</u>
Total	<u>\$ 9,089,324</u>	<u>\$ 3,578,982</u>	<u>\$ 12,668,306</u>

During the year, interfund transfers were recorded to: 1) reclassify the balance of custodial funds, 2) move revenues from the fund with collection authority to the Debt Service Fund as debt service principal and interest payments became due, 3) move resources to the enterprise fund (Corporation) for expenditures occurred on the Corporation's behalf.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

C. Interfund Revenues

The General Fund charges certain governmental funds for direct costs incurred, including motor vehicle repairs and maintenance and gasoline, which approximated \$639,000. In addition, the general fund charges costs for administrative services including finance, payroll, information technology, purchasing, tax assessment and collection, building and ground maintenance, legal and town hall overhead. These interfund charges are developed using actual departmental costs incurred, as adjustments for non-allocable items under the State Law, or items specifically related to the General Fund. The pool of allocable costs is charged to respective funds based on their estimated usage. During 2023, the General Fund charged the Town Outside Village, Police Fund and Special Districts approximately \$1.6 million.

4. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2023 is as follows:

	(Restated) January 1, 2023 Balance	Additions	Disposals	December 31, 2023 Balance
Government Activities				
Capital assets that are not depreciated:				
Land	\$ 39,293,461	\$ -	\$ 8,556	\$ 39,284,905
Total non-depreciable cost	<u>39,293,461</u>	<u>-</u>	<u>8,556</u>	<u>39,284,905</u>
Capital assets that are depreciated:				
Land improvements	44,347,282	477,832	-	44,825,114
Buildings and improvements	72,289,180	47,328	-	72,336,508
Machinery and equipment	19,226,569	687,324	672,392	19,241,501
Infrastructure	75,047,841	7,199,819	-	82,247,660
Total depreciable historical cost	<u>210,910,872</u>	<u>8,412,303</u>	<u>672,392</u>	<u>218,650,783</u>
Less accumulated depreciation:				
Land improvements	(27,392,403)	(1,962,766)	-	(29,355,169)
Buildings and improvements	(28,770,844)	(1,490,972)	-	(30,261,816)
Machinery and equipment	(14,954,187)	(575,980)	(672,392)	(14,857,775)
Infrastructure	(31,975,804)	(1,845,510)	-	(33,821,314)
Total accumulated depreciation	<u>(103,093,238)</u>	<u>(5,875,228)</u>	<u>(672,392)</u>	<u>(108,296,074)</u>
Total capital assets being depreciated, net	<u>107,817,634</u>	<u>2,537,075</u>	<u>-</u>	<u>110,354,709</u>
Total Capital assets, net	<u>147,111,095</u>	<u>2,537,075</u>	<u>8,556</u>	<u>149,639,614</u>
Lease assets that are amortized:				
Vehicle	2,293,911	1,337,577	401,506	3,229,982
Equipment	90,601	-	71,314	19,287
SBITA	88,962	-	-	88,962
Total amortized leased assets	<u>2,473,474</u>	<u>1,337,577</u>	<u>472,820</u>	<u>3,338,231</u>
Less accumulated amortization:				
Vehicle	(780,517)	(892,805)	(401,506)	(1,271,816)
Equipment	(58,256)	(17,879)	(71,314)	(4,821)
SBITA	-	(42,551)	-	(42,551)
Total accumulated amortization	<u>(838,773)</u>	<u>(953,235)</u>	<u>(472,820)</u>	<u>(1,319,188)</u>
Total amortized lease assets, net	<u>1,634,701</u>	<u>384,342</u>	<u>-</u>	<u>2,019,043</u>
Governmental Activities Capital Assets	<u>\$ 148,745,796</u>	<u>\$ 2,921,417</u>	<u>\$ 8,556</u>	<u>\$ 151,658,657</u>

4. CAPITAL ASSETS (Continued)

Depreciation and amortization expense on capital assets of the governmental activities is charged to the Town's functions and programs as follows.

	Depreciation	Amortization
General government support	\$ 176,408	\$ 159,027
Public safety	2,358,842	388,615
Transportation	1,494,826	186,670
Culture and recreation	1,845,152	112,427
Home and community services	-	106,496
	<u> </u>	<u> </u>
Total depreciation expense	<u>\$ 5,875,228</u>	<u>\$ 953,235</u>

	January 1, 2023 Balance	Additions	Disposals	December 31, 2023 Balance
Business activities:				
Capital assets that are depreciated:				
Land improvements	\$ 5,674,882	\$ -	\$ -	\$ 5,674,882
Buildings	26,859,627	-	-	26,859,627
Machinery and equipment	<u>4,279,800</u>	<u>-</u>	<u>-</u>	<u>4,279,800</u>
Total depreciable historical cost	<u>36,814,309</u>	<u>-</u>	<u>-</u>	<u>36,814,309</u>
Less accumulated depreciation:				
Land improvements	(1,369,712)	-	-	(1,369,712)
Buildings	(8,370,690)	(1,200,415)	-	(9,571,105)
Machinery and equipment	<u>(3,167,142)</u>	<u>-</u>	<u>-</u>	<u>(3,167,142)</u>
Total accumulated depreciation	<u>(12,907,544)</u>	<u>(1,200,415)</u>	<u>-</u>	<u>(14,107,959)</u>
Total capital assets being depreciated, net	<u>23,906,765</u>	<u>(1,200,415)</u>	<u>-</u>	<u>22,706,350</u>
Capital assets not being depreciated				
Land and land improvements	<u>8,338,047</u>	<u>-</u>	<u>-</u>	<u>8,338,047</u>
Total cost, net	<u>\$ 32,244,812</u>	<u>\$ (1,200,415)</u>	<u>\$ -</u>	<u>\$ 31,044,397</u>

Within the governmental activities, land improvements and buildings include approximately \$19.3 million and \$8.2 million, respectively, funded by the Town in connection with the construction of the professional baseball stadium owned and operated by the Corporation.

5. INSTALLMENT PURCHASE AGREEMENTS

The Town entered various installment purchase agreements to finance the acquisition of equipment. The amount financed was \$1,297,567 and is to be repaid over five years through 2026. The ending principal was \$432,541 at December 31, 2023.

Future principal and interest payments for the Town under these installment purchase agreements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
For the year ending December 31,			
2024	\$ 183,572	\$ 20,766	\$ 204,338
2025	141,821	20,766	162,587
2026	<u>107,119</u>	<u>20,766</u>	<u>127,885</u>
	<u>\$ 432,512</u>	<u>\$ 62,298</u>	<u>\$ 494,810</u>

Equipment under these installment purchase agreements have been reported at December 31, 2023 as follows:

	<u>Asset Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Machinery and equipment	<u>\$ 1,297,567</u>	<u>\$ 1,557,080</u>	<u>\$ (259,513)</u>

6. LEASE/SBITA/PPP AGREEMENTS

Lessee Agreements

The Town leases various vehicles and copiers. The leases contain various inception dates and remaining terms of 15-64 months and do not contain renewal options. Lease agreements are summarized as follows:

<u>Description</u>	<u>Interest Rate / Discount Rate</u>	<u>December 31, 2023 Balance</u>
Vehicle leases	2.80% - 6.75%	\$1,997,038
Copier	2.03%	<u>14,879</u>
		<u>\$2,011,917</u>

Activity of lease liabilities for the year ended December 31, 2023 is summarized as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balance</u>	<u>Amounts Due within one year</u>
<u>\$ 1,568,535</u>	<u>\$1,337,577</u>	<u>\$ 894,195</u>	<u>\$ 2,011,917</u>	<u>\$ 679,590</u>

6. LEASE/SBITA/PPP AGREEMENTS (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 679,590	\$ 105,619	\$ 785,209
2025	532,322	73,300	605,622
2026	391,907	45,245	437,152
2027	300,263	18,847	319,110
2028	<u>107,835</u>	<u>3,411</u>	<u>111,246</u>
	<u>\$2,011,917</u>	<u>\$ 246,422</u>	<u>\$ 2,258,339</u>

Lessor Agreements

The Town leases use of Pavilion Building at Clover Stadium, Land and a building to Spring Hill Ambulance Corp., and Land to William Faist Volunteer Ambulance Corp. at rates of 2.03% for a term of 69 to 1097 months. Over the term of the leases, the Town will receive \$3,025,302 related to the leases. During the year, the Town recognized \$58,630 as lease revenue and \$33,830 as interest revenue.

Activity of lease inflows for the year ended December 31, 2023 is summarized as follows:

	Year Ending <u>2023</u>
Lease revenue	
Land	\$ 18,509
Building	<u>40,121</u>
Total Lease Revenue	58,630
Interest Revenue	<u>33,830</u>
Total	<u>\$ 92,460</u>

6. LEASE/SBITA/PPP AGREEMENTS (Continued)

Future minimum lease payments due to the Town are as follows:

	Principal	Interest	Total
2024	\$ 69,972	\$ 32,552	\$ 102,524
2025	72,679	31,107	103,786
2026	75,479	29,607	105,086
2027	66,614	28,067	94,681
2028	33,372	27,109	60,481
2029-2033	50,133	130,725	180,858
2034-2038	43,316	126,492	169,808
2039-2043	47,939	121,869	169,808
2044-2048	53,056	116,752	169,808
2049-2053	58,719	111,089	169,808
2054-2058	64,986	104,821	169,807
2059-2063	71,923	97,885	169,808
2064-2068	79,599	90,208	169,807
2069-2073	88,095	81,712	169,807
2074-2078	97,498	72,309	169,807
2079-2083	107,905	61,903	169,808
2084-2088	119,422	50,386	169,808
2089-2093	132,169	37,639	169,808
2094-2098	146,276	23,532	169,808
2099-2103	104,864	9,021	113,885
2104-2108	26,062	3,938	30,000
2109-2113	25,328	1,173	26,501
	<u>\$ 1,635,406</u>	<u>\$ 1,389,896</u>	<u>\$ 3,025,302</u>

SBITA Agreements

During the year ended December 31, 2023, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). GASB Statement No. 96 establishes requirements for recognition of an intangible right-of-use subscription asset and a corresponding subscription liability if certain criteria are met. A SBITA is defined as a contract that conveys control of the right to use another party's information technology (IT) software, as specified in the contract for period of time in an exchange or exchange-like transaction. The implementation of GASB 96 was incorporated into the Town's financial statement and had no net effect on the beginning net position.

