

TOWN OF ROTTERDAM, NEW YORK

FINANCIAL STATEMENTS

DECEMBER 31, 2021

TOWN OF ROTTERDAM, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

To the Supervisor and Members of
the Town Board of the
Town of Rotterdam, New York

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of all fund types and the non-current governmental liabilities account group of the Town of Rotterdam, New York (the "Town") as of and for the year ended December 31, 2021, as listed in the table of contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of all fund types and the non-current governmental liabilities account group of the Town of Rotterdam, New York as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only all fund types and the non-current governmental liabilities account groups and do not purport to, and do not present fairly the financial position of the Town as of December 31, 2021, or the changes in its government-wide financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern within for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's budgetary comparison information on pages 31-34 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.

A handwritten signature in black ink that reads "Cusack & Company, CPA's LLC". The signature is written in a cursive, flowing style.

CUSACK & COMPANY, CPA'S LLC

Latham, New York
September 21, 2023

TOWN OF ROTTERDAM, NEW YORK

BALANCE SHEETS

ALL FUND TYPES AND NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP

DECEMBER 31, 2021

Assets	Governmental Fund Types									Non-Current Governmental Liabilities Account Group
	General	Highway	Water	Sewer	Drainage	Fire Protection	Lighting	Special Grant	Capital Projects	
Cash	\$ 3,097,214	\$ 1,562,360	\$ 2,692,918	\$ 1,559,265	\$ -	\$ 9,285	\$ 126,033	\$ 36,590	\$ 2,567,635	\$ -
Due from other governments	1,251,492	455,679	12,934	-	-	-	-	-	-	-
Prepaid expenditures	422,452	59,248	14,480	10,355	-	-	-	-	-	-
Other receivables	1,578,179	-	525,349	550,892	-	-	-	989	-	-
Inventory	16,011	-	-	-	-	-	-	-	-	-
Due from other funds	-	44,348	-	-	-	-	-	-	-	-
Restricted cash	1,150,057	650,950	1,410,936	198,344	-	-	-	-	-	-
Provisions to be made in future budgets	-	-	-	-	-	-	-	-	-	91,198,197
Total assets	\$ 7,515,405	\$ 2,772,585	\$ 4,656,617	\$ 2,318,856	\$ -	\$ 9,285	\$ 126,033	\$ 37,579	\$ 2,567,635	\$ 91,198,197
Liabilities, Deferred Inflows of Resources and Fund Equity (Deficit)										
Liabilities:										
Accounts payable	\$ 380,924	\$ 634,480	\$ 128,441	\$ 100,849	\$ 964	\$ -	\$ 35,845	\$ -	\$ 128,632	\$ -
Accrued liabilities	490,888	28,147	-	-	-	-	-	33,505	-	-
Due to retirement system	-	-	-	-	-	-	-	-	-	2,244,334
Due to other funds	614	-	43,734	-	-	-	-	-	-	-
Unearned revenue	1,000,000	-	-	-	-	-	-	-	-	-
Other post-employment benefits	-	-	-	-	-	-	-	-	-	77,608,221
Compensated absences	-	-	-	-	-	-	-	-	-	3,031,810
Landfill closure	-	-	-	-	-	-	-	-	-	57,752
BANS, bonds and notes payable	-	-	-	-	-	-	-	-	5,489,210	8,256,080
Total liabilities	1,872,426	662,627	172,175	100,849	964	-	35,845	33,505	5,617,842	91,198,197
Deferred Inflows of Resources	125,000	-	98,505	204,557	-	-	-	-	-	-
Fund Equity (Deficit):										
Nonspendable	438,463	59,248	14,480	10,355	-	-	-	-	-	-
Restricted	1,150,057	650,950	1,410,936	198,344	-	-	-	-	-	-
Assigned	54,109	1,399,760	2,960,521	1,804,751	-	9,285	90,188	4,074	-	-
Unassigned (deficit)	3,875,350	-	-	-	(964)	-	-	-	(3,050,209)	-
Total fund equity (deficit)	5,517,979	2,109,958	4,385,937	2,013,450	(964)	9,285	90,188	4,074	(3,050,209)	-
Total liabilities, deferred inflows of resources and fund equity (deficit)	\$ 7,515,405	\$ 2,772,585	\$ 4,656,617	\$ 2,318,856	\$ -	\$ 9,285	\$ 126,033	\$ 37,579	\$ 2,567,633	\$ 91,198,197

