

TOWN OF PITTSFORD, NEW YORK

**Financial Statements as of
December 31, 2024
Together with
Independent Auditor's
Report**

TOWN OF PITTSFORD, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

April 8, 2025

To the Town Board of the
Town of Pittsford, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Pittsford, New York (the Town), as of and for the year ended December 31, 2024, 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, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

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.

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INDEPENDENT AUDITOR'S REPORT

(Continued)

Responsibilities of Management For the Financial Statements (Continued)

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.

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 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, 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.

INDEPENDENT AUDITOR'S REPORT

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, statements of revenues, expenditures, and changes in fund balances – budget and actual, schedule of proportionate share of the net pension liability (asset), schedule of contributions - pension plan, and schedule of changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining nonmajor governmental fund and nonmajor special revenue fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor governmental fund and nonmajor special revenue fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

TOWN OF PITTSFORD, NEW YORK

Management's Discussion and Analysis (Unaudited) December 31, 2024

The management's discussion and analysis of the Town of Pittsford, New York's (the Town's) financial performance provides an overview of the Town's financial activities for the year ended December 31, 2024. Please read it in conjunction with the Town's basic financial statements.

Financial Highlights

- On the government-wide financial statements, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources by \$57,301,464.
- General revenues, which include real property tax, nonproperty tax items and mortgage tax, are \$19,694,225, or 76%, of all revenues. Program specific revenues in the form of Charges for Services and Operating and Capital Grants accounted for \$6,067,785, or 24%, of total revenues.
- The Town's governmental fund financial statements report a combined ending fund balance of \$27,559,347.
- At the end of the current year, the unassigned fund balance of the General Fund was \$3,167,834.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains individual fund statements and supplemental schedules in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of the Town's assets, deferred outflows/inflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.
- The *statement of activities* presents information showing how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The *governmental* activities of the Town include highway maintenance, snow removal, general administrative support, community service, fire protection services, water services, and interest on long-term debt.

Fund Financial Statements

A *fund* is a self-balancing 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 legal requirements. All of the funds of the Town can be divided into two categories: Governmental Funds and Fiduciary Funds.

- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains five major individual governmental funds; General Fund, General Fund - Town Outside Village, Highway Fund Part-Town, Highway Fund, and Consolidated Sewer District. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each fund.

The Town adopts an annual budget for the General Fund, General Fund - Town Outside Village, Highway Fund Part-Town, Highway Fund, and Consolidated Sewer District. A budgetary comparison statement has been provided for each major fund with an annually adopted budget within the basic financial statements to demonstrate compliance with the budget.

- The *Fiduciary Funds* are used to account for assets held by the Town in an agency capacity on behalf of others. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of these funds are not, and never will be, available to support the Town's programs.

Major Features of the Town-Wide and Fund Financial Statements

<u>Features</u>	<u>Fund Financial Statements</u>		
	<u>Town-Wide Statements</u>	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire Town	The activities of the Town are not proprietary or fiduciary, such as General administration, Highway, and Library	Instances in which the Town administers resources on behalf of someone else
Required Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet, Statement of Revenues and Expenditures, and Changes in Fund Balance	Statement of Fiduciary Net Position, and Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resource focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resource focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets or long-term liabilities included	All assets and liabilities both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Notes to Basic Financial Statements

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

Governmental-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position.

Table 1 - Net Position

	<u>2024</u>	<u>2023</u>
Assets:		
Current assets	\$ 31,650,829	\$ 30,724,318
Noncurrent assets	<u>61,408,815</u>	<u>62,100,656</u>
Total assets	<u>93,059,644</u>	<u>92,824,974</u>
Deferred Outflows Of Resources:		
Deferred amount on refunding	110,864	121,950
Pension related	3,735,084	4,007,104
Other postemployment benefits	<u>502,531</u>	<u>993,157</u>
Total deferred outflows of resources	<u>4,348,479</u>	<u>5,122,211</u>
Liabilities:		
Current liabilities	3,281,614	2,891,249
Noncurrent liabilities	<u>25,666,240</u>	<u>30,732,385</u>
Total liabilities	<u>28,947,854</u>	<u>33,623,634</u>
Deferred Inflows of Resources		
Pension related	2,255,420	376,711
Other postemployment benefits	5,800,282	8,105,727
Lease related	<u>3,103,103</u>	<u>2,789,565</u>
Total deferred inflows of resources	<u>11,158,805</u>	<u>11,272,003</u>
Net position:		
Net investment in capital assets	48,592,273	47,822,742
Restricted	21,031,048	19,807,904
Unrestricted	<u>(12,321,857)</u>	<u>(14,579,098)</u>
Total net position	<u>\$ 57,301,464</u>	<u>\$ 53,051,548</u>

By far, the largest component of the Town's net position is reflected in its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to the residents and consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

There are restricted net position balances which constituted 37% and 37% of total net position at the years ended December 31, 2024 and 2023, respectively. The remaining balance is unrestricted net position and may be used to finance future operations

Table 2 - Change in Net Position

	<u>2024</u>	<u>% of Total</u>	<u>2023</u>	<u>% of Total</u>
REVENUES:				
Charges for services	\$ 4,623,724	17.9%	\$ 4,047,397	16.3%
Operating grants and contributions	633,838	2.5%	488,365	2.0%
Capital grants and contributions	810,223	3.1%	922,129	3.7%
Taxes	17,843,890	69.3%	17,591,921	70.7%
Other revenues	<u>1,850,335</u>	<u>7.2%</u>	<u>1,828,464</u>	<u>7.3%</u>
Total revenues	<u>25,762,010</u>	<u>100.0%</u>	<u>24,878,276</u>	<u>100.0%</u>
EXPENSES:				
General governmental support	5,244,162	24.4%	5,002,515	22.2%
Public safety	756,795	3.5%	1,011,661	4.5%
Public health	70,380	0.3%	67,400	0.3%
Transportation	5,671,408	26.3%	6,700,567	29.7%
Economic assistance and opportunity	537,501	2.5%	496,888	2.2%
Culture and recreation	4,723,770	22.0%	5,153,052	22.9%
Home and community services	4,162,674	19.4%	3,744,731	16.6%
Interest on long term debt	<u>345,404</u>	<u>1.6%</u>	<u>360,680</u>	<u>1.6%</u>
Total expenses	<u>21,512,094</u>	<u>100.0%</u>	<u>22,537,494</u>	<u>100.0%</u>
Change in net position	<u>\$ 4,249,916</u>		<u>\$ 2,340,782</u>	

The Town relies upon taxes, charges for services, and capital grants as its primary revenue sources. Expenses are distributed dependent on the Town's services.

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the Town's governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. Amounts to be applied against next year's fund balance are reported as assigned resources.

As of the end of the current year, the Town's combined governmental fund balances were \$27,559,347, which is greater than last year's ending fund balance of \$26,516,916.

The General Fund is the chief operating fund of the Town. At the end of the current year, the total fund balance of the General Fund was \$7,528,748, of which \$3,167,834 was unassigned. The fund balance for the Town's General Fund decreased by \$472,884 in 2024, as a function of the Town's operating activities.

Budgetary Highlights

The key budget variances for the major funds are listed below.

<u>Revenue Items</u>	<u>Final Budget Variance vs. Actual</u>	<u>Explanation for Budget Variance</u>
General Fund - Departmental income	\$ 240,898	There was more interest in Recreation programs than anticipated.
General Fund - Use of money and property	\$ 398,263	Increase due to higher interest rates for Town investments.
General Fund - Federal aid	\$ 276,380	ARPA revenue recorded as expenditures on ARPA projects were incurred.
General Fund Town Outside Village - Nonproperty tax items	\$ 438,165	Sales tax revenue was higher than anticipated.
General Fund Town Outside Village - Use of money and property	\$ 69,835	Increase due to higher interest rates for Town investments.
General Fund Town Outside Village - Licenses and permits	\$ 140,131	Increase in building permit projects.
General Fund Town Outside Village - Sale of property and compensation for loss	\$ 107,790	Sale of equipment and vehicles associated with the Town's Fleet Replacement Schedule.
Highway Fund - Use of money and property	\$ 90,850	Increase due to higher interest rates for Town investments.
Highway Fund Part-Town - Nonproperty Tax Items	\$ 1,060,674	Sales tax revenue was higher than anticipated.
Highway Fund Part-Town - Use of money and property	\$ 217,061	Increase due to higher interest rates for Town investments.
Consolidated Sewer District - Use of money and property	\$ 123,396	Increase due to higher interest rates for Town investments.
Consolidated Sewer District - Sale of property and compensation for loss	\$ 89,091	Sale of equipment and vehicles associated with the Town's Fleet Replacement Schedule.
Consolidated Sewer District - Miscellaneous	\$ 39,035	Increase in Sewer entrance projects and the fees associated with them.

Budgetary Highlights (Continued)

<u>Expense Items</u>	Final Budget Variance vs. <u>Actual</u>	<u>Explanation for Budget Variance</u>
General Fund - General Governmental Support	\$ 410,265	Staff positions went unfilled for portions of the year; conservative budgeting of part time help and overtime; lower than expected increases in contractual expenses.
General Fund - Culture and Recreation	\$ 189,720	Conservative budgeting of part time help and overtime; lower than expected increases in contractual expenses.
General Fund - Employee Benefits	\$ 168,707	Lower than expected increases in expenses for employee healthcare and NYS Retirement.
General Fund Town Outside Village - General Governmental Support	\$ 73,234	Conservative budgeting of part time help and overtime; lower than expected increases in contractual expenses.
General Fund Town Outside Village - Home and Community Services	\$ 68,382	Conservative budgeting of part time help and overtime; lower than expected increases in contractual expenses.
Highway Fund - Transportation	\$ 213,836	Conservative budgeting of part time employee, and overtime; lower than expected increases in contractual expenses.
Highway Fund - Employee Benefits	\$ 95,615	Lower than expected increases in expenses for employee healthcare and NYS Retirement.
Highway Fund Part-Town - Transportation	\$ 424,770	Staff positions went unfilled for portions of the year; conservative budgeting of part time help and overtime; lower than expected increases in contractual expenses.
Highway Fund Part-Town - Employee Benefits	\$ 137,976	Lower than expected increases in expenses for employee healthcare and NYS Retirement.
Consolidated Sewer District - Home and Community Services	\$ 42,966	Conservative budgeting of part time help and overtime; lower than expected increases in contractual expenses.
Consolidated Sewer District - Employee Benefits	\$ 55,867	Lower than expected increases in expenses for employee healthcare and NYS Retirement.