\$88,962 has been recorded as intangible right-to-use software arrangements in capital assets. Due to the implementation of GASB Statement No. 96, these arrangements for software met the criteria of a SBITA; thus requiring it to be recorded by the Town as intangible assets and a SBITA liability. These assets are amortized over the lease terms.

6. LEASE/SBITA/PPP AGREEMENTS (Continued)

SBITA activity for the year ended December 31, 2023 is summarized as follows:

(Restated)				Amounts Due
<u>Beginning Balance</u>	<u>Additions</u>	<u>Subtractions</u>	<u>Ending Balance</u>	<u>within one year</u>
\$ 88,962	\$ -	\$ 51,918	\$ 37,044	\$ 37,044

SBITA arrangements are summarized as follows:

<u>Description</u>	<u>Interest Rate / Discount Rate</u>	<u>December 31, 2023 Balance</u>
Microsoft	3.72%	\$ 37,044
		<u>\$ 37,044</u>

Annual requirements to amortize long-term SBITA obligations and related interest are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 37,044	\$ 1,402	\$ 38,446
	<u>\$ 37,044</u>	<u>\$ 1,402</u>	<u>\$ 38,446</u>

Public-Private Partnership Arrangements

The Town has an agreement for the management of Spookrock Golf Course. Over the term of the agreement, the Town will receive \$350,001 related to the agreement. During the year, the Town recognized \$336,261 as revenue and \$19,983 as interest revenue.

Activity of lease inflows for the year ended December 31, 2023 is summarized as follows:

	<u>Year Ending 2023</u>
Public-private partnership revenue	
PPP	<u>\$ 336,261</u>
Total public-private partnership revenue	336,261
Interest Revenue	<u>19,983</u>
Total	<u>\$ 356,244</u>

6. LEASE/SBITA/PPP AGREEMENTS (Continued)

Future minimum lease payments due to the Town are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 340,392	\$ 9,609	\$ 350,001
	<u>\$ 340,392</u>	<u>\$ 9,609</u>	<u>\$ 350,001</u>

7. BOND ANTICIPATION NOTES-PAYABLE

The Town's bond anticipation note payable (BAN) is accounted for in the Capital Projects Fund. Principal payments on the BAN must be made annually. A BAN issue for capital purposes must be converted to long-term obligations within five years after the original issue date or be repaid. The changes in the Town's BAN were as follows:

<u>Purpose</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Balance January 1, 2023</u>	<u>Issued</u>	<u>Redemptions</u>	<u>Balance December 31, 2023</u>
Capital Projects Fund							
Various Town Projects	April 2022	1.66%	1,755,000	\$ 1,755,000	\$ -	\$ 1,755,000	\$ -
License Plate Reader	March 2022	2.40%	1,350,000	1,350,000	-	1,350,000	-
Various Town Projects	April 2023	4.22%	1,514,000	-	1,514,500	-	1,514,500
License Plate Reader	April 2023	4.22%	1,104,500	-	1,104,500	-	1,104,500
				<u>\$ 3,105,000</u>	<u>\$ 2,619,000</u>	<u>\$ 3,105,000</u>	<u>\$ 2,619,000</u>

8. LONG-TERM LIABILITIES

Changes in the Town's long-term liabilities were as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Long-term debt					
Bonds payable	\$ 65,065,000	\$ 13,830,000	\$ 8,540,000	\$ 70,355,000	\$ 7,885,000
Plus unamortized premium on bonds	775,165	241,550	123,078	893,637	111,010
	<u>65,840,165</u>	<u>14,071,550</u>	<u>8,663,078</u>	<u>71,248,637</u>	<u>7,996,010</u>
Installation purchase debt	<u>692,053</u>	<u>-</u>	<u>259,541</u>	<u>432,512</u>	<u>183,572</u>
Other noncurrent liabilities					
Compensated absences	4,365,711	224,177	-	4,589,888	458,989
Claims and judgments payable	19,901,111	-	7,160,439	12,740,672	2,546,066
Landfill closure costs	602,473	122,737	-	725,210	181,303
Net pension liability	2,399,633	33,051,771	-	35,451,404	-
Retirement amortizations and other pension obligations payable	10,490,641	730,337	2,776,924	8,444,054	2,915,998
Total other postemployment benefits liab	<u>226,258,502</u>	<u>32,689,793</u>	<u>7,880,577</u>	<u>251,067,718</u>	<u>-</u>
Total other noncurrent liabilities	<u>264,018,071</u>	<u>66,818,815</u>	<u>17,817,940</u>	<u>313,018,946</u>	<u>6,102,356</u>
Total governmental activities	<u>\$330,550,289</u>	<u>\$ 80,890,365</u>	<u>\$ 26,740,559</u>	<u>\$384,700,095</u>	<u>\$ 14,281,938</u>

8. LONG-TERM LIABILITIES (Continued)

The changes in the Corporation long-term liabilities were as follows:

Business-Type Activities	Beginning Balance	Issued	Redeemed	Ending Balance	Amounts Due Within One Year
Bonds payable	\$ 19,900,000	\$ -	\$ 665,000	\$ 19,235,000	\$ 685,000
Plus unamortized premium on bonds	<u>1,633,839</u>	<u>-</u>	<u>133,358</u>	<u>1,500,481</u>	<u>143,165</u>
Total business-type activities	<u>\$ 21,533,839</u>	<u>\$ -</u>	<u>\$ 798,358</u>	<u>\$ 20,735,481</u>	<u>\$ 828,165</u>

Each governmental fund's liability for compensated absences, claims and judgements payable, landfill closure costs, net pension liability, retirement incentives, and other pension obligations payable and other post-employment benefit obligation is liquidated by the respective fund. The Town's indebtedness for bonds is satisfied by its Debt Service Fund, which is funded by the General and Special Revenue Funds.

A. Bonds Payable

Bonds payable at December 31, 2023 are comprised of the following individual issues:

<u>Purpose</u>	<u>Original</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Serial Bonds:					
Public Improvements (Series A)	19,330,000	2012	2025	2.000% - 3.000%	\$ 11,765,000
Public Improvements (Series A)	1,000,000	2013	2028	2.000% - 3.500%	380,000
Refunding (Series A)	11,245,000	2013	2034	2.000% - 5.000%	3,500,000
Public Improvements (Series A)	2,495,000	2014	2024	4.000%	295,000
Public Improvements (Series B)	33,345,000	2015	2028	3.000% - 4.125%	14,830,000
Public Improvements (Series B)	5,000,000	2015	2026	3.000% - 5.000%	1,565,000
Refunding	8,440,000	2015	2026	2.000% - 3.750%	2,580,000
Public Improvements (Series B)	17,275,000	2021	2036	2.000%	14,370,000
Public Improvements (Series A)	7,440,000	2021	2041	2.000% - 4.000%	6,895,000
Public Improvements (Series A)	10,830,000	2023	2038	4.000% - 5.000%	10,830,000
Bond Anticipation Note (refinanced 2024)	3,000,000	2023	2024	4.750%	3,000,000
New York Environmental Facilities					
Corporation Bonds:					
Public Improvements Refunding Bonds	230,000	2015	2034	3.529% - 4.129%	65,000
Torne Valley Refunding Bonds	440,000	2015	2034	3.808% - 4.569%	<u>280,000</u>
					<u>\$ 70,355,000</u>

The \$3,000,000 BAN issued October 12, 2023 was refinanced as long-term debt during June 2024, accordingly, this debt is shown as long term as of December 31, 2023.

8. LONG-TERM LIABILITIES (Continued)

Interest at December 31, 2023 was as follows:

Interest paid - long-term debt	\$ 2,044,764
Less: Interest accrued in the prior year	(379,140)
Amortization of bond premiums	(123,078)
Plus: Interest accrued in the current year	<u>327,775</u>
 Total expense	 <u><u>\$ 1,870,321</u></u>

Future principal and interest due on the Town's bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
For the year ending December 31,			
2024	\$ 8,595,000	\$ 2,210,249	\$ 10,805,249
2025	8,595,000	1,944,323	10,539,323
2026	8,925,000	1,640,465	10,565,465
2027	7,750,000	1,345,766	9,095,766
2028	7,195,000	1,072,413	8,267,413
2029 through 2033	17,275,000	3,289,704	20,564,704
2034 through 2038	10,640,000	988,926	11,628,926
2039 through 2042	1,380,000	64,314	1,444,314
	<u>\$ 70,355,000</u>	<u>\$ 12,556,160</u>	<u>\$ 82,911,160</u>

The Corporation's bonds payable at December 31, 2023 were comprised of the following issuance:

<u>Purpose</u>	<u>Original</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Baseball Stadium - Refunding Bonds	\$ 25,000,000	2013	2041	2.000%-5.000%	\$ 19,235,000

Future principal and interest due on the Corporation's bonds payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
For the year ending December 31,			
2024	\$ 685,000	\$ 944,625	\$ 1,629,625
2025	720,000	909,500	1,629,500
2026	755,000	872,625	1,627,625
2027	790,000	834,000	1,624,000
2028	830,000	793,500	1,623,500
2029 through 2033	4,820,000	3,284,500	8,104,500
2034 through 2038	6,160,000	1,918,750	8,078,750
2039 through 2041	4,475,000	342,875	4,817,875
	<u>\$ 19,235,000</u>	<u>\$ 9,900,375</u>	<u>\$ 29,135,375</u>

Repayment of the Corporation's bonds has been guaranteed by the full faith and credit of the Town.

8. LONG-TERM LIABILITIES (Continued)

B. Claims and Judgements Payable

The Town is self-insured for workers' compensation claims up to \$900,000 per incident with an aggregate of \$2,000,000. A commercial policy is maintained for claims in excess of \$600,000 per occurrence. The workers' compensation insurance claims and judgements liability incurred is based on an analysis prepared by management, with the assistance of a third-party administrator and is based on historical trends.