TOWN OF ROTTERDAM, NEW YORK
STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2021

Governmental Fund Types

	<u>General</u>	<u>Highway</u>	<u>Water</u>	<u>Sewer</u>	<u>Drainage</u>	<u>Fire Protection</u>	<u>Lighting</u>	<u>Special Grant</u>	<u>Capital Projects</u>
Revenue									
Real property taxes	\$ 7,181,780	\$ 3,880,733	\$ 1,133,275	\$ 1,262,772	\$ 6,160	\$ 43,480	\$ 151,655	\$ -	\$ -
Real property tax items	838,685	311,482	-	-	-	-	-	-	-
Non-property tax items	4,456,834	-	-	-	-	-	-	-	-
Departmental income	367,698	-	1,279,134	447,853	-	-	-	-	-
Intergovernmental charges	198,093	-	183,871	-	-	-	-	-	-
Use of money and property	2,574	365	260,538	479	2	2	20	-	-
Licenses and permits	48,729	2,900	-	1,155	-	-	-	-	-
Fines and forfeitures	268,318	-	-	-	-	-	-	-	-
Sale of property and compensation for loss	14,748	3,378	-	6,230	-	-	-	-	-
Miscellaneous local sources	252,967	22,392	22,272	3,735	-	-	-	238,392	-
Interfund revenue	25,000	-	-	-	-	-	-	-	-
State aid	1,148,352	455,679	-	-	-	-	-	-	1,005,026
Federal aid	548,745	-	-	-	-	-	-	1,702,826	-
Total revenue	<u>15,352,523</u>	<u>4,676,929</u>	<u>2,879,090</u>	<u>1,722,224</u>	<u>6,162</u>	<u>43,482</u>	<u>151,675</u>	<u>1,941,218</u>	<u>1,005,026</u>
Expenditures									
General governmental support	3,086,054	35,684	34,294	-	-	-	-	-	39,933
Public safety	6,754,710	-	-	-	-	42,000	-	-	-
Public health	3,374	-	-	-	-	-	-	-	-
Transportation	229,881	2,925,440	-	-	-	-	179,736	-	34,725
Economic assistance and opportunity	143,332	-	-	-	-	-	-	-	-
Culture and recreation	987,932	-	-	-	-	-	-	-	51,868
Home and community services	502,104	-	1,478,130	1,202,563	36,348	-	-	2,028,724	446,425
Employee benefits	4,812,756	1,147,635	273,505	212,145	-	-	-	-	-
Debt service (principal and interest)	157,693	506,744	216,642	356,291	-	-	-	-	-
Total expenditures	<u>16,677,836</u>	<u>4,615,503</u>	<u>2,002,571</u>	<u>1,770,999</u>	<u>36,348</u>	<u>42,000</u>	<u>179,736</u>	<u>2,028,724</u>	<u>572,951</u>
Other Changes									
BANs redeemed	-	-	-	-	-	-	-	-	269,310
Operating transfers - in	378,099	165,337	158,408	39,842	-	-	-	-	-
Operating transfers - out	-	(60,000)	(182,350)	(114,000)	(200)	(2,000)	(5,000)	-	(378,136)
Total other changes	<u>378,099</u>	<u>105,337</u>	<u>(23,942)</u>	<u>(74,158)</u>	<u>(200)</u>	<u>(2,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(108,836)</u>
Excess (deficiency) of revenue over expenditures	(947,214)	166,763	852,577	(122,933)	(30,386)	(518)	(33,061)	(87,506)	323,239
Fund balance (deficit) at beginning of year	<u>6,465,193</u>	<u>1,943,195</u>	<u>3,533,360</u>	<u>2,136,383</u>	<u>29,422</u>	<u>9,803</u>	<u>123,249</u>	<u>91,580</u>	<u>(3,373,448)</u>
Fund balance (deficit) at end of year	<u>\$ 5,517,979</u>	<u>\$ 2,109,958</u>	<u>\$ 4,385,937</u>	<u>\$ 2,013,450</u>	<u>\$ (964)</u>	<u>\$ 9,285</u>	<u>\$ 90,188</u>	<u>\$ 4,074</u>	<u>\$ (3,050,209)</u>