Capital Assets

Capital assets, net of accumulated depreciation, are reflected below:

Table 3 - Capital Assets

<u>Class</u>	<u>2024</u>	<u>2023</u>
Land	\$ 6,128,566	\$ 6,128,566
Land development rights	11,513,343	11,513,343
Work in progress	1,365,021	732,869
Infrastructure	17,661,921	18,204,569
Buildings and improvements	21,170,600	22,162,572
Machinery and equipment	2,901,131	2,563,291
Leased assets	585,879	672,970
SBITA assets	<u>82,354</u>	<u>122,476</u>
Total capital assets, net of accumulated depreciation	<u>\$ 61,408,815</u>	<u>\$ 62,100,656</u>

During 2024, there were \$3,475,110 of capital asset additions. These additions were offset by \$4,135,463 of depreciation and amortization expense. More detailed information about the Town's capital assets is presented in the notes to the financial statements.

Long-Term Liabilities

The Town's general obligation and other long-term debt and obligations outstanding are summarized as follows at December 31:

Table 4 - Long-Term Liabilities

	<u>2024</u>	<u>2023</u>
Serial and statutory bonds, net	\$ 10,615,000	\$ 11,990,000
Bond premium	239,671	269,557
Lease liabilities	575,523	628,333
SBITA liabilities	20,411	69,402
Net pension liability	3,946,071	5,416,631
Total OPEB liability	10,149,609	12,213,120
Compensated absences	<u>119,955</u>	<u>98,128</u>
Total	<u>\$ 25,666,240</u>	<u>\$ 30,685,171</u>

The amount of principal paid on outstanding debt was approximately \$1,675,000 in 2024 and \$1,910,000 in 2023.

More detailed information about the Town's long-term liabilities is presented in the notes to the financial statements.

Factors Bearing on the Town's Future

The principal factors bearing on the Town of Pittsford are the long-term financial and economic consequences of the COVID-19 pandemic. The Town will receive \$2,876,402 in American Rescue Plan Act (ARPA) Federal Aid. The Town will be using the money to meet several needs including deferred maintenance items and addressing aging infrastructure. As we transition out of the COVID-19 pandemic: inflation is on the rise and costs have increased for staffing, day to day operations, and projects. However, the Town has been encouraged by strong positive trends for sales tax.

Factors Bearing on the Town's Future (Continued)

In light of building applications currently in the approval process before the Planning Board or already under construction, the Town's tax base will continue to grow. The Town Administration will continue to seek alternative funding sources, to pursue conservative and responsible fiscal practices and policies, and to undertake long range financial planning.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Pittsford
11 South Main Street
Pittsford, New York 14534
(585) 248-6225
Attn: Finance Director

TOWN OF PITTSFORD, NEW YORK

Statement of Net Position December 31, 2024

ASSETS

Cash and cash equivalents	\$ 11,443,000
Investments	14,934,137
Receivables	4,170
Due from State and Federal government	260,000
Due from other governments	1,477,590
Lease receivable	3,266,828
Prepaid expenses	265,104
Capital assets, nondepreciable	19,006,930
Capital assets, net	<u>42,401,885</u>
Total assets	<u>93,059,644</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred amount on refunding	110,864
Pension related	3,735,084
Other postemployment benefits related	<u>502,531</u>
Total deferred outflows of resources	<u>4,348,479</u>

LIABILITIES

Accounts payable	204,486
Due to other governments	265
Accrued liabilities	498,934
Accrued interest	68,948
Unearned revenue	284,694
Current portion of long-term debt	1,375,000
Current portion of lease liability	52,810
Current portion of SBITA liability	48,991
Current portion of other postemployment benefits liability	747,486
Long-term obligations -	
Long-term debt, net of current portion	10,854,671
Lease liability, net of current portion	575,523
SBITA liability, net of current portion	20,411
Compensated absences, net of current portion	119,955
Net pension liability	3,946,071
Total other postemployment benefits liability, net of current portion	<u>10,149,609</u>
Total liabilities	<u>28,947,854</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	2,255,420
Other postemployment benefits related	5,800,282
Lease related	<u>3,103,103</u>
Total deferred inflows of resources	<u>11,158,805</u>

NET POSITION

Net investment in capital assets	48,592,273
Restricted	21,031,048
Unrestricted	<u>(12,321,857)</u>
Total net position	<u>\$ 57,301,464</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Statement of Activities

For the Year Ended December 31, 2024

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
PRIMARY GOVERNMENT:					
Governmental activities -					
General governmental support	\$ 5,244,162	\$ 413,274	\$ 399,700	\$ -	\$ (4,431,188)
Public safety	756,795	68,720	-	37,805	(650,270)
Public health	70,380	-	-	-	(70,380)
Transportation	5,671,408	487,297	232,388	487,378	(4,464,345)
Economic assistance and opportunity	537,501	-	-	-	(537,501)
Culture and recreation	4,723,770	1,354,423	1,750	285,040	(3,082,557)
Home and community services	4,162,674	2,300,010	-	-	(1,862,664)
Interest on long-term debt	345,404	-	-	-	(345,404)
Total governmental activities	<u>\$ 21,512,094</u>	<u>\$ 4,623,724</u>	<u>\$ 633,838</u>	<u>\$ 810,223</u>	<u>(15,444,309)</u>
GENERAL REVENUES:					
Real property taxes and real property tax items					10,955,951
Nonproperty tax items					6,018,653
Mortgage tax					869,286
Use of money and property					1,580,055
Sale of property and compensation for loss					169,861
Miscellaneous					<u>100,419</u>
Total general revenues					<u>19,694,225</u>
Change in net position					<u>4,249,916</u>
Net position - beginning of year					<u>53,051,548</u>
Net position - end of year					<u>\$ 57,301,464</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Balance Sheet - Governmental Funds December 31, 2024

	General Fund	General - Town Outside Village	Highway Fund	Highway Fund Part- Town	Consolidated Sewer District	Total Nonmajor Governmental Funds	Total
ASSETS							
ASSETS:							
Cash and cash equivalents	\$ 3,711,546	\$ 1,107,143	\$ 398,987	\$ 2,765,258	\$ 1,644,705	\$ 1,815,361	\$11,443,000
Investments	4,112,100	1,967,294	1,413,801	4,853,585	1,137,583	1,449,774	14,934,137
Receivables	1,012	-	-	-	-	3,158	4,170
Due from State and Federal government	-	-	-	-	-	260,000	260,000
Due from other governments	26,345	420,862	-	1,030,383	-	-	1,477,590
Lease receivable	3,266,828	-	-	-	-	-	3,266,828
Prepaid expenditures	<u>106,463</u>	<u>24,264</u>	<u>38,439</u>	<u>45,372</u>	<u>24,839</u>	<u>25,727</u>	<u>265,104</u>
Total assets	<u>\$ 11,224,294</u>	<u>\$ 3,519,563</u>	<u>\$ 1,851,227</u>	<u>\$ 8,694,598</u>	<u>\$ 2,807,127</u>	<u>\$ 3,554,020</u>	<u>\$31,650,829</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES:							
Accounts payable	\$ 52,708	\$ 185	\$ 12,294	\$ 70,948	\$ 5,796	\$ 62,555	\$ 204,486
Accrued liabilities	254,776	41,576	113,445	9,788	32,820	46,529	498,934
Due to other governments	265	-	-	-	-	-	265
Unearned revenue	<u>284,694</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>284,694</u>
Total liabilities	<u>592,443</u>	<u>41,761</u>	<u>125,739</u>	<u>80,736</u>	<u>38,616</u>	<u>109,084</u>	<u>988,379</u>
DEFERRED INFLOWS OF RESOURCES:							
Deferred inflows of resources - leases	<u>3,103,103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,103,103</u>
Total deferred inflows of resources	<u>3,103,103</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,103,103</u>
FUND BALANCES:							
Nonspendable	106,463	24,264	38,439	45,372	24,839	25,727	265,104
Restricted	2,286,775	3,453,538	1,687,049	8,568,490	2,743,672	2,291,524	21,031,048
Assigned	1,967,676	-	-	-	-	1,127,685	3,095,361
Unassigned	<u>3,167,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,167,834</u>
Total fund balances	<u>7,528,748</u>	<u>3,477,802</u>	<u>1,725,488</u>	<u>8,613,862</u>	<u>2,768,511</u>	<u>3,444,936</u>	<u>27,559,347</u>
Total liabilities, deferred inflows of resources and, fund balances	<u>\$ 11,224,294</u>	<u>\$ 3,519,563</u>	<u>\$ 1,851,227</u>	<u>\$ 8,694,598</u>	<u>\$ 2,807,127</u>	<u>\$ 3,554,020</u>	<u>\$31,650,829</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position December 31, 2024

Total fund balance - governmental funds \$ 27,559,347

Total net position reported for governmental activities in the statement of net position is different because:

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

Cost of capital assets	142,197,939	
Accumulated depreciation and amortization	<u>(80,789,124)</u>	
		61,408,815

Deferred outflows of resources are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows - pension related	3,735,084
Deferred outflows - deferred amount on refunding	110,864
Deferred outflows - other postemployment benefits	502,531

Net pension obligations are not due and payable in the current period and, therefore, are not reported in the funds.

Net pension liability	(3,946,071)
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Other postemployment benefit obligations are not due and payable in the current period and, therefore, are not reported in the funds.

(10,897,095)

Deferred inflows of resources are applicable to future periods and, therefore, are not reported in the funds.

Deferred inflows - pension related	(2,255,420)
Deferred inflows - other postemployment benefits	(5,800,282)

Accrued interest on long-term debt, including leases and SBITAs are an expense in the funds when paid, but a liability in the statement of net position when incurred.