The Town maintains a general liability insurance policy with a deductible of \$50,000 per occurrence subject to an annual maximum deductible of \$200,000. The general liability insurance claims and judgements liability incurred is based on an analysis based on historical trends.

The remaining claims and judgements liability incurred but not reported of workers' compensation claims and general liability is based on an evaluation performed by an independent actuary.

The following summary of changes in claims and judgements liability of the Town's internal service funds:

	2023			2022		
	Workers' Compensation Benefits	General Liability Claims	Total	Workers' Compensation Benefits	General Liability Claims	Total
Balance, January 1,	\$ 6,364,135	\$13,536,976	\$19,901,111	\$ 8,831,163	\$ 5,411,275	\$14,242,438
Provision for claims and claims adjustment expenses paid	(238,623)	(3,381,927)	(3,620,550)	(1,299,734)	8,697,954	7,398,220
Less claims and claims adjustment expenses paid	<u>(1,011,971)</u>	<u>(2,527,918)</u>	<u>(3,539,889)</u>	<u>(1,167,294)</u>	<u>(572,253)</u>	<u>(1,739,547)</u>
Balance, December 31,	<u>\$ 5,113,541</u>	<u>\$ 7,627,131</u>	<u>\$12,740,672</u>	<u>\$ 6,364,135</u>	<u>\$13,536,976</u>	<u>\$19,901,111</u>

9. PENSION PLANS

A. Plan Description and Benefits Provided

The Towns participates in the New York State and Local Employees Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as the New York State and Local Retirement System (System). The System is a cost-sharing, multiple- employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (Funds), which was established to hold all net assets and record changes in plan net position allocated in the System. The Comptroller of the State of New York serves as the Trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYSRSSL). Once a public employer elects to participate in the System, the election is irrevocable.

The New York State Constitution provides that pension membership is a contractual relationship, and plan benefits cannot be diminished or impaired. Benefits can be changes for future members only by enactment of a State statute.

The System is included in the State's financial report as a pension trust fund. The report, including information with regard to benefits provided, may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

9. PENSION PLANS (Continued)

B. Contributions

Most members of the System who joined on or before July 26, 1976 are enrolled in a noncontributory plan. Members of the System who joined after July 26, 1976 are enrolled in a contributory plan which requires a 3% contribution of their salary. As a result of Article 19 of the NYSRSSL, eligible Tier 3 and Tier 4 employees with a membership date after July 26, 1976 who have ten or more years of membership or credited service with the System are not required to contribute. Generally, members of the System may retire at 55; however members of Tiers 2,3,4, and 5 will receive a reduced benefit if they retire before 62 with less than 30 years of service.

Tier 5 members must be 62 years of age with at least 10 years of service credit to retire with full benefits, and employees with less than five years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions. The full benefit age for Tier 6 is 63 for System members. Tier 6 members with 10 years of service or more can retire as early as age 55 with reduced benefits. The contribution rate varies from 3% to 6% depending on salary. Members are required to contribute for all years of service. The average contribution rate for ERS and PFRS for the System's fiscal year ended March 31, 2023 was approximately 16.4% and 28.7% of payroll, respectively. Under the authority of NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31st.

Contributions made to the system for the current and two preceding years equal to 100% of the contributions required were as follows.

	ERS	PFRS
2023	\$ 3,347,497	\$ 7,743,262
2022	\$ 3,551,540	\$ 6,972,684
2021	\$ 3,665,964	\$ 6,693,553

C. Pension Liabilities, Pension Expense, and Deferred outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2023, the Town reported a Net Pension liability of \$12,142,991 in the Employee Retirement System and a Net Pension liability of \$23,308,413 in the Police and Fire Retirement System in the governmental activities statement of net position for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of March 31, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability (asset) was based on the projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all the participating members, actuarially determined.

At December 21, 2023 the Town's portion was 0.0566264% in the Employee Retirement System and 0.4229840% in the Police and Fire Retirement System.

For the year ended December 31, 2023 the Town recognized pension expense of \$12,426,519.

9. PENSION PLANS (Continued)

C. Pension Liabilities, Pension Expense, and Deferred outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,293,323	\$ 341,021	\$ 2,278,163	\$ -
Changes of Assumptions	5,897,420	65,178	11,358,129	-
Net difference between projected and actual earnings on pension plan investments	-	71,340	41,206	-
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	952,365	282,840	1,184,406	81,069
Contributions subsequent to the measurement date	2,683,970	-	6,475,873	-
Total	\$ 10,827,078	\$ 760,379	\$ 21,337,777	\$ 81,069

Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ending March 31,	ERS	PFRS	Total
2024	\$ 1,826,591	\$ 3,006,705	\$ 4,833,296
2025	(453,582)	(180,211)	(633,793)
2026	2,653,902	7,123,380	9,777,282
2027	3,355,818	4,369,542	7,725,360
2028	-	461,419	461,419
Thereafter	-	-	-
Total	\$ 7,382,729	\$ 14,780,835	\$ 22,163,564

9. PENSION PLANS (Continued)

D. Actuarial Assumptions

The total pension liability at March 31, 2023 was determined by using an actuarial valuation as of as of April 1, 2022, with update procedures used to roll forward the total pension liability to March 31, 2023. Significant actuarial assumptions used in the valuation were as follows.

Actuarial Cost method	Entry Age Actuarial Cost Method
Inflation rate	2.9 percent
Salary Scale	
ERS	4.4 percent, indexed by service
PFRS	6.2 percent, indexed by service
Investment rate of return, including inflation	5.9 percent, compounded annually, net of expenses, including inflation
Cost of Living Adjustments	1.5 percent
Decrement	Based on FY 2015-2020 experience
Mortality	Society of Actuaries' Scale MP-2021

Annuitant mortality rates are based on the April 1, 2015, to March 31, 2020 System's experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combines 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 real rates of return for each major asset class included in the target asset allocations as of March 31, 2023 are summarized below.

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate</u>
Domestic equity	32.00%	4.30%
International equity	15.00%	6.85%
Private equity	10.00%	7.50%
Real estate	9.00%	4.60%
Opportunistic/ARS portfolio	3.00%	5.38%
Credit	4.00%	5.43%
Real assets	3.00%	5.84%
Fixed Income	23.00%	1.50%
Cash	<u>1.00%</u>	0.00%
	<u>100.00%</u>	

9. PENSION PLANS (Continued)

E. Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption.

The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, and the impact on the net pension liability (asset) of using a discount rate that is 1.0% higher or lower than the current rate.

ERS		
1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
\$ 29,344,400	\$ 12,142,991	\$ (2,230,788)

PFRS		
1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
\$ 48,587,477	\$ 23,308,413	\$ 2,375,829

F. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2023 were as follows:

	(Dollars in Thousands)		
	Employee's Retirement System	Police and Fire Retirement System	Total
Employers' total pension liability	\$ 232,627,259	\$ 43,835,333	\$ 276,462,592
Plan net position	(211,183,223)	(38,324,863)	(249,508,086)
Employers' net pension liability	<u>\$ 21,444,036</u>	<u>\$ 5,510,470</u>	<u>\$ 26,954,506</u>
Ratio of plan net position to the employers' total pension liability	-90.78%	-87.43%	-90.25%

9. PENSION PLANS (Continued)

G. Retirement incentives and Other Pension Obligations

For the years ended December 31, 2011-2020, the Town elected to defer the maximum allowable ERS and PFRS retirement contribution under Chapter 57 of the laws of 2010 of the State of New York. The law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years when the local employer opts to participate in the program.

Chapter 57 of the Laws of 2010 of the State of New York allows local employers to amortize a portion of their retirement bill for ten years, including the rate of interest annually set by the New York State Comptroller, subject to the following stipulations:

- For State fiscal year 2010-2011, the amount in excess of the graded rate of 9.5% of employee's covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to 1% depending on the gap between the increase or decrease in the System's average rate and the previous graded rate
- For subsequent fiscal years in which the System's average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

In 2015, the Town negotiated certain concessions with its Police and Benevolent Association for the new collective bargaining agreement with its police force members. As part of the negotiation, the Town entered into an agreement with the New York State and Local Retirement System (NYSLRS) to change its PFRS member benefits from section 38-1 benefits to section 38-e. Because of this agreement with NYSLRS, the increased benefits resulted in a past service credit cost liability of \$14,046,494 which will be repaid over 10 years. The current year cost and balance are reflected in the table below.