TOWN OF ROTTERDAM, NEW YORK
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2021

Revenues:

Property tax collection for other governments	\$ 61,337,000
Total revenue	<u>61,337,000</u>

Expenses:

County Commissioner of Finance for County taxes	18,710,748
Mohonasen Central School District	22,997,509
Schalmont Central School District	<u>19,628,743</u>
	<u>61,337,000</u>

Increase (decrease) in net position -

Net position, beginning -

Net position, ending \$ -

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Rotterdam, New York (the “Town”), is governed by its Town Charter, other general laws of the State of New York and various local laws. The Town Board, which is the governing body of the Town, consists of the Supervisor and four voting Council members, all elected. The Town Supervisor serves as the chief executive officer and chief fiscal officer. The Town provides the following basic services: public safety, health services, maintenance of Town roads, recreation, home and community service, economic assistance and other general services.

The Town has prepared all fund types and non-current governmental liabilities account group financial statements in accordance with accounting principles generally accepted in the United States of America as applied to government units (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing GAAP for state and local governments through its pronouncements (Standards and Interpretation).

The Town does not comply with GASB Statement No. 34, which requires the Town to present the government-wide financial statements on a full accrual government-wide basis as well as the fund basis. The financial statements present only all fund types and the non-current governmental liabilities account group, and do not purport to, and do not present fairly the government-wide financial position or changes in financial position of the Town.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying governmental funds financial statements follows.

A. Financial Reporting Entity

GASB Statement No. 61 defines the financial reporting entity for the Town to include all funds, account groups, agencies, boards, commissions, and authorities where the elected officials (the Supervisor and/or the Town Board, respectively) are financially accountable. The following terms are used to describe the components of a reporting entity:

- Primary Government

A legally separate state, general purpose local or special purpose government with a separately elected governing body. It must be fiscally independent of other primary governments.

- Component Unit

A legally separate organization for which the elected officials are financially accountable. Also the primary government is able to impose its will on the component unit or there is a potential for the component unit to provide a financial benefit or incur a financial burden on the primary government. The Town has no component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types and account groups are used.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use and balances of the Town's 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:

- a. General Fund - The general fund is the principal fund and includes all operations not required to be recorded in other funds.
- b. Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Special Revenue Funds are:

- Highway
- Water
- Sewer
- Drainage
- Fire Protection
- Lighting
- Special Grant

- c. Capital Projects Fund - Used to account for financial resources to be used for the acquisition or construction of major capital facilities.
- d. Account Groups

Used to establish accounting control and accountability for general fixed assets and general long-term debt. The two account groups are not "funds." They are concerned with measurement of financial position and not results of operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Governmental Fund Types (Continued)

d. Account Groups (Continued)

- The Non-Current Governmental Assets Account Group - used to account for land, buildings, improvements other than buildings and equipment utilized for general government purposes. The Town does not maintain subsidiary records to support the amounts recorded in the non-current governmental assets account group.
- The Non-Current Governmental Liabilities Account Group - used to account for all long-term obligations.

C. Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus. Measurement focus is the determination of what should be measured.

Modified Accrual Basis - All Governmental Funds are accounted for using the modified accrual basis of accounting.

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter, within 60 days, to be used to pay liabilities of the current period.

Material revenues that are accrued include state and federal aid and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made unless it is not anticipated to be received within one year.