(68,948)

Bonds payable and other noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Serial and statutory bonds	(11,990,000)	
Bond premium	(239,671)	
Compensated absences	(119,955)	
SBITA liability	(69,402)	
Lease liability	<u>(628,333)</u>	
		<u>(13,047,361)</u>

Total net position of governmental activities \$ 57,301,464

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds For the Year Ended December 31, 2024

	General Fund	General - Town Outside Village	Highway Fund	Highway Fund Part- Town	Consolidated Sewer District	Total Nonmajor Governmental Funds	Total
REVENUES:							
Real property taxes and tax items	\$ 6,646,839	\$ 170,808	\$ 1,945,348	\$ 451,277	\$ 1,625,636	\$ 2,596,196	\$ 13,436,104
Nonproperty tax items	369,814	1,638,165	-	4,010,674	-	-	6,018,653
Departmental income	1,138,898	31,566	-	-	5,582	134,152	1,310,198
Intergovernmental charges	105,870	-	410,597	-	-	-	516,467
Interfund revenues	58,341	-	-	-	-	-	58,341
Use of money and property	746,663	104,935	116,850	287,061	153,396	171,150	1,580,055
Licenses and permits	26,416	241,931	-	-	2,040	-	270,387
Fines and forfeitures	46,519	-	-	-	-	-	46,519
Sale of property and compensation for loss	85	107,790	347	-	89,091	-	197,313
Miscellaneous	42,584	-	-	-	57,835	-	100,419
State aid	984,928	-	-	398,589	-	260,000	1,643,517
Federal aid	669,830	-	-	-	-	-	669,830
Total revenues	10,836,787	2,295,195	2,473,142	5,147,601	1,933,580	3,161,498	25,847,803
EXPENDITURES:							
General governmental support	3,943,173	269,709	-	350,000	-	7,571	4,570,453
Public safety	304,160	300,354	-	-	-	324,045	928,559
Public health	70,380	-	-	-	-	-	70,380
Transportation	173,201	-	1,955,437	2,897,077	-	167,568	5,193,283
Economic assistance and opportunity	450,419	-	-	-	-	-	450,419
Culture and recreation	2,231,343	-	-	-	-	1,871,901	4,103,244
Home and community services	217,986	731,620	-	2,179	1,609,492	659,604	3,220,881
Employee benefits	1,799,442	355,078	651,655	870,849	378,933	396,314	4,452,271
Debt service -							
Principal	97,572	-	-	-	-	1,345,000	1,442,572
Interest	28,359	-	-	-	-	344,951	373,310
Total expenditures	9,316,035	1,656,761	2,607,092	4,120,105	1,988,425	5,116,954	24,805,372
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,520,752	638,434	(133,950)	1,027,496	(54,845)	(1,955,456)	1,042,431
OTHER FINANCING SOURCES (USES):							
Operating transfers - in	448,115	-	158,300	267,000	-	2,141,232	3,014,647
Operating transfers - out	(2,441,751)	-	-	(172,860)	-	(400,036)	(3,014,647)
Total other financing sources and uses	(1,993,636)	-	158,300	94,140	-	1,741,196	-
CHANGE IN FUND BALANCE	(472,884)	638,434	24,350	1,121,636	(54,845)	(214,260)	1,042,431
FUND BALANCE - beginning of year	8,001,632	2,839,368	1,701,138	7,492,226	2,823,356	3,659,196	26,516,916
FUND BALANCE - end of year	\$ 7,528,748	\$ 3,477,802	\$ 1,725,488	\$ 8,613,862	\$ 2,768,511	\$ 3,444,936	\$ 27,559,347

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances - Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2024

Net change in fund balances - governmental funds \$ 1,042,431

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense. Also, depreciation and amortization is recorded in the statement of activities, but not as a change in fund balance of the governmental funds. The outlay is allocated over the assets' estimated useful lives as depreciation or amortization expense for the period.

Capital additions	3,471,074	
Depreciation and amortization	(4,135,463)	
Loss on disposal of assets	<u>(27,452)</u>	
		(691,841)

Governmental funds report pension contributions as expenditures; however, in the statement of activities, the cost of pension benefits earned, net of employer contributions is reported as pension expense.

(680,169)

Governmental funds report other postemployment benefit contributions as expenditures; however, in the statement of activities, the cost of other postemployment benefits earned, net of employer contributions is reported as total other postemployment benefits.

3,130,844

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Lease principal repayment	50,358	
SBITA principal repayment	47,214	
Bond principal repayment	1,345,000	
Bond premium amortization	29,886	
Deferred amount on refunding amortization	(11,086)	
Change in accrued interest	9,106	
Change in compensated absences	<u>(21,827)</u>	
		<u>1,448,651</u>

Change in net position of governmental activities \$ 4,249,916

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Statement of Fiduciary Net Position December 31, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	<u>\$ 44,272</u>
Total assets	<u>44,272</u>
LIABILITIES	
Accounts payable	<u>2,530</u>
Total liabilities	<u>2,530</u>
FUND BALANCE	
Restricted for others	<u>41,742</u>
Total fund balance	<u>\$ 41,742</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Statement of Changes in Fiduciary Net Position For the Year Ended December 31, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Property taxes collected for other governments	\$ 117,025,339
Bail deposits collected	32,795
Interest earnings	<u>49</u>
Total additions	<u>117,058,183</u>
DEDUCTIONS	
Property taxes remitted to other governments	117,025,339
Bail deposits returned	<u>2,530</u>
Total deductions	<u>117,027,869</u>
Change in net position	30,314
NET POSITION - beginning of year	<u>11,428</u>
NET POSITION - end of year	<u>\$ 41,742</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

Notes to the Basic Financial Statements December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Pittsford, New York (the Town) are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

Financial Reporting Entity

The Town is governed by its charter, Town Law, other general laws of the State of New York and various local laws. The Town Board, which is the legislative body responsible for the overall operation of the Town, consists of the Supervisor and four Councilpersons. The Supervisor serves as Chief Executive Officer and Chief Fiscal Officer of the Town.

The Town provides the following basic services to all or some residents of the Town: highway maintenance, recreation facilities and programs, environmental services, and library services.

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

All governmental activities and functions performed by the Town are its direct responsibility; no other governmental organizations have been included or excluded from the reporting entity.

The decision to include a potential component unit in the Town's reporting entity is based on several criteria set forth by the GASB including legal standing, fiscal dependency, and financial accountability. A component unit is included in the Town's reporting entity if it is both fiscally dependent on the Town and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Based on the application of these criteria, the Town has determined there are no other organizations that meet criteria for inclusion in the reporting entity of the Town.

A. Included in the Reporting Entity

A separate Board has been established pursuant to Education Law to manage the operations of the public library. This separate Board is administratively and financially dependent on the Town and, accordingly, the related financial activity is included within the accompanying financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Reporting Entity (Continued)

B. Excluded from the Reporting Entity

Although the following organizations, functions, or activities are related to the Town, they are not included in the Town reporting entity because of the reasons noted:

1. The Pittsford Fire District is an independent district corporation that has the authority to levy its own property taxes and borrow in its own name, and for which the governing commissioners are elected by the residents of this Fire District. The Board of Fire Commissioners has complete responsibility for management of this Fire District and its fiscal affairs. The Town Board exercises no oversight over this Fire District's operations. Their audit reports may be obtained by contacting the Pittsford Fire District.
2. The Brighton Fire District overlaps the Town and is an independent district corporation that has the authority to levy its own property taxes and borrow in its own name, and for which the governing commissioners are elected by the residents of this Fire District. The Board of Fire Commissioners has complete responsibility for management of this Fire District and its fiscal affairs. The Town Board exercises no oversight over this Fire District's operations. Their audit reports may be obtained by contacting the Brighton Fire District.

Basis of Presentation

Government-Wide Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the Town's services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The Town first uses restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions, i.e., public safety and transportation, etc. The functions are also supported by general government revenues (property, sales taxes, mortgage tax, state revenue sharing, and investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants, if applicable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Government-Wide Statements (Continued)

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (custodial). Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Town, these funds are not incorporated into the government-wide financial statements.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Fund Financial Statements

The emphasis in the fund financial statements is on the major funds. Nonmajor funds are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of the assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

- a) **Governmental Funds** - Governmental funds are those major and nonmajor funds through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. The following are the Town's governmental fund types:

Major Governmental Funds:

- **General Fund** - the primary operating fund of the Town and includes all revenues and expenditures not required by law to be accounted for in other funds.
- **General Fund - Town Outside Village** - includes all general fund operations taking place outside the Village.
- **Highway Fund and Highway Fund Part-Town** - special revenue funds used to account for taxes, user fees, or other revenues which are raised or received to provide highway services to areas throughout the Town.
- **Consolidated Sewer District** - special revenue fund used to account for taxes, user fees, or other revenues which are raised or received to provide sewer services to areas throughout the Town.

Nonmajor Governmental Funds

The other funds, which do not meet the major fund criteria are aggregated and reported as nonmajor governmental funds. The following are reported as nonmajor governmental funds:

- **Debt Service Fund** - used to account for financial resources accumulated for payment of future principal and interest on long-term indebtedness.
- **Capital Projects Fund** - used to account for financial resources to be used for the acquisition, construction or renovation of capital facilities; or the acquisition of equipment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

- Special Revenue Funds - used to account for taxes, user fees, or other revenues, which are raised or received to provide special services to areas that may or may not encompass the whole Town. The following are nonmajor special revenue funds utilized by the Town:
 - Public Library Fund
 - Park Districts
 - Park Land Deposits Fund
 - Lighting Districts
 - Refuse Districts
 - Fire Protection Fund
 - Ambulance District Fund

Fiduciary Funds

Fiduciary funds are used to account for assets held by the local government in a trustee or custodial capacity.

- **Custodial Fund** - 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.

Basis of Accounting/Measurement Focus

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the Town gives or receives value without directly receiving or giving equal value in exchange, include grants and donations. On an accrual basis, revenue from grants and donations are recognized in the year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within one year of the balance sheet date.

Material revenues that are accrued include real property taxes, state and federal aid, distributed sales taxes, certain user charges, and some departmental fees. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

Expenditures are recorded when incurred except that:

- Principal and interest on indebtedness is not recognized as an expenditure until due and paid.
- Compensated absences, such as vacation and sick time which vests or accumulates, are charged as an expenditure when due and payable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Real Property Taxes

Real property taxes are levied January 1 and collected by the Receiver of Taxes without interest through February 10, and through May 31 with interest and penalties. Taxes for County purposes are levied together with taxes for town and special district purposes on a single bill. The Town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. Uncollected taxes at June 1 are turned over to Monroe County for collection. At year end, all Town and special district taxes had been collected, and therefore, no reserve was necessary.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents and Investments

The Town's cash and cash equivalents consist of cash on hand, demand deposits, money market accounts, and short-term certificates of deposit. The Town's investments consist of investments in NYCLASS external investment pool. NYCLASS is measured at amortized cost, which closely approximates fair value.