9. PENSION PLANS (Continued)

G. Retirement incentives and Other Pension Obligations (Continued)

The following table shows the amounts due for each year's deferral incentive program and the amortization thereto:

	Balance <u>January 1, 2023</u>	Current Year <u>Deferral</u>	Current Year <u>Amortization</u>	Balance <u>December 31, 2023</u>	Due Within <u>One Year</u>
Deferred retirement bill					
2021/22 ERS invoice	\$ 318,051	\$ -	\$ 24,261	\$ 293,790	\$ 24,649
2020/21 ERS invoice	66,563	-	6,499	60,064	6,693
2019/20 ERS invoice	51,174	-	5,064	46,110	5,210
2018/19 ERS invoice	102,836	-	11,165	91,671	11,610
2017/18 ERS invoice	221,354	-	28,618	192,736	29,565
2016/17 ERS invoice	252,596	-	39,415	213,181	40,451
2015/16 ERS invoice	583,205	-	109,171	474,034	112,784
2014/15 ERS invoice	578,271	-	137,196	441,075	141,996
2013/14 ERS invoice	520,965	-	167,286	353,679	173,577
Total ERS retirement bill	<u>2,695,015</u>	<u>-</u>	<u>528,675</u>	<u>2,166,340</u>	<u>546,535</u>
2023/24 PFRS invoice	-	730,337	-	730,337	-
2022/23 PFRS invoice	599,361	-	-	599,361	40,580
2021/22 PFRS invoice	827,293	-	63,082	764,211	64,092
2020/21 PFRS invoice	310,170	-	28,774	281,396	29,235
2019/20 PFRS invoice	250,702	-	24,809	225,893	25,521
2018/19 PFRS invoice	294,345	-	31,956	262,389	33,231
2017/18 PFRS invoice	451,651	-	58,392	393,259	60,325
2016/17 PFRS invoice	280,506	-	43,770	236,736	44,921
2015/16 PFRS invoice	389,369	-	72,886	316,483	75,299
2014/15 PFRS invoice	567,037	-	134,530	432,507	139,239
2013/14 PFRS invoice	407,142	-	13,736	393,406	135,653
2012/13 PFRS invoice	-	-	-	-	-
Total PFRS retirement bill	<u>4,377,576</u>	<u>730,337</u>	<u>471,935</u>	<u>4,635,978</u>	<u>648,096</u>
Total retirement bill	<u>7,072,591</u>	<u>730,337</u>	<u>1,000,610</u>	<u>6,802,318</u>	<u>1,194,631</u>
Past service cost liability PFRS	<u>3,418,050</u>	<u>-</u>	<u>1,776,314</u>	<u>1,641,736</u>	<u>1,770,797</u>
Total retirement incentives and other pension obligations	<u>\$ 10,490,641</u>	<u>\$ 730,337</u>	<u>\$ 2,776,924</u>	<u>\$ 8,444,054</u>	<u>\$ 2,965,428</u>

Future principal and interest due on retirement incentives and other pension obligations is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending December 31,			
2024	\$ 2,965,428	\$ 311,810	\$ 3,277,238
2025	1,278,675	176,453	1,455,128
2026	988,551	133,654	1,122,205
2027	708,521	101,876	810,397
2028	516,214	79,932	596,146
2029 through 2033	1,559,083	211,651	1,770,734
2034 through 2036	<u>427,582</u>	<u>30,809</u>	<u>458,391</u>
	<u>\$ 8,444,054</u>	<u>\$ 1,046,185</u>	<u>\$ 9,490,239</u>

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

In addition to providing pension benefits, the Town provides certain healthcare benefits for retired employees through a single employer defined benefit plan. The benefits of the plan include medical/prescription, Medicare Part B, dental and vision. Substantially all of the Town's employees may be eligible for these benefits when they reach normal retirement age while working for the Town.

There are no assets accumulated in a trust that meets the criteria of GASB 75, paragraph 4.

The Town is not required to fund the Plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. The Plan does not issue a stand-alone financial report as there are no assets legally segregates for the sole purpose of paying benefits under the Plan.

The number of participants of the Plan as of the Plan's January 1, 2022 actuarial valuation date, it as follows:

	<u>Active</u>	<u>Retirees</u>	<u>Total</u>
Male	214	203	417
Female	<u>74</u>	<u>69</u>	<u>143</u>
Total	<u>288</u>	<u>272</u>	<u>560</u>

At December 31, 2023, the Town reported a liability of \$251,067,718 for its OPEB liability in the governmental activities. The OPEB liability was measured as of January 1, 2022 by an actuarial valuation using census data information as of that date. For the year ended December 31, 2023 the Town recognized OPEB expense of \$16,585,973 in the governmental activities. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 35,651,108	\$ 47,685,450
Experience adjustment	<u>11,929,185</u>	<u>2,744,779</u>
	<u>\$ 47,580,293</u>	<u>\$ 50,430,229</u>

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31,	
2024	\$ 2,481,081
2025	764,134
2026	(1,501,695)
2027	(1,105,966)
2028	(2,518,167)
Thereafter	<u>(969,323)</u>
 Total	 <u>\$ (2,849,936)</u>

The total OPEB liability at December 31, 2023 was determined using the following actuarial assumptions:

Actuarial Cost method	Entry Age Actuarial Cost Method		
Discount rate	3.72%, based on the Bond Buyer's 20 Year Bond Index		
Mortality	Society of Actuaries' Scale MP-2021		
Retirement, disability and termination	"Development of Recommended Actuarial Assumptions" for New York/SUNY GASB 45 Valuation prepared by the AON Hewitt dated June 2019		
Measurement Date	31-Dec-23		
Disability rate	Age	Rate	
	15-25	0.100%	
	30	0.112%	
	35	0.266%	
	40	0.462%	
	45	0.713%	
	50	0.854%	
	55	0.881%	
	60	0.942%	
	65	1.035%	
	70+	0.000%	
Health care cost trend rates	Year	Pre-65 Rate	Post-65 Rate
	2022	7.000%	5.000%
	2023	6.500%	5.000%
	2024	6.000%	5.000%
	2025	5.500%	5.000%
	2026+	5.000%	5.000%
Participation rate	100% assumed participation rate		
Participant salary increases	3.50% annually		
Payroll growth rate	2.50% annually		

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Actuarial valuations involve estimates and assumptions about the probability of events far into the future and are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. These calculations are designed to reduce short-term volatility in actuarial accrued liabilities. Projected benefits are based on the types of benefits provided at the time of each valuation and on the cost-sharing provisions then in effect.

Changes in the OPEB liability are as follows:

January 1, 2023	\$ 226,258,502
Changes for the year	
Service cost	7,611,875
Change of assumptions	16,523,179
Difference between expected and actual experience	-
Interest	8,554,739
Benefit payments	<u>(7,880,577)</u>
Net changes	<u>24,809,216</u>
December 31, 2023	<u>\$ 251,067,718</u>

The following presents the OPEB liability of the Plan as of December 31, 2023 using the current health care cost trend rates as well as what the OPEB liability would be if it were calculate using health care cost trend rates 1% lower or 1% higher than current rates:

	Healthcare		
	1%	Current	1%
	Decrease	Discount	Increase
	<u>(5.00%</u>	<u>(6.00%</u>	<u>(7.00%</u>
	<u>decreasing to</u>	<u>decreasing to</u>	<u>decreasing to</u>
	<u>4.00%)</u>	<u>5.00%)</u>	<u>6.00%)</u>
Total OPEB Liability	<u>\$ 210,013,513</u>	<u>\$ 251,067,718</u>	<u>\$ 304,137,677</u>

The following presents the OPEB liability of the Plan as of December 31, 2023 calculated using the current discount rate that is 1-percent-point lower or 1-percentage-point higher than the current rate:

	1%	Current	1%
	Decrease	Discount	Increase
	<u>(2.26%</u>	<u>(3.26%</u>	<u>(4.26%</u>
Total OPEB Liability	<u>\$ 293,403,278</u>	<u>\$ 251,067,718</u>	<u>\$ 217,132,795</u>

11. FUND BALANCES

A summary of the Town's governmental fund balance as of December 31, 2023 is as follows:

	General Fund	Police	Capital Projects	Non-Major Funds	Total
Restricted:					
Debt service	\$ -	\$ -	\$ -	\$ 434,377	\$ 434,377
Capital projects	-	-	14,053,431	-	14,053,431
Consolidated water district	-	-	-	190,168	190,168
Consolidated ambulance district	-	-	-	3,794,041	3,794,041
Consolidated sewer district	-	-	-	376,227	376,227
Street lighting district	-	-	-	1,042,371	1,042,371
Combined fire district	-	-	-	7,800	7,800
Combined highway district	-	-	-	2,304,952	2,304,952
Town outside village	-	-	-	1,480,146	1,480,146
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted	-	-	14,053,431	9,630,082	23,683,513
Assigned - Subsequent year	1,750,000	-	-	1,130,000	2,880,000
Unassigned:					
Consolidated refuse district - deficit fund balance	-	-	-	9,476	9,476
Police fund - deficit fund balance	-	(1,834,420)	-	-	(1,834,420)
Other	(1,194,658)	-	-	-	(1,194,658)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unassigned	(1,194,658)	(1,834,420)	-	9,476	(3,019,602)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balance	<u>\$ 555,342</u>	<u>\$ (1,834,420)</u>	<u>\$ 14,053,431</u>	<u>\$ 10,769,558</u>	<u>\$ 23,543,911</u>

12. COMMITMENTS AND CONTINGENCIES

A. Litigation and Contingencies

In January of 2019 the Town entered into a Settlement Agreement with Rockland County and the Board of Commissioners of the Rockland County Sewer District No. 1 (RCSO) to resolve a financial dispute arose over the advancement of funds to the Town for future services to be provided. Under the Settlement Agreement with Rockland County, the Town is required to pay the first \$400,000 of all monies borrowed, used, or otherwise expensed by RCSO or the County, for the Hillburn Advanced Waste Water Treatment Plan Project (Project) . The Town has no obligation for services or to provide funds in an amount over \$400,000. During the year ended December 31, 2023, the Town paid \$40,000 toward the project. A corresponding accrued liability in the amount of \$240,000 has been recorded at December 31, 2023.

In March 2020, the Town entered into a Settlement Agreement with a former employee to resolve all disputes between the former employee and the Town. Aggregate payments of \$2,330,719 have been made under this agreement through December 31, 2023. Remaining payments due are as follows:

2024 - \$385,558

All amounts owed to the former employee and the legal firms representing the former employee are recorded in the General Liability Internal Service Fund at December 31, 2023.

12. COMMITMENTS AND CONTINGENCIES (Continued)

A. Litigation and Contingencies (Continued)

The Town is involved in other suits and claims arising from a variety of sources. The Town records accruals for claims liability to the extent that management concludes their occurrence is probably and related damages are estimable. If the range of the liability is probable and estimable, the Town accrues the amount most likely paid. If no single amount in the estimated range is more likely to be paid, the Town accrues the lowest amount in the range. The Town's other claims liability totals \$7,627,131 at December 31, 2023 and is recorded in the General Liability Internal Service Fund.

During 2023, the Town settled a lawsuit with a developer. The settlement agreement totaled \$3,000,000 and was paid from the proceeds of a bond anticipation rule. The agreement calls for additional payments of up to \$5,000,000 if conditions are not met.

The Town is involved in certain other claims arising from a variety of sources that do not have an estimable probability of occurrence and for which damages are not estimable. No amounts have been accrued related to other claims.