Expenditures are recorded when the fund liability is incurred except that:

- a. Principal and interest on indebtedness are recognized as an expenditure when due.
- b. Compensated absences, such as vacation and sick leave which vest or accumulate, are charged as an expenditure when paid.
- c. Inventory is valued at cost utilizing the first-in, first-out method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Property Taxes and Collections

Town real property taxes are levied together with Schenectady County property taxes annually no later than January 1, and become a lien on January 1. Taxes for County purposes are levied together with taxes for Town and special district purposes as 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. The County assumes enforcement responsibility for all taxes levied in the Town.

E. Budgetary Data

1. Budget Policies - The budget policies are as follows:

- a. No later than September 30, the budget officer submits a tentative budget to the Town Clerk for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds, except for the Special Grant Fund.
- b. After public hearings are conducted to obtain taxpayer comments, but no later than November 20, the governing board adopts the budget.
- c. All modifications of the budget must be approved by the governing board. However, the comptroller is authorized to transfer certain budget amounts within the departments.

2. Encumbrances

Encumbrances are reservations of fund balance for outstanding purchase commitments. Expenditures for such commitments are recorded in the period in which the liability is incurred.

3. Budget Basis of Accounting

- a. Except as indicated below, budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior years.
- b. Budgetary controls for the Special Grant Fund are established in accordance with applicable grant agreements which covers a period other than the Town's fiscal year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Allowance for Uncollectible Receivables

An allowance for uncollectible receivables is maintained at a level which, in management's judgment, is adequate to absorb uncollectible amounts. The allowance for uncollectible receivables was \$0 at December 31, 2021.

G. Inventory

Inventory consists of gasoline and diesel fuel recorded at cost using the first-in, first-out basis.

H. Interfund Transactions

The operations of the Town include transactions between funds. These transactions may be temporary in nature such as with 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 transfers of expenditure and revenue to provide financing or other services.

I. Departure from the Basis of Accounting

The Town does not maintain subsidiary records to support the amounts recorded in the general fixed assets account group for land, buildings and improvements. The correct carrying values of these fixed assets at December 31, 2021 is not known.

J. Deferred Outflows and Inflows of Resources

In addition to assets, a separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time in the government wide financial statements. In addition to liabilities, a separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time in the government wide financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Deferred Compensation Plan

Employees of the Town may elect to participate in the Town's Deferred Compensation Plan created in accordance with Internal Revenue Code §457. The Plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement.

Under the terms of the amended Plan agreement, these monies are not subject to the claims of the Town's general creditors after they are paid to the Plan's Trustee.

L. Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates. Significant estimates include compensated absences, postemployment benefits and pension liabilities.

M. Self-Insurance

The Town has retained a portion of the liability to cover losses under §207-C of the Workers' Compensation Law of police officers. Officers are entitled to their full pay when out on leave. The Town is required to cover any amount of losses not reimbursed by Workers' Compensation.

N. Compensated Absences

Town employees are granted vacation and sick leave in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave at various rates subject to certain maximum limitations. The liability for accumulated vacation and related benefits has been recorded in the respective governmental fund type in accordance with GASB 16. Payment of accumulated sick leave and related benefits is reflected in the non-current government liabilities account group since it is anticipated that none of the liability will be liquidated with expendable financial resources. However, management believes that sufficient resources will be made available for payment of accumulated sick leave and related benefits when such payments become due.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Postemployment Health Insurance Benefits

In addition to providing pension benefits, the Town provides certain health benefits for retired employees, their spouses and certain survivors. All of the Town’s employees may become eligible for these benefits if they reach normal retirement age. Those and similar benefits for active employees are provided through payments to New York State Government Employees’ Health Insurance Program.

2. STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY

Expenditures exceeded appropriations as follows:

<u>Years</u>	<u>Over Budget</u>	<u>Reason</u>
General Fund		
General government support	\$ 267,563	Accrual of Viaport Settlement
Culture and recreation	\$ 421,970	\$475,000 land purchase not budgeted
Highway Fund		
Debt Service	\$ 69,248	Inaccurate treatment of capital project close out
Water Fund		
Debt Service	\$ 26,479	Inaccurate treatment of capital project close out

The Capital Project Fund has a deficit totaling \$3,050,209 at December 31, 2021. This deficit is caused by allowing contracts for projects funded with Bond Anticipation Notes. The deficit will be eliminated when serial bonds are issued.