Accounts Receivable, Due from State and Federal, and Lease Receivable

Receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. Generally accepted accounting principles require the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Prepaid Items

Prepaid items represent payments made by the Town for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as assets on the statement of net position and balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded at fair market value at the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset, are capitalized. Costs incurred for repairs and maintenance are expensed as incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Depreciation on all assets is recorded on the straight-line basis over the following useful lives:

<u>Class</u>	<u>Life in Years</u>
Buildings	20 – 50 years
Improvements	5 – 30 years
Machinery and equipment	5 – 25 years
Infrastructure:	
Bridges	30 years
Roads, sidewalks, curbing, light systems, gutters	15 years
Sewer systems	60 years

Capital assets also include lease assets and subscription-based information technology arrangements (SBITAs) assets with a term greater than one year. The Town does not implement a capitalization threshold for lease or SBITA assets. Lease and SBITA assets are amortized on a straight-line basis over the term of the lease/SBITA.

Compensated Absences

The Town recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – *vacation* and *sick leave*. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

The Town's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment, subject to certain maximum limitations.

Sick Leave

The Town's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the Town and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Postemployment Benefits

The Town provides postemployment health insurance coverage to its retired employees and their survivors. Substantially all employees may become eligible for these benefits when they reach eligible retirement age and have worked 20 years for the Town. The Town made no provision for recognizing the cost of postemployment benefits which may eventually be paid to employees who have not yet retired on the governmental funds statements. On the government-wide statements, these amounts attributable to past service have been recorded as a liability. On June 16, 2015, the Town Board passed a resolution stating that any person commencing employment with the Town, or re-commencing employment having been employed by the Town previously, on or after July 1, 2015 shall no longer be paid medical benefits in retirement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unearned Revenue

The Town reports unearned revenues in its basic financial statements. Unearned revenue arises when a potential revenue does not meet both the measurable and available criteria for recognition in the current period under the modified accrual method of accounting. Unearned revenue also arises when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Town has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred outflows/inflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then. The separate financial statement element, deferred inflows of resources, 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.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the Town's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies, are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the funds. Encumbrances are reported in the restricted, committed, or assigned fund balance category from which their spending authorization has been recorded since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

Interfund Transactions

The operations of the Town include transactions between funds. These transactions may be temporary in nature, such as with certain interfund borrowings. The Town typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financial or other services.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Additionally, deferred outflows or inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- **Restricted net position** - consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of another government; or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, and then unrestricted resources as they are needed.

Fund Statements

Generally accepted accounting principles provide more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Nonspendable Fund Balances**
These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted Fund Balances**
These are amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- **Committed Fund Balances**
These are amounts that can be used only for specific purposes determined by a formal action of the Town Board prior to year end. The Town Board is the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Town Board.
- **Assigned Fund Balances**
These are amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Town Board or its designee can make a determination of the assigned amounts of fund balance.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Statements (Continued)

- **Unassigned Fund Balances**

These are all other spendable amounts.

Absent a Town-wide policy, when an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town Board has provided otherwise in its commitment or assignment actions.

2. **STEWARDSHIP**

Budget Policies - The budget policies are as follows:

- a. No later than October 30, the budget officer submits a tentative budget to the Town Clerk for submission to the Town Board for the year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing them.
- b. After public hearings are conducted to obtain taxpayer comments, no later than December 20, the Town Board adopts the budget.
- c. All modifications of the budget must be approved by the Town Board. (However, the Supervisor is authorized to transfer certain budgeted amounts within departments).
- d. Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects, which remain in effect for the life of the project.

Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year. Budgetary comparison schedules are presented as required supplementary information in the basic financial statements.

2. STEWARDSHIP (Continued)

Budget/GAAP Reconciliation

The Town reports its budgetary status with the actual data, including outstanding encumbrances as charges against budget appropriations. This results in the following reconciliation of the fund balances computed on GAAP basis and budgetary basis:

General Fund:

GAAP basis fund balance at December 31, 2024	\$ 7,528,748
Less: Outstanding encumbrances	<u>(265,683)</u>
Budgetary basis fund balance at December 31, 2024	<u>\$ 7,263,065</u>

General Fund - Town Outside Village:

GAAP basis fund balance at December 31, 2024	\$ 3,477,802
Less: Outstanding encumbrances	<u>(16,271)</u>
Budgetary basis fund balance at December 31, 2024	<u>\$ 3,461,531</u>

Highway Fund:

GAAP basis fund balance at December 31, 2024	\$ 1,725,488
Less: Outstanding encumbrances	<u>(784,649)</u>
Budgetary basis fund balance at December 31, 2024	<u>\$ 940,839</u>

Highway Fund Part-Town:

GAAP basis fund balance at December 31, 2024	\$ 8,613,862
Less: Outstanding encumbrances	<u>(214,979)</u>
Budgetary basis fund balance at December 31, 2024	<u>\$ 8,398,883</u>

Consolidated Sewer District:

GAAP basis fund balance at December 31, 2024	\$ 2,768,511
Less: Outstanding encumbrances	<u>(74,929)</u>
Budgetary basis fund balance at December 31, 2024	<u>\$ 2,693,582</u>

3. DEPOSITS AND INVESTMENTS

State statutes govern the Town's investment policies. The Town has its own written deposit and investment policy, which is compliant with Section 39 of the General Municipal Law.

Credit Risk

Town monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within New York State. The Town is authorized to invest in special time deposit accounts, certificates of deposit, obligations of the United States, and obligations of the State of New York.

3. DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits or investments may not be returned to it. All deposits of the Town in excess of the amount insured by the Federal Deposit Insurance Act must be secured by the following:

- A pledge of eligible securities with an aggregated market value equal to the amount of deposits. Eligible securities include: obligations issued by the United States; obligations issued or fully guaranteed by the State of New York; obligations issued by states rated in one of the three highest rating categories; obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization; obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, and the African Development Bank; obligations of counties, cities, and other governmental entities of a State other than New York State having the power to levy taxes that are backed by the full faith and credit of such governmental entity.
- An eligible surety bond payable to the government executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.
- An irrevocable letter of credit issued by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State and its municipalities. At year end, demand deposits and certificates of deposit for the Town were entirely covered by FDIC insurance or collateral held by trust companies located within the State.

The Town's aggregate bank balances were insured and collateralized as follows:

<u>Description</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Primary government	\$ 11,615,759	\$ 11,443,000
Fiduciary funds	<u>43,861</u>	<u>44,272</u>
Cash and cash equivalents	<u>\$ 11,659,620</u>	<u>\$ 11,487,272</u>
Category 1: Covered by FDIC insurance	\$ 1,000,000	
Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	<u>10,659,620</u>	
	<u>\$ 11,659,620</u>	

3. DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk (Continued)

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Cash is restricted in the governmental funds in the amount of \$3,734,163 representing the cash balance of the Town's reserve funds. The cash balance in the Park Land Deposits Fund, \$294,001, is also restricted as to its use.

The Town categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Town did not have any investments that are measured using Level 2 or Level 3 inputs.

The Town participates in the New York Cooperative Liquid Asset Securities System (NYCLASS) local government investment pool. A separate financial report for NYCLASS is prepared in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Copies of the report can be obtained from the NYCLASS website at newyorkclass.org.

NYCLASS measures its investments at fair value in accordance with Paragraph 41 of Statement 79 and Paragraph 11 of Statement 31, and therefore, a Participant's investment in NYCLASS is not required to be categorized within the fair value hierarchy of Paragraph 81a(2) of Statement 72.

NYCLASS is rated by S&P Global Ratings. The current rating is 'AAAm'.

The dollar weighted average days to maturity (WAM) of NYCLASS at December 31, 2024 is 43 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of NYCLASS at December 31, 2024 is 83 days. This is the most recent available data for WAL.

The U.S. Treasuries within the NYCLASS portfolio are backed by the full faith and credit of the United States Government and therefore do not require collateral. New York State Municipal Bonds within the portfolio are backed by the full faith and credit of the State of New York and therefore do not require collateral. The other permissible investment security types are collateralized in accordance with NYS GML Section 10 and the NYCLASS Investment Policy. Repurchase Agreements (repo) are collateralized 102% by either U.S. Treasuries or U.S. Agencies. Certificates of Deposit (CD) also require full collateral; currently NYCLASS CDs are being collateralized by Federal Home Loan Bank (FHLB) Letters of Credit (LOC).

NYCLASS Portfolio Holdings as of December 31, 2024:

U.S. Treasury Securities (Full Faith and Credit)	71.52%
Repurchase Agreements (Collateralized)	15.88%
Bank Deposits (Collateralized)	10.83%
FDIC Insured Bank Deposits	<u>1.77%</u>
	100.00%

The Town had the following investments as of December 31, 2024:

NYCLASS Investment	<u>\$ 14,934,137</u>
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4. CAPITAL ASSETS

Capital asset activity for the year ending December 31, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 6,128,566	\$ -	\$ -	\$ 6,128,566
Land development rights	11,513,343	-	-	11,513,343
Work in progress	<u>732,869</u>	<u>636,188</u>	<u>(4,036)</u>	<u>1,365,021</u>
Total non-depreciable assets	<u>18,374,778</u>	<u>636,188</u>	<u>(4,036)</u>	<u>19,006,930</u>
Capital assets being depreciated:				
Buildings and improvements	35,820,053	-	-	35,820,053
Machinery and equipment	10,777,519	1,495,452	(762,667)	11,510,304
Infrastructure	<u>73,700,701</u>	<u>1,343,470</u>	<u>-</u>	<u>75,044,171</u>
Total depreciable assets at cost	<u>120,298,273</u>	<u>2,838,922</u>	<u>(762,667)</u>	<u>122,374,528</u>
Less: Accumulated depreciation for:				
Buildings and improvements	(13,657,481)	(991,972)	-	(14,649,453)
Machinery and equipment	(8,214,228)	(1,130,160)	735,215	(8,609,173)
Infrastructure	<u>(55,496,132)</u>	<u>(1,886,118)</u>	<u>-</u>	<u>(57,382,250)</u>
Total accumulated depreciation	<u>(77,367,841)</u>	<u>(4,008,250)</u>	<u>735,215</u>	<u>(80,640,876)</u>
Total depreciable assets - net	<u>42,930,432</u>	<u>(1,169,328)</u>	<u>(27,452)</u>	<u>41,733,652</u>
Lease right-to-use assets:				
Equipment	921	-	(921)	-
Building	<u>823,612</u>	<u>-</u>	<u>(169,729)</u>	<u>653,883</u>
Total lease right-to-use assets	<u>824,533</u>	<u>-</u>	<u>(170,650)</u>	<u>653,883</u>
Less: Accumulated amortization for:				
Equipment	(850)	(71)	921	-
Building	<u>(150,713)</u>	<u>(87,020)</u>	<u>169,729</u>	<u>(68,004)</u>
Total accumulated amortization for lease assets	<u>(151,563)</u>	<u>(87,091)</u>	<u>170,650</u>	<u>(68,004)</u>
Total lease assets, net	<u>672,970</u>	<u>(87,091)</u>	<u>-</u>	<u>585,879</u>

4. CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
SBITA assets:				
Subscription IT assets	<u>162,598</u>	<u>-</u>	<u>-</u>	<u>162,598</u>
Total SBITA assets	<u>162,598</u>	<u>-</u>	<u>-</u>	<u>162,598</u>
Less: Accumulated amortization for:				
Subscription IT assets	<u>(40,122)</u>	<u>(40,122)</u>	<u>-</u>	<u>(80,244)</u>
Total accumulated amortization for SBITA assets	<u>(40,122)</u>	<u>(40,122)</u>	<u>-</u>	<u>(80,244)</u>
Total SBITA assets, net	<u>122,476</u>	<u>(40,122)</u>	<u>-</u>	<u>82,354</u>
Total capital assets - net	<u>\$ 62,100,656</u>	<u>\$ (660,353)</u>	<u>\$ (31,488)</u>	<u>\$ 61,408,815</u>

Depreciation expense and amortization expense for the period were charged to functions/programs as follows:

	<u>Depreciation</u>	<u>Amortization</u>
General governmental	\$ 85,914	\$ 127,213
Public safety	28,060	-
Transportation	2,238,283	-
Economic assistance	17,132	-
Culture and recreation	925,006	-
Home and community	<u>713,855</u>	<u>-</u>
Total	<u>\$ 4,008,250</u>	<u>\$ 127,213</u>

5. INTERFUND TRANSACTIONS - GOVERNMENTAL FUNDS

Interfund receivables and payables, and transfers in and out, as of and for the year ended December 31, 2024 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Whole Town Fund	\$ -	\$ -	\$ 448,115	\$ 2,441,751
General Part-Town Fund	-	-	-	-
Highway Whole Town Fund	-	-	158,300	-
Highway Part-Town Fund	-	-	267,000	172,860
Capital Projects Fund	-	-	469,782	400,036
Debt Service Fund	<u>-</u>	<u>-</u>	<u>1,671,450</u>	<u>-</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,014,647</u>	<u>\$ 3,014,647</u>

5. INTERFUND TRANSACTIONS - GOVERNMENTAL FUNDS (Continued)

Interfund transactions between governmental activities are eliminated on the Statement of Net Position. The Town typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues.

6. LEASES

Lessee Agreements

The Town leases 3750 Monroe Ave for the Town Court and also leases a Mailstation Meter from Pitney Bowes. For the Town Court lease, the Town entered into a 20-year lease agreement, effective April 2004. The monthly lease payment for the Town Court includes a variable payment of \$2,750 for estimated operating costs which are reconciled at year end; this payment is not included in the calculation of the lease liability. For the Town Court lease, the Town entered into a 10-year lease extension agreement, effective December 2023. For the lease extension, the Town has used the effective interest rate of 3.70%. The Town also has the five-year Mailstation Meter lease entered into in February 2019. For the Mailstation Meter lease, the Town has used the effective interest rate of 2.05%. Both of the leases do not include an option for renewal.

Activity of lease liabilities for the year ended December 31, 2024 is summarized as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
\$ 678,691	\$ -	\$ (50,358)	\$ 628,333	\$ 52,810

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 52,810	\$ 22,363	\$ 75,173
2026	55,945	20,357	76,302
2027	59,214	18,232	77,446
2028	62,624	15,983	78,607
2029	66,180	13,606	79,786
2030 - 2034	<u>331,560</u>	<u>28,104</u>	<u>359,664</u>
Total	<u>\$ 628,333</u>	<u>\$ 118,645</u>	<u>\$ 746,978</u>

Lessor Agreements

The Town is the lessor of building space to Starbucks Corporation. In February 2017, the Town entered into a ten-year lease. The agreement also includes six five-year renewal options, which the lessee is reasonably certain to exercise. These are included in the total remaining lease term. At the time of the initial measurement, there was no interest rate specified in the original lease agreement. The Town used the effective interest rate of 2.05%. The Town is also the lessor of land to Bell Atlantic for a Verizon Cell Tower. The Town entered into a five-year lease agreement, effective March 2024. The agreement also includes four five-year renewal options, which the lessee is reasonably certain to exercise. These are included in the total remaining lease term. The Town has used the effective interest rate of 3.70%.

6. LEASES (Continued)

Lessor Agreements (Continued)

Activity of lease inflows for the year ended December 31, 2024 is summarized as follows:

	<u>Lease-related revenue</u>	<u>Balance</u>
Lease revenue		
Building		\$ 13,712
Interest revenue		84,108
Variable and other revenue		<u>71,527</u>
Total		<u>\$ 169,347</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 38,105	\$ 73,264	\$ 111,369
2026	39,414	72,370	111,784
2027	48,380	71,379	119,759
2028	51,479	70,223	121,702
2029	53,125	69,017	122,142
2030-2034	321,352	324,486	645,838
2035-2039	430,189	280,706	710,895
2040-2044	560,135	222,436	782,571
2045-2049	686,373	147,140	833,513
2050-2054	698,331	72,761	771,092
2055-2059	<u>339,945</u>	<u>7,896</u>	<u>347,841</u>
Total	<u>\$ 3,226,828</u>	<u>\$ 1,411,678</u>	<u>\$ 4,678,506</u>

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

SBITA Agreements

The Town has multiple subscriptions which are considered to be SBITAs. The SBITAs have various inception dates with remaining terms of 16 - 36 months. The SBITAs contain renewal options. The interest rate/discount rate associated with the SBITAs is 3.70%.

Activity of SBITA liabilities for the year ended December 31, 2024 is summarized as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<u>\$ 116,616</u>	<u>\$ -</u>	<u>\$ (47,214)</u>	<u>\$ 69,402</u>	<u>\$ 48,991</u>

**7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)
(Continued)**

SBITA Agreements (Continued)

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 48,991	\$ 2,406	\$ 51,397
2026	<u>20,411</u>	<u>674</u>	<u>21,085</u>
Total	<u>\$ 69,402</u>	<u>\$ 3,080</u>	<u>\$ 72,482</u>

8. PENSION PLAN

New York State Employees' Retirement System (NYSERS)

The Town participates in the New York State and Local Employees' Retirement System (ERS) also referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system, providing 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 (the Fund), established to hold all net position and record changes in plan net position allocated to the System. The System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an 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 changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The system is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Contributions

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 contribute 3% percent of their salary for their entire length of service. Members who joined on or after April 1, 2012 contribute between 3-6% of their annual compensation. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

2024	\$	914,276
2023	\$	739,432
2022	\$	989,039

8. PENSION PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At December 31, 2024, the Town reported a net pension liability of \$3,946,071 for its proportionate share of the Systems net pension liability. The net pension liability was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Town's proportionate share of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2024, the Town's proportionate share was 0.0268002%, which was an increase from its proportionate share of 0.0252594% at December 31, 2023.

For the year ended December 31, 2024, the Town recognized pension expense of \$1,699,026. At December 31, 2024, the Town reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 1,271,026	\$ 107,599
Changes of assumptions	1,491,920	-
Net difference between projected and actual earnings on pension plan investments	-	1,927,634
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	183,424	220,187
Contributions subsequent to the measurement date	<u>788,714</u>	<u>-</u>
Total	<u>\$ 3,735,084</u>	<u>\$ 2,255,420</u>

Amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:	<u>Amount</u>
2025	\$ (740,348)
2026	720,533
2027	1,133,492
2028	<u>(422,727)</u>
Total	<u>\$ 690,950</u>

The Town recognized \$788,714 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2024, which will be recognized as a reduction of the net pension liability in the year ended December 31, 2025.

8. PENSION PLAN (Continued)

Actuarial Assumptions

The total pension liability at March 31, 2024 was determined by using an actuarial valuation as of April 1, 2023, with update procedures used to roll forward the total pension liability to March 31, 2024.

The actuarial valuation used the following actuarial assumptions:

Inflation	2.9%
Salary scale	4.4% in ERS, indexed by service
Investment Rate of Return, including inflation expenses	5.9% compounded annually, net of investment expenses
Cost of living adjustments	1.5% annually
Decrement	Developed from the Plan's 2015 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2021

Long-term Rate of Return

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 return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Long-Term Expected Rate of Return

<u>Asset Class</u>	<u>Target Allocations in %</u>	<u>Long-Term Expected Real Rate of Return in %</u>
Domestic Equity	32.00	4.00%
International Equity	15.00	6.65%
Private Equity	10.00	7.25%
Real Estate	9.00	4.60%
Opportunistic/Absolute Return Strategies	3.00	5.25%
Credit	4.00	5.40%
Real Assets	3.00	5.79%
Fixed Income	23.00	1.50%
Cash	<u>1.00</u>	0.25%
Total	<u>100.00</u>	

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 determined. Based upon the assumptions, the Plan'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.

8. PENSION PLAN (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Town's proportionate share of the net pension asset calculated using the discount rate of 5.9%, as well as what the Town's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1% lower (4.9%) or 1% higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Proportionate Share of Net Pension liability (asset)	\$ <u>12,406,847</u>	\$ <u>3,946,071</u>	\$ <u>(3,120,434)</u>

Pension Plan Fiduciary Net Position (000's)

The components of the current-year net pension asset of the employers as of March 31, 2024 were as follows:

Total pension liability	\$ 240,696,851
Net position	<u>225,972,801</u>
Net pension liability (asset)	\$ <u>14,724,050</u>
ERS net position as a percentage of total pension liability	93.88%

9. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description

The Town provides certain health care benefits for retired employees. The Town administers the Retirement Benefits Plan (the "Retirement Plan") as a single-employer defined benefit Other Postemployment Benefit Plan (OPEB).

In general, the Town provides medical and dental benefits for retirees. There were approximately 106 retired employees and spouses or beneficiaries receiving benefits at December 31, 2024. Eligible employees must have had 20 years of service with the Town and have been eligible for retirement pursuant to the System prior to the discontinuation of additional participants. The Retirement Plan does not issue a standalone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan in a trust that meets all of the criteria in GASB statement No. 75, paragraph 4.