B. Grantor Agencies

Amounts received or receivable from grantor agencies could be subject to audit and adjustment by the grantor agency. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amount, if any, to be immaterial.

C. Tax Abatements

The Town negotiates property tax abatement agreements on an individual basis. The Town has tax abatement agreements, as well as negotiated payment on Lieu of tax (PILOT) agreements. Information relevant to the disclosure of these property tax abatement agreements for the year ended December 31, 2023 is as follows:

Property Owner	Taxable Assessed Value	Tax Rate per 000	Tax Value	PILOT Received	Taxes Abated
Avon	\$ 6,463,800	\$ 12.9495	\$ 83,703	\$ 22,559	\$ 61,144
244 North Main Street	594,000	12.9495	7,692	9,057	(1,365)
Youngblood Housing	423,000	12.9495	5,478	1,496	3,982
Snedden Place	2,050,000	12.9495	26,547	13,413	13,134
Spring Valley Site III	880,000	12.9495	11,396	1,530	9,866
Spring Valley Site IV	2,000,000	12.9495	25,899	2,000	23,899
Esther Dashew - FLG Companies	1,118,700	12.9495	14,487	6,125	8,362
Empire Executive Inn	1,057,000	45.0552	47,623	38,444	9,179
Raymour & Flanigan	4,850,000	45.0552	218,518	165,845	52,673
Millennium Pipeline	3,482,011	57.5354	200,339	38,347	161,992
Wilson Avenue	2,377,200	45.0552	107,105	30,864	76,241
Fountainview	4,480,515	57.5354	257,788	86,153	171,635
Montebello Commons	2,300,000	45.0552	103,627	1,834	101,793
Schoolhouse Road Estates	1,022,635	45.0552	46,075	2,157	43,918
Spook Rock United Elderly I, II & III	2,500,000	57.5354	143,839	7,576	136,263
Ramapo Housing Authority	2,345,000	45.0552	105,655	3,669	101,986
Spring Valley Housing Authority	2,854,500	12.9495	36,964	-	36,964
Orange Avenue Apartments	2,860,000	12.9495	37,036	4,627	32,409
Oakwood Housing	456,000	45.0552	20,545	2,690	17,855
SV Housing Development Fund	631,000	12.9495	8,171	1,695	6,476
	<u>\$ 44,745,361</u>		<u>\$ 1,508,486</u>	<u>\$ 440,081</u>	<u>\$ 1,061,929</u>

12. COMMITMENTS AND CONTINGENCIES (Continued)

D. Corporation Commitments

The Corporation entered into a 20-year lease commencing June 2011 with the New York Boulder's (formerly the Rockland Boulder's), a professional baseball team which is a member of the Frontier League (formerly a member of the Canadian American League). Pursuant to the lease, the team maintains their administrative offices in the Stadium building for the entire year. In addition, the team has exclusive rights to the field and Stadium for 65 days a year to accommodate their home game season schedule and pre-season events. The base rent is \$175,000 per year plus additional rent, subject to deductions for certain direct expenses, calculated as follows.

- \$1 for every fixed seat ticket sold per professional baseball game up to and including the first 150,000 tickets sold (except suite seats sold, which are paid on a gross basis without deduction for the Corporation's expenses).
- \$2 for every fixed seat ticket sold per professional baseball game above the first 150,000 tickets sold.
- \$2 for each car paid and parked for a professional baseball game, as long as the corporation provides at a minimum 1,200 parking spaces for each event.
- 20% of the Corporation's share of proceeds from sales of merchandise sold at the ballpark on the days professional baseball games are played.
- 10% of the Corporation's share of proceeds from all food and beverage items sold.
- 50% net revenue from all broadcast advertising.
- 50% of any ballpark naming rights.
- 50% of revenue from licensing of or other grant of use of rights to ballpark suites.

The lease provides that within sixty (60) days prior to the eleventh (11th) anniversary date of the opening date, the parties to this agreement have agreed to meet in good faith to discuss equitable adjustments to the rental amounts per the original agreement.

E. Subsequent Events

On June 3, 2024 the Town replaced its \$3,000,000 Bond Anticipation Note at 4.75% with serial bond. The new serial bond matures over a four year period beginning in 2025 and bears interest at 3.440% to 3.670%.

13. ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED

GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Effective for years beginning after June 15, 2023.

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required. Effective for years beginning after December 15, 2023.

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for risk disclosures. Effective for years beginning after June 15, 2024.

Management has not estimated the extent of the potential impact, is any, of these statements on the Town's financial statements.

14. CHANGE IN ACCOUNTING PRINCIPLE

During the year ended December 31, 2023, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-based Information Technology Agreements* and GASB Statement No. 94 *Public-private partnerships*. GASB Statement No. 96 establishes requirements for recognition of an intangible right-of-use subscription asset and a corresponding subscription liability if certain criteria are met. A SBITA is defined as a contract that conveys control of the right to use another party's information technology (IT) software, as specified in the contract for period of time in an exchange or exchange-like transaction. GASB Statement No. 94 establishes requirements for recognition of receivable and a deferred inflow of resources if certain criteria are met. A PPP is defined as a contract that conveys control of the asset from the transferor to the operator during which an operator has a noncancellable right to use an underlying PPP asset. These changes were incorporated in the Town's financial statements and had no effect on the beginning net position, as the SBITA leased asset equaled the amount of the SBITA lease liability, and the PPP receivable equaled the deferred inflow.

	<u>Governmental Activities Net Position</u>
Balance at December 31, 2022, as previously reported:	\$ (176,680,546)
Adjustments:	
SBITA assets	88,962
SBITA liability	(88,962)
Public-private partnership receivable	672,522
Deferred inflow - public-private partnership	<u>(672,522)</u>
Balance at January 1, 2023, as restated	<u>\$ (176,680,546)</u>

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes	\$ 19,583,554	\$ 19,583,554	\$ 19,675,683	\$ 92,129
Other tax items	785,000	780,000	769,845	(10,155)
Nonproperty tax items	2,400,000	5,000	3,764	(1,236)
Departmental income	4,380,500	7,080,500	6,855,852	(224,648)
Use of money and property	310,000	310,000	691,227	381,227
Licenses and permits	4,500	4,500	5,825	1,325
Fines and forfeitures	1,200,000	1,200,000	1,138,855	(61,145)
Sale of property and compensation for loss	5,500	5,500	59,880	54,380
Interfund revenue	2,474,713	2,174,713	2,213,318	38,605
State aid	7,127,000	7,134,524	4,363,651	(2,770,873)
Federal aid	-	-	2,651,446	2,651,446
Miscellaneous	-	-	28,011	28,011
Total revenues	38,270,767	38,278,291	38,457,357	179,066
EXPENDITURES:				
General governmental support	21,853,090	22,035,818	25,099,206	(3,063,388)
Public safety	142,500	142,500	842,882	(700,382)
Transportation	266,937	266,937	286,321	(19,384)
Economic opportunity and development	483,300	483,300	2,614,802	(2,131,502)
Culture and recreation	9,364,437	8,909,792	9,754,892	(845,100)
Home and community services	435,761	467,006	449,946	17,060
Debt service -				
Principal	180,000	180,000	486,116	(306,116)
Interest	29,383	29,383	43,912	(14,529)
Total expenditures	32,755,408	32,514,736	39,578,077	(7,063,341)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,515,359	5,763,555	(1,120,720)	(6,884,275)
OTHER FINANCING SOURCES (USES):				
Transfers out	(8,515,359)	(9,014,278)	(9,089,324)	(75,046)
Proceeds from debt	-	-	3,000,000	3,000,000
Proceeds from leases	-	-	212,852	212,852
Total other financing sources and uses	(8,515,359)	(9,014,278)	(5,876,472)	3,137,806
CHANGE IN FUND BALANCE	(3,000,000)	(3,250,723)	(6,997,192)	(3,746,469)
FUND BALANCE - beginning of year	7,552,534	7,552,534	7,552,534	-
FUND BALANCE - end of year	\$ 4,552,534	\$ 4,301,811	\$ 555,342	\$ (3,746,469)

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - POLICE FUND (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Police Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES:				
Real property taxes	\$ 44,192,914	\$ 44,192,914	\$ 44,334,335	\$ 141,421
Other tax items	185,000	185,000	180,586	(4,414)
Departmental income	3,000	3,000	15,337	12,337
Use of money and property	70,000	70,000	871,069	801,069
Sale of property and compensation for loss	-	-	21,929	21,929
State aid	-	-	35,524	35,524
Federal aid	-	-	172,104	172,104
Miscellaneous	250,000	265,915	408,543	142,628
Total revenues	44,700,914	44,716,829	46,039,427	1,322,598
EXPENDITURES:				
Public safety	44,275,705	44,476,764	44,930,441	(453,677)
Debt service -				
Principal	310,000	310,000	666,084	(356,084)
Interest	27,360	-	36,535	(36,535)
Capital outlay	-	31,000	393,890	(362,890)
Total expenditures	44,613,065	44,817,764	46,026,950	(1,209,186)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	87,849	(100,935)	12,477	113,412
OTHER FINANCING SOURCES (USES):				
Transfers out	(87,849)	(87,849)	-	87,849
Proceeds from leases	-	-	679,771	679,771
Total other financing sources and uses	(87,849)	(87,849)	679,771	767,620
CHANGE IN FUND BALANCE	-	(188,784)	692,248	881,032
FUND BALANCE - beginning of year	(2,526,668)	(2,526,668)	(2,526,668)	-
FUND BALANCE - end of year	\$ (2,526,668)	\$ (2,715,452)	\$ (1,834,420)	\$ 881,032