3. CASH AND INVESTMENTS

The Town's investment policies are governed by state statutes. The Town's monies must be deposited in FDIC-insured commercial banks or trust companies located within the state. The comptroller is authorized to use demand accounts, certificates of deposit, obligations of the United States of America, New York State and local municipalities and school districts, certificates of participation and repurchase agreements with certain restrictions.

Collateral is required for demand deposits and certificates of deposit at 100 percent of all deposits 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 any state and its municipalities and school districts.

During 2021, cash and investments were either insured by Federal Depository Insurance or collateralized by assets of the Town's agent in the Town's name.

4. CASH RESTRICTED

Cash restricted consists of the following:

General Fund

Parkland Deposits	\$ 166,343
Employee Benefit Reserve	134,381
Asset Forfeiture Reserve	46,922
Capital Reserve	99,311
Reserve for Repairs	<u>703,100</u>
	<u>\$ 1,150,057</u>

Highway Fund

Reserve for Repairs	<u>\$ 650,950</u>
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Water Fund

Reserve for Repairs	<u>\$ 1,410,936</u>
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Sewer Fund

Reserve for Repairs	<u>\$ 198,344</u>
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5. DUE FROM OTHER GOVERNMENTS AND OTHER RECEIVABLE

Due from other governments consist of the following:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Water Fund</u>
Sales Tax	\$ 395,845	\$ -	\$ -
Economic Development Tax	555,319	-	-
Schenectady County - Parks	125,000	-	-
Schenectady County - Police/Bail	55,149	-	-
Schenectady County - Task Force	100,932	-	-
Uniform Communication Center	19,247	-	-
CHIPS	-	455,679	-
Town of Guilderland	-	-	12,934
	<u>\$ 1,251,492</u>	<u>\$ 455,679</u>	<u>\$ 12,934</u>

Other receivables consist of the following:

	<u>Highway Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Charter Franchise Fee	\$ 537,628	\$ -	\$ -
Town Justices	40,551	-	-
Viaport Refund	1,000,000	-	-
Water/Sewer Rents	-	525,349	550,892
	<u>\$ 1,578,179</u>	<u>\$ 525,349</u>	<u>\$ 550,892</u>

6. BOND ANTICIPATION NOTES

Liabilities for bond anticipation notes (BANs) issued for capital projects that are one year in duration are accounted for in the Capital Projects Fund.

State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made. The changes in the Town's BANs outstanding during the year were as follows:

BANs Outstanding January 1, 2021	\$ 5,226,520
Repayments	(269,310)
New Debt	<u>532,000</u>
BANs Outstanding December 31, 2021	<u>\$ 5,489,210</u>

6. BOND ANTICIPATION NOTES (CONTINUED)

BANs outstanding at December 31, 2021 were as follows:

<u>Description</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance December 31, 2021</u>
Helderberg/Highbridge Sewers	06/16/22	.32%	\$ 89,500
Emergency Sewer Repairs	03/02/22	.45%	156,000
Emergency Sewer Repairs/Water Well	06/16/22	.29%	391,760
Hamburg Street Sewer	06/16/22	.36%	3,472,500
Highway Equipment	06/16/22	.29%	480,000
Curry Road Sewer	04/07/22	.39%	532,000
Highbridge Upgrades	06/16/22	.32%	<u>367,450</u>
			<u>\$ 5,489,210</u>

7. DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources arises when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the deferred inflows of resources is reduced and revenue is recognized.