Benefits Provided

The obligations of the Retirement Plan are established by action of the Town. The Town will pay 85% of the cost of coverage for pre-Medicare medical coverage and will pay 100% of coverage for the Medicare Supplemental plan. Coverage is provided to surviving spouses for their lifetime. The costs of administering the Retirement Plan are paid by the Town. The Town currently contributes enough money to the Retirement Plan to satisfy current obligations on a pay-as-you-go basis to cover annual premiums. The amount paid during 2024 was \$718,184.

9. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive employees and spouses or beneficiaries currently receiving benefits	106
Active employees	<u>43</u>
Total participants	<u>149</u>

Total OPEB Liability

The Town's total OPEB liability was measured as of December 31, 2024 and was determined by an actuarial valuation as of December 31, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	2.5 percent per year
Payroll Growth	3 percent per year
Discount Rate	4.08 percent as of December 31, 2024
Healthcare Cost Trend Rates	7.1 percent for 2024 for Pre-65, decreasing to an ultimate rate of 4 percent for 2075 and later years
Dental Cost Trend Rate	3.5 percent per year
Share of Benefit-Related Costs	The Town pays 85 percent of the cost of the Core Plan option for pre-65 coverage and 100 percent of the Medicare Advantage plan premium for post-65 coverage.
Actuarial Cost Method	Entry Age Normal Cost Method

The discount rate was based on "The Bond Buyer 20-Bond GO Index" as of the valuation date, which represents the average of certain general obligation municipal bonds maturing in 20 years and having an average rating of AA/Aaa or higher.

Mortality Rates	Pre-Retirement:	U.S. Public Pension Plan Mortality (2010) Headcount-Weighted Healthy Employee Male / Female Mortality Projected with Scale MP-2021.
	Post-Retirement:	U.S. Public Pension Plan Mortality (2010) Headcount-Weighted Healthy Annuitant Male / Female Mortality Projected with Scale MP-2021.

9. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

Changes in the Total OPEB Liability

Balance at January 1, 2024	<u>\$ 12,213,120</u>
Changes for the year-	
Service cost	189,704
Interest	391,650
Benefit payments	(718,184)
Actuarial assumption changes	<u>(1,179,195)</u>
Net changes	<u>(1,316,025)</u>
Balance at December 31, 2024	<u>\$ 10,897,095</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.26% in 2023 to 4.08% in 2024.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease <u>(3.08%)</u>	Current Discount <u>(4.08%)</u>	1% Increase <u>(5.08%)</u>
Total OPEB Liability	<u>\$ 12,363,336</u>	<u>\$ 10,897,095</u>	<u>\$ 9,689,871</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease <u>(6.10%)</u>	Current Discount <u>(7.10%)</u>	1% Increase <u>(8.10%)</u>
Total OPEB Liability	<u>\$ 9,504,190</u>	<u>\$ 10,897,095</u>	<u>\$ 12,629,844</u>

9. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Town recognized OPEB expense (income) of \$(2,412,660). At December 31, 2024, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual demographic experience	\$ -	\$ 3,667,854
Changes of assumptions	<u>502,531</u>	<u>2,132,428</u>
Total	<u>\$ 502,531</u>	<u>\$ 5,800,282</u>

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

Fiscal Year Ending December:	<u>Amount</u>
2025	\$ (3,168,926)
2026	(1,834,028)
2027	<u>(294,797)</u>
Total	<u>\$ (5,297,751)</u>

10. LONG-TERM OBLIGATIONS

Serial Bonds

The Town borrows money in order to acquire land, high cost equipment, or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These serial bonds are full faith and credit debt of the Town. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidations of the long-term liabilities.

Other Long-Term Debt

In addition to the above long-term debt the Town reports compensated absences which represents the value earned and unused portion of the earned vacation leave and sick time.

10. LONG-TERM OBLIGATIONS (Continued)

Other Long-Term Debt (Continued)

Long-term liability balances and activity for the year are summarized below:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
General Obligations						
Serial bonds	\$13,335,000	\$ -	\$(1,345,000)	\$11,990,000	\$ 1,375,000	\$10,615,000
Bond premium	269,557	-	(29,886)	239,671		239,671
Other Long-Term Obligation:						
Compensated absences	<u>98,128</u>	<u>21,827</u>	<u>-</u>	<u>119,955</u>	<u>-</u>	<u>119,955</u>
Total	<u>\$13,702,685</u>	<u>\$ 21,872</u>	<u>\$(1,374,886)</u>	<u>\$12,349,626</u>	<u>\$ 1,375,000</u>	<u>\$10,974,626</u>

Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

The following is a statement of long-term debt with corresponding maturity schedules:

<u>Purpose</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Amount Outstanding 12/31/2024</u>	<u>Final Maturity</u>
General Obligations				
Serial Bonds:				
Public improvement	4/2014	3.00%	\$ 4,160,000	4/2034
Public improvement	9/2016	2.00%	2,790,000	9/2030
Public improvement	11/2017	2.00%	<u>5,040,000</u>	11/2032
Total			<u>\$ 11,990,000</u>	

Interest on long-term debt, including leases, for the year was composed of:

Interest paid	\$ 373,310
Plus: Interest accrued in the current year	68,948
Less: Interest accrued in the prior year	(78,054)
Plus: Amortization of deferred amount on refunding	11,086
Less: Amortization of bond premiums	<u>(29,886)</u>
Total interest expense	<u>\$ 345,404</u>

10. LONG-TERM OBLIGATIONS (Continued)

Other Long-Term Debt (Continued)

The following table summarizes the Town's future debt service requirements for general obligations as of December 31:

	<u>Bond Principal</u>	<u>Bond Interest</u>	<u>Total Debt</u>
2025	\$ 1,375,000	\$ 314,450	\$ 1,689,450
2026	1,410,000	283,250	1,693,250
2027	1,440,000	251,250	1,691,250
2028	1,475,000	218,550	1,693,550
2029	1,520,000	182,100	1,702,100
2030-2034	<u>4,770,000</u>	<u>345,013</u>	<u>5,115,013</u>
	<u>\$ 11,990,000</u>	<u>\$ 1,594,613</u>	<u>\$ 13,584,613</u>

In 2014, the Town issued one 2014 serial bond for \$7,265,000 which refunded the 2004 serial bond of \$7,245,000. The bond refunding resulted in an economic gain on refunding of approximately \$531,100. The excess of the reacquisition price over the net carrying amount of the refunded bonds in the amount of \$221,724 has been deferred and is being amortized using the straight-line method through 2034. The balance of the deferred amount on refunding as of December 31, 2024 is \$110,864 and is reflected as a deferred outflow of resources on the Statement of Net Position.

11. FUND BALANCES

The Town has the following capital reserves, which are classified as restricted funds:

General Fund Capital Reserves:

Equipment - To finance future planned replacement of equipment items for the Town.

Building Maintenance - To finance the costs associated with building repairs and improvements.

Turf Maintenance - To finance the costs associated with synthetic turf field maintenance and improvements.

General Fund Town Outside Village Capital Reserves:

General - Town Outside Village Equipment - To finance future planned replacement of equipment items for the Town outside the Village.

General - Town Outside Village Office Equipment - To finance future planned replacement of office equipment items for the Town.

Highway Fund Part-Town Capital Reserves:

Road Improvements - To finance capital projects for the construction or improvement of roads systems within the Town.

Consolidated Sewer Fund Capital Reserves:

Sewer Equipment - To finance future planned replacement of high cost sewer equipment items.

Sewer Office Equipment - To finance future planned replacement of office equipment for the sewer department.

Sewer Repair - To finance future planned repair to sewer districts within the Town.

The Town has the following general reserves, which are classified as restricted funds:

General Fund - General Reserves:

General Reserves - To finance all, or part of, the cost of an object or purpose which has a period of probable usefulness of at least five years (other than objects or purposes for which reserve funds may be established under Town Law). Expenditures may only be made for a specific object or purpose and are subject to permissive referendum.

11. FUND BALANCES (Continued)

As of December 31, 2024, the Town's fund balances were composed of the following:

	General - Town		Highway Fund		Consolidated	Total Nonmajor Governmental	Total
	General Fund	Outside Village	Highway Fund	Part-Town	Sewer District	Funds	
Nonspendable -							
Prepaid expenditures	\$ 106,463	\$ 24,264	\$ 38,439	\$ 45,372	\$ 24,839	\$ 25,727	\$ 265,104
	<u>106,463</u>	<u>24,264</u>	<u>38,439</u>	<u>45,372</u>	<u>24,839</u>	<u>25,727</u>	<u>265,104</u>
Restricted -							
General	542,274	-	-	-	-	-	542,274
Equipment	372,402	384,069	-	-	368,480	-	1,124,951
Office equipment	507,127	30,956	-	-	53,170	-	591,253
Building maintenance	464,172	-	-	-	-	-	464,172
Turf maintenance	400,800	-	-	-	-	-	400,800
Road improvements	-	-	-	492,564	-	-	492,564
Sewer repair	-	-	-	-	1,296,711	-	1,296,711
Debt service	-	-	-	-	-	137,187	137,187
Capital	-	-	-	-	-	520,715	520,715
Highway	-	-	1,687,049	8,075,926	-	-	9,762,975
Sewer	-	-	-	-	1,025,311	-	1,025,311
Other	-	3,038,513	-	-	-	1,633,622	4,672,135
Total restricted	<u>2,286,775</u>	<u>3,453,538</u>	<u>1,687,049</u>	<u>8,568,490</u>	<u>2,743,672</u>	<u>2,291,524</u>	<u>21,031,048</u>
Assigned -							
Appropriations	1,701,993	-	-	-	-	-	1,701,993
Capital	-	-	-	-	-	1,127,685	1,127,685
Other spendable amounts	<u>265,683</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,683</u>
Total assigned	<u>1,967,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,127,685</u>	<u>3,095,361</u>
Unassigned	<u>3,167,834</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,167,834</u>
Total fund balance	<u>\$ 7,528,748</u>	<u>\$ 3,477,802</u>	<u>\$ 1,725,488</u>	<u>\$ 8,613,862</u>	<u>\$ 2,768,511</u>	<u>\$ 3,444,936</u>	<u>\$ 27,559,347</u>

11. FUND BALANCES (Continued)

Net Position – Restricted

The following table shows the restricted net position within the funds as shown on the Statement of Net Position:

General reserves	\$ 542,274
Capital and repair reserves	4,703,754
Other capital	187,412
Debt service	137,187
Special revenue funds	<u>15,460,421</u>
Total	<u>\$ 21,031,048</u>

12. DEFERRED COMPENSATION PLAN

Employees of the Town may elect to participate in the Deferred Compensation Plan for Employees of the Town of Pittsford (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement. As of December 31, 2024, the market value of the assets of the Plan totaled \$11,587,926.