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Last Ten Fiscal Years * 2023	Last Ten Fiscal Years * 2022	Last Ten Fiscal Years * 2021	Last Ten Fiscal Years * 2020	Last Ten Fiscal Years * 2019	Last Ten Fiscal Years * 2018
Total OPEB Liability						
Service cost	\$ 7,611,875	\$ 11,794,142	\$ 10,626,860	\$ 8,747,472	\$ 6,435,095	\$ 7,470,606
Interest	8,554,739	5,927,189	5,486,222	6,151,624	7,587,505	6,739,309
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	17,352,237	-	(8,967,939)	-	-
Contributions from employer	-	-	-	-	-	-
Changes in assumptions	16,523,179	(66,380,138)	3,848,141	61,508,075	-	(18,853,752)
Benefit payments	<u>(7,880,577)</u>	<u>(7,299,036)</u>	<u>(6,474,888)</u>	<u>(5,941,166)</u>	<u>(5,482,832)</u>	<u>(4,870,359)</u>
Total change in total OPEB liability	24,809,216	(38,605,606)	13,486,335	61,498,066	8,539,768	(9,514,196)
OPEB Plan Fiduciary Position	-	-	-	-	-	-
Total OPEB liability - beginning	<u>226,258,502</u>	<u>264,864,108</u>	<u>251,377,773</u>	<u>189,879,707</u>	<u>181,339,939</u>	<u>190,854,135</u>
Total OPEB liability - ending	<u>\$ 251,067,718</u>	<u>\$ 226,258,502</u>	<u>\$ 264,864,108</u>	<u>\$ 251,377,773</u>	<u>\$ 189,879,707</u>	<u>\$ 181,339,939</u>
Covered payroll	\$ 33,201,279	\$ 32,391,491	\$ 31,636,721	\$ 30,865,093	\$ 34,374,994	\$ 33,536,580
Total OPEB liability as a percentage of covered-payroll	756.20%	698.51%	837.20%	814.44%	552.38%	540.72%
Notes to schedule:						
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount rate	3.26%	3.72%	2.03%	2.12%	4.10%	4.10%
Healthcare trend rate:						
Initial rate	6.50%	7.00%	7.00%	7.50%	7.50%	7.50%
Ultimate rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Ultimate rate year	2026	2026	2025	2025	2025	2025

* This Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

Plan Assets. No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

Last 10 Fiscal Years

**NEW YORK STATE EMPLOYEES' RETIREMENT
SYSTEM PLAN**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	0.0566264%	0.0588911%	0.0573561%	0.0681860%	0.0631953%	0.0676026%	0.0676387%	0.0724094%	0.0714912%	0.0714912%
Proportionate share of the net pension liability (asset)	\$ 12,142,991	\$ (4,814,102)	\$ 57,112	\$ 16,105,120	\$ 4,477,577	\$ 2,181,836	\$ 6,355,486	\$ 11,621,912	\$ 2,415,148	\$ 3,230,588
Covered payroll	\$ 19,745,178	\$ 18,983,201	\$ 18,781,670	\$ 18,461,670	\$ 18,414,736	\$ 19,313,119	\$ 19,870,167	\$ 19,436,160	\$ 18,729,889	\$ 18,276,639
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	61.50%	-25.36%	0.30%	87.24%	24.32%	11.30%	31.99%	59.80%	12.89%	17.68%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.78%	103.65%	99.95%	96.27%	98.24%	94.70%	90.70%	97.95%	97.15%	97.20%

**New York State and Local Police and Fire Retirement
System**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability (asset)	0.4229840%	0.4224374%	0.4140031%	0.4036709%	0.4098125%	0.4471200%	0.4412901%	0.4504787%	0.4253619%	0.4253619%
Proportionate share of the net pension liability (asset)	\$ 23,308,413	\$ 2,399,633	\$ 7,188,236	\$ 21,575,958	\$ 6,872,814	\$ 4,515,173	\$ 9,146,409	\$ 13,337,715	\$ 1,170,849	\$ 1,770,822
Covered payroll	\$ 20,610,951	\$ 17,568,471	\$ 16,912,950	\$ 17,306,188	\$ 17,728,170	\$ 17,974,460	\$ 20,202,418	\$ 18,029,520	\$ 17,787,619	\$ 16,948,516
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	113.09%	13.66%	42.50%	124.67%	38.77%	25.12%	45.27%	73.98%	6.58%	10.45%
Plan fiduciary net position as a percentage of the total pension liability (asset)	87.43%	98.66%	95.79%	84.86%	95.09%	96.93%	93.46%	90.24%	99.03%	98.48%

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF CONTRIBUTIONS - PENSION PLAN (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Last 10 Fiscal Years*									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
NEW YORK STATE EMPLOYEES' RETIREMENT										
Contractually required contribution	\$ 3,347,497	\$ 3,551,540	\$ 3,978,494	\$ 3,573,440	\$ 3,521,907	\$ 3,620,226	\$ 3,545,488	\$ 3,243,464	\$ 3,530,832	\$ 3,244,108
Contributions in relation to the contractually required contribution	<u>3,347,497</u>	<u>3,551,540</u>	<u>3,978,494</u>	<u>3,573,440</u>	<u>3,521,907</u>	<u>3,620,226</u>	<u>3,545,488</u>	<u>3,243,464</u>	<u>3,530,832</u>	<u>3,244,108</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 19,745,178	\$ 18,781,670	\$ 18,461,670	\$ 18,414,736	\$ 19,313,119	\$ 19,870,167	\$ 19,436,160	\$ 18,729,889	\$ 18,276,369	\$ 18,276,369
Contributions as a percentage of covered payroll	16.95%	18.91%	21.55%	19.41%	18.24%	18.22%	18.24%	17.32%	19.32%	17.75%
NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM										
Contractually required contribution	\$ 8,400,176	\$ 7,517,378	\$ 7,522,833	\$ 6,665,990	\$ 6,655,373	\$ 6,563,826	\$ 6,899,880	\$ 6,095,546	\$ 4,473,420	\$ 3,776,621
Contributions in relation to the contractually required contribution	<u>8,400,176</u>	<u>7,517,378</u>	<u>7,522,833</u>	<u>6,665,990</u>	<u>6,655,373</u>	<u>6,563,826</u>	<u>6,899,880</u>	<u>6,095,546</u>	<u>4,473,420</u>	<u>3,776,621</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 20,610,951	\$ 17,568,471	\$ 16,912,950	\$ 17,306,188	\$ 17,728,170	\$ 17,974,460	\$ 20,202,418	\$ 18,029,520	\$ 17,787,619	\$ 16,948,516
Contributions as a percentage of covered payroll	40.76%	42.79%	44.48%	38.52%	37.54%	36.52%	34.15%	33.81%	25.15%	22.28%

* This Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

SUPPLEMENTARY INFORMATION

TOWN OF RAMAPO, NEW YORK

**COMBINING BALANCE SHEET - NON MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	Non-Major Funds				
	Town Outside Village District	Highway	Special Districts	Debt Service	Total Non-Major Funds
ASSETS:					
Cash and Cash equivalents	\$ 3,050,383	\$ 2,148,570	\$ 3,924,003	\$ 368,407	\$ 9,491,363
Accounts receivable	69,395	2,450	3,104,649	-	3,176,494
Due from other funds	720	-	8,057	65,970	74,747
Due from other governments	45,187	1,122,439	-	-	1,167,626
Total assets	\$ 3,165,685	\$ 3,273,459	\$ 7,036,709	\$ 434,377	\$ 13,910,230
LIABILITIES:					
Accounts payable and accrued liabilities	\$ 1,314,900	\$ 728,507	\$ 778,038	\$ -	\$ 2,821,445
Due to other funds	70,639	-	-	-	70,639
Due to other governments	-	240,000	8,588	-	248,588
Total liabilities	1,385,539	968,507	786,626	-	3,140,672
FUND BALANCE:					
Assigned - appropriated for subsequent year's expenditures	300,000	-	830,000	-	1,130,000
Restricted	1,480,146	2,304,952	5,420,083	434,377	9,639,558
Total fund balance	1,780,146	2,304,952	6,250,083	434,377	10,769,558
Total liabilities and fund balance	\$ 3,165,685	\$ 3,273,459	\$ 7,036,709	\$ 434,377	\$ 13,910,230

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	Non-Major Funds				
	Town Outside Village District	Highway	Special Districts	Debt Service	Total Non-Major Funds
REVENUES:					
Real property taxes	\$ 2,110,126	\$ 7,350,731	\$ 15,093,633	\$ -	\$ 24,554,490
Other tax items	275,671	2,994,785	-	-	3,270,456
Departmental income	827,665	140,595	8,285,268	-	9,253,528
Intergovernmental charges	-	2,295,298	-	-	2,295,298
Use of money and property	197,888	146,101	350,749	481,656	1,176,394
Licenses and permits	1,886,750	46,275	-	-	1,933,025
Sale of property and compensation for loss	95,424	-	-	-	95,424
State aid	-	719,622	1,026	-	720,648
Federal aid	-	774,795	107,584	-	882,379
Miscellaneous	26,042	125,503	-	-	151,545
Total revenues	5,419,566	14,593,705	23,838,260	481,656	44,333,187
EXPENDITURES:					
General governmental support	-	-	-	876	876
Public safety	-	-	525,525	-	525,525
Health	-	-	10,971,280	-	10,971,280
Transportation	-	10,531,322	-	-	10,531,322
Home and community services	4,453,501	-	10,312,588	-	14,766,089
Debt service -					
Principal	69,039	420,837	49,550	8,540,000	9,079,426
Interest	12,100	30,107	1,625	1,918,171	1,962,003
Total expenditures	4,534,640	10,982,266	21,860,568	10,459,047	47,836,521
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	884,926	3,611,439	1,977,692	(9,977,391)	(3,503,334)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	10,448,716	10,448,716
Transfers out	(34,534)	(2,482,145)	(717,051)	(345,252)	(3,578,982)
Premium on Issuance of Debt	-	-	-	241,550	241,550
Proceeds from leases	321,302	123,652	-	-	444,954
Total other financing sources and uses	286,768	(2,358,493)	(717,051)	10,345,014	7,556,238
CHANGE IN FUND BALANCE	1,171,694	1,252,946	1,260,641	367,623	4,052,904
FUND BALANCE - beginning of year	608,452	1,052,006	4,989,442	66,754	6,716,654
FUND BALANCE - end of year	\$ 1,780,146	\$ 2,304,952	\$ 6,250,083	\$ 434,377	\$ 10,769,558

The accompanying notes are an integral part of this supplementary information.

TOWN OF RAMAPO, NEW YORK

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUND - HIGHWAY FUND
DECEMBER 31, 2023**

	Highway Fund Town Wide	Highway Fund Town outside Village	Total Highway Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS:			
Cash and cash equivalents	\$ 920,912	\$ 1,227,658	\$ 2,148,570
Accounts receivable	-	2,450	2,450
Due from other governments	<u>-</u>	<u>1,122,439</u>	<u>1,122,439</u>
Total assets	<u>\$ 920,912</u>	<u>\$ 2,352,547</u>	<u>\$ 3,273,459</u>
LIABILITIES:			
Accounts payable and accrued liabilities	\$ 178,415	\$ 550,092	\$ 728,507
Due to other governments	<u>-</u>	<u>240,000</u>	<u>240,000</u>
Total liabilities	<u>178,415</u>	<u>790,092</u>	<u>968,507</u>
FUND BALANCES:			
Restricted	<u>742,497</u>	<u>1,562,455</u>	<u>2,304,952</u>
Total fund balance	<u>742,497</u>	<u>1,562,455</u>	<u>2,304,952</u>
Total liabilities and fund balances	<u>\$ 920,912</u>	<u>\$ 2,352,547</u>	<u>\$ 3,273,459</u>

The accompanying notes are an integral part of this supplementary information.

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
SPECIAL REVENUE FUND - HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Highway Fund Town Wide	Highway Fund Town outside Village	Total Highway Fund
REVENUES:			
Real property taxes	\$ 2,244,402	\$ 5,106,329	\$ 7,350,731
Nonproperty tax items	-	2,994,785	2,994,785
Departmental income	-	140,595	140,595
Intergovernmental charges	84,341	2,210,957	2,295,298
Use of money and property	63,258	82,843	146,101
Licenses and permits	-	46,275	46,275
State aid	293,369	426,253	719,622
Federal aid	300,000	474,795	774,795
Miscellaneous	120,000	5,503	125,503
	<u>3,105,370</u>	<u>11,488,335</u>	<u>14,593,705</u>
EXPENDITURES:			
Transportation	2,423,728	8,107,594	10,531,322
Debt service -			
Principal	-	420,837	420,837
Interest	-	30,107	30,107
	<u>2,423,728</u>	<u>8,558,538</u>	<u>10,982,266</u>
	<u>681,642</u>	<u>2,929,797</u>	<u>3,611,439</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
OTHER FINANCING SOURCES (USES):			
Transfers out	-	(2,482,145)	(2,482,145)
Proceeds from issuance of lease	-	123,652	123,652
	<u>-</u>	<u>(2,358,493)</u>	<u>(2,358,493)</u>
	<u>681,642</u>	<u>571,304</u>	<u>1,252,946</u>
CHANGE IN FUND BALANCE			
FUND BALANCE - beginning of year	<u>60,855</u>	<u>991,151</u>	<u>1,052,006</u>
FUND BALANCE - end of year	<u>\$ 742,497</u>	<u>\$ 1,562,455</u>	<u>\$ 2,304,952</u>

The accompanying notes are an integral part of this supplementary information.

TOWN OF RAMAPO, NEW YORK

COMBINING BALANCE SHEET - SPECIAL REVENUE FUND - SPECIAL DISTRICTS
DECEMBER 31, 2023

	Consolidated Water District	Consolidated Ambulance District	Sewer District	Street Lighting Districts	Refuse and Garbage District	Fire Protection Districts	Total Special Districts Fund
ASSETS:							
Cash and cash equivalents	\$ 190,318	\$ 748,002	\$ 1,102,291	\$ 1,382,930	\$ 492,662	\$ 7,800	\$ 3,924,003
Accounts receivable	-	3,104,649	-	-	-	-	3,104,649
Due from other funds	-	-	8,057	-	-	-	8,057
Total assets	\$ 190,318	\$ 3,852,651	\$ 1,110,348	\$ 1,382,930	\$ 492,662	\$ 7,800	\$ 7,036,709
LIABILITIES:							
Accounts payable and accrued liabilities	\$ 150	\$ 50,022	\$ 234,121	\$ 10,559	\$ 483,186	\$ -	\$ 778,038
Due to other governments	-	8,588	-	-	-	-	8,588
Total liabilities	150	58,610	234,121	10,559	483,186	-	786,626
FUND BALANCE:							
Assigned - appropriated for subsequent year's expenditures	-	-	500,000	330,000	-	-	830,000
Restricted	190,168	3,794,041	376,227	1,042,371	9,476	7,800	5,420,083
Total fund balance	190,168	3,794,041	876,227	1,372,371	9,476	7,800	6,250,083
Total liabilities and fund balance	\$ 190,318	\$ 3,852,651	\$ 1,110,348	\$ 1,382,930	\$ 492,662	\$ 7,800	\$ 7,036,709

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
SPECIAL REVENUE FUND - SPECIAL DISTRICT
FOR THE YEAR ENDING DECEMBER 31, 2023**

	Consolidated Water District	Consolidated Ambulance District	Sewer District	Street Lighting Districts	Refuse and Garbage District	Fire Protection Districts	Total Special Districts Fund
REVENUES:							
Real property taxes	\$ 3,449,037	\$ 3,855,899	\$ 2,569,262	\$ -	\$ 4,693,859	\$ 525,576	\$ 15,093,633
Departmental income	-	8,188,783	96,485	-	-	-	8,285,268
Use of money and property	37,954	54,813	88,786	63,596	105,600	-	350,749
Federal aid	-	97,000	10,584	-	-	-	107,584
State aid	-	-	1,026	-	-	-	1,026
Total revenues	3,486,991	12,196,495	2,766,143	63,596	4,799,459	525,576	23,838,260
EXPENDITURES:							
Public safety	-	-	-	-	-	525,525	525,525
Health	-	10,971,280	-	-	-	-	10,971,280
Home and community services	3,176,066	-	2,043,953	323,412	4,769,157	-	10,312,588
Debt service -							
Principal	-	-	49,550	-	-	-	49,550
Interest	-	-	1,625	-	-	-	1,625
Total expenditures	3,176,066	10,971,280	2,095,128	323,412	4,769,157	525,525	21,860,568
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	310,925	1,225,215	671,015	(259,816)	30,302	51	1,977,692
OTHER FINANCING SOURCES (USES):							
Transfers out	-	-	(717,051)	-	-	-	(717,051)
Total other financing sources and uses	-	-	(717,051)	-	-	-	(717,051)
CHANGE IN FUND BALANCE	310,925	1,225,215	(46,036)	(259,816)	30,302	51	1,260,641
FUND BALANCE - beginning of year	(120,757)	2,568,826	922,263	1,632,187	(20,826)	7,749	4,989,442
FUND BALANCE - end of year	\$ 190,168	\$ 3,794,041	\$ 876,227	\$ 1,372,371	\$ 9,476	\$ 7,800	\$ 6,250,083

TOWN OF RAMAPO, NEW YORK

**COMBINING BALANCE SHEET - SPECIAL REVENUE FUND - FIRE PROTECTION DISTRICTS
DECEMBER 31, 2023**

	Ramapo #1	Ramapo #2	Ramapo #3	Ramapo #4	Ramapo #5	Johnsontown Road	Park Crest	Total Fire Protection Districts Fund
ASSETS:								
Cash and Cash equivalents	\$ 799	\$ 178	\$ 535	\$ 51	\$ 245	\$ 41	\$ 5,951	\$ 7,800
Total assets	\$ 799	\$ 178	\$ 535	\$ 51	\$ 245	\$ 41	\$ 5,951	\$ 7,800
FUND BALANCES:								
Restricted	\$ 799	\$ 178	\$ 535	\$ 51	\$ 245	\$ 41	\$ 5,951	\$ 7,800
Total fund balance	799	178	535	51	245	41	5,951	7,800
Total fund balances	\$ 799	\$ 178	\$ 535	\$ 51	\$ 245	\$ 41	\$ 5,951	\$ 7,800

The accompanying notes are an integral part of this supplementary information.

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
SPECIAL REVENUE FUND - FIRE PROTECTION DISTRICTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Ramapo #1	Ramapo #2	Ramapo #3	Ramapo #4	Ramapo #5	Johnsontown Road	Park Crest	Total Fire Protection Districts Fund
REVENUES:								
Real property taxes	\$ 120,526	\$ 198,500	\$ 103,500	\$ 19,100	\$ 70,000	\$ 8,000	\$ 5,950	\$ 525,576
EXPENDITURES:								
Public safety	<u>120,525</u>	<u>198,500</u>	<u>103,500</u>	<u>25,000</u>	<u>70,000</u>	<u>8,000</u>	<u>-</u>	<u>525,525</u>
CHANGE IN FUND BALANCE	<u>1</u>	<u>-</u>	<u>-</u>	<u>(5,900)</u>	<u>-</u>	<u>-</u>	<u>5,950</u>	<u>51</u>
FUND BALANCE - beginning of year	<u>798</u>	<u>178</u>	<u>535</u>	<u>5,951</u>	<u>245</u>	<u>41</u>	<u>1</u>	<u>7,749</u>
FUND BALANCE - end of year	<u>\$ 799</u>	<u>\$ 178</u>	<u>\$ 535</u>	<u>\$ 51</u>	<u>\$ 245</u>	<u>\$ 41</u>	<u>\$ 5,951</u>	<u>\$ 7,800</u>

The accompanying notes are an integral part of this supplementary information.