Employees contribute to the Plan through voluntary salary deductions. Participation in the Plan is voluntary, and the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Plan is administered by an independent third-party which is responsible for administering the fund's investments and record keeping.

13. OTHER INFORMATION

A. Risk Management

1. General Information

The Town is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

2. Dental Plan

The Town self-insures for dental coverage for its employees (the Plan). The Town contracts with a third-party administrator who is responsible for processing claims and estimating liabilities. The Town does not carry excess insurance coverage relative to this Plan. The Town records expenditures as claims are presented for payment with a cap of \$1,000 per year per member. The Town records expenditures in the governmental funds each year based on the current costs of dental coverage. The total claims incurred and paid in 2024 was \$110,996.

13. OTHER INFORMATION (Continued)

B. Commitments and Contingencies

1. Commitments

The Town participates in a number of federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

2. Litigation

There are tax certiorari claims requesting reduction of assessments pending. The outcome of the tax certiorari claims is undeterminable at this time; as such no allowance has been recorded.

14. TAX ABATEMENT

The Town has one real property tax abatement agreement entered into by the County of Monroe Industrial Development Agency (IDA) under Article 18-A of the real property tax law. The agreement provides for abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) under the JobsPlus program.

JobsPlus Program

Under the JobsPlus program, the recipient can be manufacturers, technology-based producer service companies, and commercial projects that increase tax assessments through new construction or the rehabilitation of existing commercial buildings that have been vacant for a long period of time. They must meet a minimum of 10% job creation goal over impacted employment within three years. The project must use all local labor for the construction of new, expanded or renovated facilities.

The following information relates to the PILOT agreement entered into under the aforementioned program:

<u>Agreement</u>	<u>Taxable Assessed Value</u>	<u>Tax Rate (per \$1,000)</u>	<u>Tax Value</u>	<u>Pilot Received</u>	<u>Taxes Abated</u>
P & L Linden, LLC	\$ 968,400	\$ 3.133	808,400	\$ 2,533	\$ 501

15. AMERICAN RESCUE PLAN

The American Rescue Plan Act provided the Town with \$2,876,402 in total. The funds are to be used for costs associated with responding to COVID-19, to support workers performing essential work, to cover revenue losses caused by the pandemic, or to make necessary investments in water, sewer or broadband infrastructure. As of December 31, 2024, the Town has expended \$2,792,431 of these funds.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

TOWN OF PITTSFORD, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund (Unaudited)

For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 6,630,998	\$ 6,630,998	\$ 6,646,839	\$ 15,841
Nonproperty tax items	390,000	390,000	369,814	(20,186)
Departmental income	898,000	898,000	1,138,898	240,898
Intergovernmental charges	66,000	66,000	105,870	39,870
Interfund revenues	35,000	35,000	58,341	23,341
Use of money and property	348,400	348,400	746,663	398,263
Licenses and permits	26,400	26,400	26,416	16
Fines and forfeitures	35,000	35,000	46,519	11,519
Sale of property and compensation for loss	250	250	85	(165)
Miscellaneous	37,500	38,500	42,584	4,084
State aid	1,033,081	1,033,081	984,928	(48,153)
Federal aid	-	393,450	669,830	276,380
Total revenues	9,500,629	9,895,079	10,836,787	941,708
EXPENDITURES:				
General governmental support	4,167,509	4,457,305	4,047,040	410,265
Public safety	282,970	335,668	324,858	10,810
Public health	69,380	70,380	70,380	-
Transportation	186,700	253,975	227,606	26,369
Economic assistance and opportunity	457,310	489,106	455,976	33,130
Culture and recreation	2,380,160	2,466,775	2,277,055	189,720
Home and community services	267,000	300,801	253,430	47,371
Employee benefits	1,968,150	1,968,149	1,799,442	168,707
Debt service	-	-	125,931	(125,931)
Total expenditures	9,779,179	10,342,159	9,581,718	760,441
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(278,550)	(447,080)	1,255,069	1,702,149
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	350,000	423,079	448,115	25,036
Operating transfers - out	(1,771,450)	(2,177,343)	(2,441,751)	(264,408)
Total other financing sources and uses	(1,421,450)	(1,754,264)	(1,993,636)	(239,372)
CHANGE IN FUND BALANCE	\$ (1,700,000)	\$ (2,201,344)	(738,567)	\$ 1,462,777
FUND BALANCE - beginning of year			8,001,632	
FUND BALANCE - end of year			\$ 7,263,065	

TOWN OF PITTSFORD, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund Town Outside Village (Unaudited)

For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 170,808	\$ 170,808	\$ 170,808	\$ -
Nonproperty tax items	1,200,000	1,200,000	1,638,165	438,165
Departmental income	31,000	31,000	31,566	566
Use of money and property	35,000	35,000	104,935	69,935
Licenses and permits	101,800	101,800	241,931	140,131
Sale of property and compensation for loss	-	-	107,790	107,790
Total revenues	<u>1,538,608</u>	<u>1,538,608</u>	<u>2,295,195</u>	<u>756,587</u>
EXPENDITURES:				
General governmental support	267,500	344,449	271,215	73,234
Public safety	324,998	325,806	300,704	25,102
Home and community services	721,410	814,417	746,035	68,382
Employee benefits	<u>378,200</u>	<u>378,200</u>	<u>355,078</u>	<u>23,122</u>
Total expenditures	<u>1,692,108</u>	<u>1,862,872</u>	<u>1,673,032</u>	<u>189,840</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(153,500)</u>	<u>(324,264)</u>	<u>622,163</u>	<u>946,427</u>
CHANGE IN FUND BALANCE	<u>\$ (153,500)</u>	<u>\$ (324,264)</u>	622,163	<u>\$ 946,427</u>
FUND BALANCE - beginning of year			<u>2,839,368</u>	
FUND BALANCE - end of year			<u>\$ 3,461,531</u>	

TOWN OF PITTSFORD, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Highway Fund (Unaudited)

For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 1,945,348	\$ 1,945,348	\$ 1,945,348	\$ -
Intergovernmental charges	394,000	394,000	410,597	16,597
Use of money and property	26,000	26,000	116,850	90,850
Sale of property and compensation for loss	1,000	1,000	347	(653)
Total revenues	<u>2,366,348</u>	<u>2,366,348</u>	<u>2,473,142</u>	<u>106,794</u>
EXPENDITURES:				
Transportation	1,974,278	2,953,922	2,740,086	213,836
Employee benefits	<u>747,270</u>	<u>747,270</u>	<u>651,655</u>	<u>95,615</u>
Total expenditures	<u>2,721,548</u>	<u>3,701,192</u>	<u>3,391,741</u>	<u>309,451</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(355,200)</u>	<u>(1,334,844)</u>	<u>(918,599)</u>	<u>416,245</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	-	158,300	158,300	-
Total other financing sources and uses	-	<u>158,300</u>	<u>158,300</u>	-
CHANGE IN FUND BALANCE	<u>\$ (355,200)</u>	<u>\$ (1,176,544)</u>	<u>(760,299)</u>	<u>\$ 416,245</u>
FUND BALANCE - beginning of year			<u>1,701,138</u>	
FUND BALANCE - end of year			<u>\$ 940,839</u>	

TOWN OF PITTSFORD, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Highway Fund Part-Town (Unaudited)

For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 450,777	\$ 451,277	\$ 451,277	\$ -
Nonproperty tax items	2,950,000	2,950,000	4,010,674	1,060,674
Use of money and property	70,000	70,000	287,061	217,061
State aid	<u>228,000</u>	<u>398,589</u>	<u>398,589</u>	<u>-</u>
Total revenues	<u>3,698,777</u>	<u>3,869,866</u>	<u>5,147,601</u>	<u>1,277,735</u>
EXPENDITURES:				
General governmental support	350,000	350,000	350,000	-
Home and community services	2,600	2,600	2,179	421
Transportation	3,093,352	3,536,826	3,112,056	424,770
Employee benefits	<u>1,008,825</u>	<u>1,008,825</u>	<u>870,849</u>	<u>137,976</u>
Total expenditures	<u>4,454,777</u>	<u>4,898,251</u>	<u>4,335,084</u>	<u>563,167</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(756,000)</u>	<u>(1,028,385)</u>	<u>812,517</u>	<u>1,840,902</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	-	267,000	267,000	-
Operating transfers - out	<u>-</u>	<u>(172,860)</u>	<u>(172,860)</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>94,140</u>	<u>94,140</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>\$ (756,000)</u>	<u>\$ (934,245)</u>	906,657	<u>\$ 1,840,902</u>
FUND BALANCE - beginning of year			<u>7,492,226</u>	
FUND BALANCE - end of year			<u>\$ 8,398,883</u>	

TOWN OF PITTSFORD, NEW YORK

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Consolidated Sewer District (Unaudited) For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 1,625,367	\$ 1,625,367	\$ 1,625,636	\$ 269
Departmental income	9,100	9,100	5,582	(3,518)
Use of money and property	30,000	30,000	153,396	123,396
Licenses and permits	3,000	3,000	2,040	(960)
Sale of property and compensation for loss	-	-	89,091	89,091
Miscellaneous	18,800	18,800	57,835	39,035
Total revenues	1,686,267	1,686,267	1,933,580	247,313
EXPENDITURES:				
Home and community services	1,410,467	1,727,387	1,684,421	42,966
Employee benefits	434,800	434,800	378,933	55,867
Total expenditures	1,845,267	2,162,187	2,063,354	98,833
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(159,000)	(475,920)	(129,774)	346,146
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	100,000	172,946	-	(172,946)
Operating transfers - out	(111,000)	(183,946)	-	183,946
Total other financing sources and uses	(11,000)	(11,000)	-	11,000
CHANGE IN FUND BALANCE	\$ (170,000)	\$ (486,920)	(129,774)	\$ 357,146
FUND BALANCE - beginning of year			2,823,356	
FUND BALANCE - end of year			\$ 2,693,582	

TOWN OF PITTSFORD, NEW YORK

Required Supplementary Information

Schedule of Proportionate Share of Net Pension Liability (Asset) (Unaudited)

For the Years Ended December 31:

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN - ERS	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability (asset)	0.027%	0.025%	0.024%	0.024%	0.023%	0.022%	0.020%	0.020%	0.021%	0.021%
Proportionate share of the net pension liability (asset)	\$ 3,946	\$ 5,417	\$ (1,977)	\$ 24	\$ 6,065	\$ 1,572	\$ 657	\$ 1,913	\$ 3,307	\$ 703
Covered-employee payroll	\$ 7,783	\$ 7,062	\$ 6,816	\$ 6,989	\$ 6,591	\$ 6,223	\$ 5,835	\$ 5,835	\$ 5,781	\$ 5,696
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	50.70%	76.71%	-29.01%	0.34%	92.02%	25.26%	11.26%	32.78%	57.20%	12.34%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

TOWN OF PITTSFORD, NEW YORK

Required Supplementary Information Schedule of Contributions - Pension Plan (Unaudited) For the Years Ended December 31:

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN - ERS	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required	\$ 914	\$ 739	\$ 989	\$ 926	\$ 887	\$ 879	\$ 850	\$ 852	\$ 995	\$ 1,092
Contributions in relation to the										
contractually required contribution	914	739	989	926	887	879	850	852	995	1,092
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 7,783	\$ 7,062	\$ 6,816	\$ 6,989	\$ 6,591	\$ 6,223	\$ 5,835	\$ 5,835	\$ 5,781	\$ 5,696
Contributions as a percentage of										
covered-employee payroll	11.74%	10.46%	14.51%	13.25%	13.46%	14.13%	14.57%	14.60%	17.21%	19.17%

TOWN OF PITTSFORD, NEW YORK

Required Supplementary Information

Schedule of Changes in Total OPEB Liability and Related Ratios (Unaudited)

For the Years Ended December 31:

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Service cost	\$ 190	\$ 298	\$ 470	\$ 586	\$ 505	\$ 353	\$ 403	\$ 420		
Interest	391	667	471	499	602	762	733	700		
Changes of benefit terms	-	-	-	-	-	-	-	-		
Actuarial assumption changes	(1,179)	747	(4,992)	645	875	4,706	-	-		
Actuarial demographic gain	-	(6,904)	-	(1,079)	-	(1,911)	(1,375)	-		
Benefit payments	(718)	(692)	(805)	(738)	(749)	(716)	(645)	(618)		
Total change in total OPEB liability	(1,316)	(5,884)	(4,856)	(87)	1,233	3,194	(884)	502		
Total OPEB liability - beginning	12,213	18,097	22,953	23,040	21,807	18,613	19,497	18,995		
Total OPEB liability - ending	<u>\$ 10,897</u>	<u>\$ 12,213</u>	<u>\$ 18,097</u>	<u>\$ 22,953</u>	<u>\$ 23,040</u>	<u>\$ 21,807</u>	<u>\$ 18,613</u>	<u>\$ 19,497</u>		
Covered-employee payroll	\$ 3,528	\$ 3,552	\$ 3,596	\$ 3,790	\$ 4,302	\$ 4,424	\$ 3,822	\$ 4,849		
Total OPEB liability as a percentage of covered-employee payroll	308.9%	343.8%	503.3%	605.6%	535.6%	492.9%	487.0%	402.1%		

Notes to schedule:

Changes of assumptions. Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	4.08%	3.26%	3.70%	2.05%	2.15%	2.75%	4.10%	3.75%	4.00%
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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.

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

SUPPLEMENTARY INFORMATION

TOWN OF PITTSFORD, NEW YORK

Combining Balance Sheet - Nonmajor Governmental Funds December 31, 2024

	Debt Service Fund	Capital Projects Fund	Total Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 137,187	\$ 810,611	\$ 867,563	\$ 1,815,361
Investments	-	592,279	857,495	1,449,774
Receivables	-	-	3,158	3,158
Due from State and Federal government	-	250,000	10,000	260,000
Prepaid expenditures	-	-	25,727	25,727
Total assets	<u>\$ 137,187</u>	<u>\$ 1,652,890</u>	<u>\$ 1,763,943</u>	<u>\$ 3,554,020</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ -	\$ 4,490	\$ 58,065	\$ 62,555
Accrued liabilities	-	-	46,529	46,529
Total liabilities	<u>-</u>	<u>4,490</u>	<u>104,594</u>	<u>109,084</u>
FUND BALANCES:				
Nonspendable	-	-	25,727	25,727
Restricted	137,187	520,715	1,633,622	2,291,524
Assigned	-	1,127,685	-	1,127,685
Total fund balances	<u>137,187</u>	<u>1,648,400</u>	<u>1,659,349</u>	<u>3,444,936</u>
Total liabilities and fund balances	<u>\$ 137,187</u>	<u>\$ 1,652,890</u>	<u>\$ 1,763,943</u>	<u>\$ 3,554,020</u>

TOWN OF PITTSFORD, NEW YORK

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds

For the Year Ended December 31, 2024

	Debt Service Fund	Capital Projects Fund	Total Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES:				
Real property taxes and tax items	\$ -	\$ -	\$ 2,596,196	\$ 2,596,196
Departmental income	-	-	134,152	134,152
Use of money and property	887	64,168	106,095	171,150
State aid	-	250,000	10,000	260,000
Total revenues	887	314,168	2,846,443	3,161,498
EXPENDITURES:				
General governmental support	-	7,571	-	7,571
Public safety	-	-	324,045	324,045
Transportation	-	93,577	73,991	167,568
Culture and recreation	-	535,040	1,336,861	1,871,901
Home and community services	-	-	659,604	659,604
Employee benefits	-	-	396,314	396,314
Debt service -				
Principal	1,345,000	-	-	1,345,000
Interest	344,951	-	-	344,951
Total expenditures	1,689,951	636,188	2,790,815	5,116,954
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,689,064)	(322,020)	55,628	(1,955,456)
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	1,671,450	469,782	-	2,141,232
Operating transfers - out	-	(400,036)	-	(400,036)
Total other financing sources and uses	1,671,450	69,746	-	1,741,196
CHANGE IN FUND BALANCE	(17,614)	(252,274)	55,628	(214,260)
FUND BALANCE - beginning of year	154,801	1,900,674	1,603,721	3,659,196
FUND BALANCE - end of year	\$ 137,187	\$ 1,648,400	\$ 1,659,349	\$ 3,444,936

TOWN OF PITTSFORD, NEW YORK

Combining Balance Sheet - Nonmajor Special Revenue Funds

December 31, 2024

	Public Library Fund	Lighting Districts	Park Districts	Refuse Districts	Park Land Deposits Fund	Fire Protection Fund	Ambulance District Fund	Total Nonmajor Special Revenue Funds
ASSETS								
Cash and cash equivalents	\$ 164,710	\$ 57,215	\$ 275,743	\$ 75,894	\$ 294,001	\$ -	\$ -	\$ 867,563
Investments	600,045	-	-	-	257,450	-	-	857,495
Receivables	3,158	-	-	-	-	-	-	3,158
Due from State and Federal government	10,000	-	-	-	-	-	-	10,000
Prepaid expenditures	<u>25,727</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,727</u>
Total assets	<u>\$ 803,640</u>	<u>\$ 57,215</u>	<u>\$ 275,743</u>	<u>\$ 75,894</u>	<u>\$ 551,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,763,943</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES:								
Accounts payable	\$ 139	\$ 5,559	\$ -	\$ 52,367	\$ -	\$ -	\$ -	\$ 58,065
Accrued liabilities	<u>46,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,529</u>
Total liabilities	<u>46,668</u>	<u>5,559</u>	<u>-</u>	<u>52,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>104,594</u>
FUND BALANCES:								
Nonspendable	25,727	-	-	-	-	-	-	25,727
Restricted	<u>731,245</u>	<u>51,656</u>	<u>275,743</u>	<u>23,527</u>	<u>551,451</u>	<u>-</u>	<u>-</u>	<u>1,633,622</u>
Total fund balances	<u>756,972</u>	<u>51,656</u>	<u>275,743</u>	<u>23,527</u>	<u>551,451</u>	<u>-</u>	<u>-</u>	<u>1,659,349</u>
Total liabilities and fund balances	<u>\$ 803,640</u>	<u>\$ 57,215</u>	<u>\$ 275,743</u>	<u>\$ 75,894</u>	<u>\$ 551,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,763,943</u>

TOWN OF PITTSFORD, NEW YORK

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Special Revenue Funds For the Year Ended December 31, 2024

	Public Library Fund	Lighting Districts	Park Districts	Refuse Districts	Park Land Deposits Fund	Fire Protection Fund	Ambulance District Fund	Total Nonmajor Special Revenue Funds
REVENUES:								
Real property taxes and tax items	\$ 1,417,365	\$ 76,700	\$ 118,400	\$ 659,686	\$ -	\$ 18,045	\$ 306,000	\$ 2,596,196
Departmental income	101,797	-	-	-	32,355	-	-	134,152
Use of money and property	62,600	3,821	12,681	15,230	11,763	-	-	106,095
State aid	10,000	-	-	-	-	-	-	10,000
Total revenues	<u>1,591,762</u>	<u>80,521</u>	<u>131,081</u>	<u>674,916</u>	<u>44,118</u>	<u>18,045</u>	<u>306,000</u>	<u>2,846,443</u>
EXPENDITURES:								
Public safety	-	-	-	-	-	18,045	306,000	324,045
Transportation	-	73,991	-	-	-	-	-	73,991
Culture and recreation	1,251,091	-	85,770	-	-	-	-	1,336,861
Home and community	-	-	-	659,604	-	-	-	659,604
Employee benefits	396,314	-	-	-	-	-	-	396,314
Total expenditures	<u>1,647,405</u>	<u>73,991</u>	<u>85,770</u>	<u>659,604</u>	<u>-</u>	<u>18,045</u>	<u>306,000</u>	<u>2,790,815</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(55,643)</u>	<u>6,530</u>	<u>45,311</u>	<u>15,312</u>	<u>44,118</u>	<u>-</u>	<u>-</u>	<u>55,628</u>
CHANGE IN FUND BALANCE	(55,643)	6,530	45,311	15,312	44,118	-	-	55,628
FUND BALANCE - beginning of year	<u>812,615</u>	<u>45,126</u>	<u>230,432</u>	<u>8,215</u>	<u>507,333</u>	<u>-</u>	<u>-</u>	<u>1,603,721</u>
FUND BALANCE - end of year	<u>\$ 756,972</u>	<u>\$ 51,656</u>	<u>\$ 275,743</u>	<u>\$ 23,527</u>	<u>\$ 551,451</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,659,349</u>