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
DECEMBER 31, 2023**

	<u>Workers' Compensation</u>	<u>General Liability</u>	<u>Total</u>
CURRENT ASSETS			
Cash and cash equivalents	\$ 431,894	\$ 73,943	\$ 505,837
Prepaid expense	<u>86,600</u>	<u>-</u>	<u>86,600</u>
Total assets	<u>518,494</u>	<u>73,943</u>	<u>592,437</u>
CURRENT LIABILITIES			
Accounts payable and accrued expenses	34,968	12,160	47,128
Claims payable, current	995,980	-	995,980
Judgments payable, current	<u>-</u>	<u>1,550,086</u>	<u>1,550,086</u>
Total current liabilities	<u>1,030,948</u>	<u>1,562,246</u>	<u>2,593,194</u>
NONCURRENT LIABILITIES			
Claims payable, net of current	4,117,561	-	4,117,561
Judgments payable, net of current	<u>-</u>	<u>6,077,045</u>	<u>6,077,045</u>
Total non current liabilities	<u>4,117,561</u>	<u>6,077,045</u>	<u>10,194,606</u>
NET POSITION			
Unrestricted	<u>\$ (4,630,015)</u>	<u>\$ (7,565,348)</u>	<u>\$ (12,195,363)</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS - FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 719,001	\$ -	\$ 719,001
Insurance recoveries	<u>501,877</u>	<u>-</u>	<u>501,877</u>
Total operating revenues	<u>1,220,878</u>	<u>-</u>	<u>1,220,878</u>
OPERATING EXPENSES			
General and administrative	376,574	-	376,574
Claims	<u>161,996</u>	<u>(5,909,845)</u>	<u>(5,747,849)</u>
Total operating expenses	<u>538,570</u>	<u>(5,909,845)</u>	<u>(5,371,275)</u>
Operating income	<u>682,308</u>	<u>5,909,845</u>	<u>6,592,153</u>
NONOPERATING REVENUES			
Interest income	<u>35,077</u>	<u>181</u>	<u>35,258</u>
CHANGE IN NET POSITION	<u>717,385</u>	<u>5,910,026</u>	<u>6,627,411</u>
NET POSITION - beginning of year	<u>(5,347,400)</u>	<u>(13,475,374)</u>	<u>(18,822,774)</u>
NET POSITION - end of year	<u>\$ (4,630,015)</u>	<u>\$ (7,565,348)</u>	<u>\$ (12,195,363)</u>

The accompanying notes are an integral part of these statements.

TOWN OF RAMAPO, NEW YORK

**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>Total</u>
CASH FLOWS FROM (USED BY) OPERATING ACTIVITIES			
Cash received from providing services and insurance recoveries	\$ 1,220,878	\$ -	\$ 1,220,878
Cash paid for contractual expenses	<u>(1,775,304)</u>	<u>-</u>	<u>(1,775,304)</u>
Net cash provided (used) by operating activities	<u>(554,426)</u>	<u>-</u>	<u>(554,426)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income received	<u>35,077</u>	<u>181</u>	<u>35,258</u>
Net increase in cash and cash equivalents	<u>(519,349)</u>	<u>181</u>	<u>(519,168)</u>
CASH AND CASH EQUIVALENTS, beginning of year	<u>951,243</u>	<u>73,762</u>	<u>1,025,005</u>
CASH AND CASH EQUIVALENTS, end of year	<u>431,894</u>	<u>73,943</u>	<u>505,837</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income	682,308	5,909,845	6,592,153
Changes in assets and liabilities			
Accounts payable and accrued expenses	13,860	-	13,860
Claims and judgment payable	<u>(1,250,594)</u>	<u>(5,909,845)</u>	<u>(7,160,439)</u>
Net cash provided (used) by operating activities	<u>\$ (554,426)</u>	<u>\$ -</u>	<u>\$ (554,426)</u>

The accompanying notes are an integral part of these statements.

OTHER INFORMATION

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - TOWN OUTSIDE VILLAGES FUND (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Town Outside Villages Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes	\$ 2,100,933	\$ 2,100,933	\$ 2,110,126	\$ 9,193
Other tax items	310,000	310,000	275,671	(34,329)
Departmental income	590,000	590,000	827,665	237,665
Use of money and property	131,500	131,500	197,888	66,388
Licenses and permits	1,000,000	1,000,000	1,886,750	886,750
Sale of property and compensation for loss	85,000	85,000	95,424	10,424
Miscellaneous	-	-	26,042	26,042
	<u>4,217,433</u>	<u>4,217,433</u>	<u>5,419,566</u>	<u>1,202,133</u>
EXPENDITURES:				
Home and community services	4,182,899	4,182,914	4,453,501	(270,587)
Debt service -				
Principal	-	-	69,039	(69,039)
Interest	-	-	12,100	(12,100)
	<u>4,182,899</u>	<u>4,182,914</u>	<u>4,534,640</u>	<u>(351,726)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>34,534</u>	<u>34,519</u>	<u>884,926</u>	<u>850,407</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(34,534)	(34,534)	(34,534)	-
Proceeds from leases	-	-	321,302	321,302
	<u>(34,534)</u>	<u>(34,534)</u>	<u>286,768</u>	<u>321,302</u>
CHANGE IN FUND BALANCE				
	<u>-</u>	<u>(15)</u>	<u>1,171,694</u>	<u>1,171,709</u>
FUND BALANCE - beginning of year				
	<u>608,452</u>	<u>608,452</u>	<u>608,452</u>	<u>-</u>
FUND BALANCE - end of year				
	<u>\$ 608,452</u>	<u>\$ 608,437</u>	<u>\$ 1,780,146</u>	<u>\$ 1,171,709</u>

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - HIGHWAY FUND (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Highway Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes	\$ 7,326,638	\$ 7,326,638	\$ 7,350,731	\$ 24,093
Nonproperty tax items	2,500,000	2,500,000	2,994,785	494,785
Departmental income	-	-	140,595	140,595
Intergovernmental charges	2,335,957	2,335,957	2,295,298	(40,659)
Use of money and property	3,500	3,500	146,101	142,601
Licenses and permits	35,000	35,000	46,275	11,275
State aid	300,000	300,000	719,622	419,622
Federal aid	-	-	774,795	774,795
Miscellaneous	170,000	170,000	125,503	(44,497)
Total revenues	<u>12,671,095</u>	<u>12,671,095</u>	<u>14,593,705</u>	<u>1,922,610</u>
EXPENDITURES:				
Transportation	9,921,146	9,908,562	10,531,322	(622,760)
Debt service -				
Principal	-	-	420,837	(420,837)
Interest	-	-	30,107	(30,107)
Total expenditures	<u>9,921,146</u>	<u>9,908,562</u>	<u>10,982,266</u>	<u>(1,073,704)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,749,949</u>	<u>2,762,533</u>	<u>3,611,439</u>	<u>848,906</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from issuance of leases	-	-	123,652	123,652
Transfers out	(2,749,949)	(2,749,949)	(2,482,145)	267,804
Total other financing sources and uses	<u>(2,749,949)</u>	<u>(2,749,949)</u>	<u>(2,358,493)</u>	<u>391,456</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>12,584</u>	<u>1,252,946</u>	<u>1,240,362</u>
FUND BALANCE - beginning of year	<u>1,052,006</u>	<u>1,052,006</u>	<u>1,052,006</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 1,052,006</u>	<u>\$ 1,064,590</u>	<u>\$ 2,304,952</u>	<u>\$ 1,240,362</u>

TOWN OF RAMAPO, NEW YORK

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - SPECIAL DISTRICTS FUND (UNAUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Special Districts Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes	\$ 15,064,659	\$ 15,064,659	\$ 15,093,633	\$ 28,974
Departmental income	5,720,000	5,720,000	8,285,268	2,565,268
Use of money and property	29,000	29,000	350,749	321,749
Federal aid	-	-	107,584	107,584
State aid	-	-	1,026	1,026
	<u>20,813,659</u>	<u>20,813,659</u>	<u>23,838,260</u>	<u>3,024,601</u>
EXPENDITURES:				
Public safety	531,475	531,475	525,525	5,950
Health	9,510,000	9,510,000	10,971,280	(1,461,280)
Home and community services	7,706,613	10,309,337	10,312,588	(3,251)
Debt service -				
Principal	-	-	49,550	(49,550)
Interest	-	-	1,625	(1,625)
	<u>17,748,088</u>	<u>20,350,812</u>	<u>21,860,568</u>	<u>(1,509,756)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,065,571</u>	<u>462,847</u>	<u>1,977,692</u>	<u>1,514,845</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(717,437)</u>	<u>(717,437)</u>	<u>(717,051)</u>	<u>386</u>
Total other financing sources and uses	<u>(717,437)</u>	<u>(717,437)</u>	<u>(717,051)</u>	<u>386</u>
CHANGE IN FUND BALANCE	<u>2,348,134</u>	<u>(254,590)</u>	<u>1,260,641</u>	<u>1,515,231</u>
FUND BALANCE - beginning of year	<u>4,989,442</u>	<u>4,989,442</u>	<u>4,989,442</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 7,337,576</u>	<u>\$ 4,734,852</u>	<u>\$ 6,250,083</u>	<u>\$ 1,515,231</u>

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

June 17, 2024

To the Honorable Supervisor and Town Board of the
Town of Ramapo, New York

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, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Ramapo, New York (Town), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated June 17, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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. Identified certain deficiencies in internal control, described in the accompanying 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 or significant deficiencies may exist that were not identified.

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(Continued)

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 (Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the of 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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2023-001.

Town's Response to Findings

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

Purpose of This Report

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

TOWN OF RAMAPO

**SCHEDULE OF FINDINGS
DECEMBER 31, 2023**

Section I—Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

TOWN OF RAMAPO

SCHEDULE OF FINDINGS (Continued) DECEMBER 31, 2023

Compliance Finding

2023-001 Budgeting

Criteria: Expenditures should not be made unless adequate budgetary appropriations are available for spending.

Condition: The Town's budgets for its General Fund, Police Fund, Town Outside Village Fund, Highway Fund and Special Districts Fund were over expended.

Effect: Overspending budgets has the potential to significantly impact the Town's fiscal health.

Cause: Budget amendments were not made, and certain expenditure budgets were over expended.

Recommendation: The Town should strengthen its budgetary and expenditure monitoring controls to ensure that future budgets are not over expended.

Management's response: The Town administration acknowledges the finding and commits to implementation effective remediation promptly.