Deferred inflows consist of the following:

General Fund - Grant not considered available	<u>\$ 125,000</u>
Water Fund - Water rents not available	<u>\$ 98,505</u>
Sewer Fund - Sewer rents not available	<u>\$ 204,557</u>

8. LONG-TERM INDEBTEDNESS

The changes in the Town's long-term indebtedness during the year are summarized as follows:

	January 1, 2021	Additions	Decreases	December 31, 2021
Landfill Postclosure Costs	\$ 68,795	\$ -	\$ 11,043	\$ 57,752
Bonds Payable	4,890,000	2,046,080	780,000	6,156,080
EFC Note	2,100,000	-	-	2,100,000
Compensated Absences	2,929,224	102,586	-	3,031,810
Postemployment Benefits	74,421,117	3,187,104	-	77,608,221
Net Pension Liability	<u>11,207,167</u>	<u>-</u>	<u>8,962,833</u>	<u>2,244,334</u>
Total	<u>\$ 95,616,303</u>	<u>\$ 5,335,770</u>	<u>\$ 9,753,876</u>	<u>\$ 91,198,197</u>

A. *Claims and Judgments*

There were several tax review cases pending against the Town for a reduction in the assessed value of property. The petitions were for taxes collected in 2005 through 2019. The Town believes that the likelihood of a reduction is remote and therefore no provision for loss has been recorded in the non-current governmental liabilities account group at December 31, 2021.

B. *Landfill Postclosure Costs*

The Town entered into an Order of Consent with the New York State Department of Environmental Conservation (DEC) on April 17, 1990 for the purpose of ensuring the proper maintenance and future closure of the Town's landfill. The order includes specific requirements and deadlines for the Town to follow and meet or they could be subject to penalties. The status of compliance with the consent order is subject to review by the Department of Environmental Conservation. The Town has been served with a number of additional consent orders in 1996, 1997 and 1998.

The closure of the landfill was substantially completed in 1995. The remaining cost of the required maintenance, closure and postclosure monitoring costs of the landfill is estimated to be \$57,752 at December 31, 2021. The Town has recorded this estimate in the non-current governmental liabilities account group.

8. LONG-TERM INDEBTEDNESS (CONTINUED)

C. Bonds and EFC Note

The following is a summary and description of the serial bonds outstanding at December 31, 2021:

<u>Description</u>	<u>Issue Date</u>	<u>Original Issue</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Outstanding at December 31, 2021</u>
Tax Certiorari	08/15/02	\$ 3,250,000	08/15/22	4.0%	\$ 235,000
Water Drainage	11/05/03	\$ 442,585	11/05/32	0.0%	165,000
General Improvement	05/15/09	\$ 2,327,000	05/15/22	3.33%	170,000
Water Tank/Drainage	10/15/09	\$ 2,900,000	10/15/29	4-1.5%	1,235,000
General Public Improvement	11/13/19	\$ 2,410,500	07/19/23	1.67%	2,305,000
Water District 5	11/01/21	\$ 2,046,080	08/01/31	.16 to 1.23%	<u>2,046,080</u>
					<u>\$ 6,156,080</u>
Drinking Water Facility *	07/19/18	\$ 2,100,000		2.625%-2.750%	<u>\$ 2,100,000</u>

* It is anticipated that when the project is complete, these notes will be converted to long-term.

The following is a summary of maturity of debt service requirements for general obligation bonds:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 835,000	\$ 102,427
2023	431,080	89,029
2024	425,000	85,296
2025	425,000	80,986
2026	425,000	76,416
2027-2031	1,910,000	297,510
2032-2036	380,000	208,113
2037-2041	475,000	154,167
2042-2046	510,000	89,788
2047-2049	<u>340,000</u>	<u>18,838</u>
	<u>\$ 6,156,080</u>	<u>\$ 1,202,570</u>

D. Compensated Absences

Town employees are granted vacation, holiday, sick leave and earn compensatory absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation, holiday (police only), sick leave and unused compensatory absences at various rates subject to certain maximum limitations.

8. LONG-TERM INDEBTEDNESS (CONTINUED)

D. Compensated Absences (Continued)

Payment of accumulated and unused vacation, holiday, sick leave and compensatory absences recorded in the non-current governmental liabilities account group is dependent upon many factors, therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payment of vacation, holiday, sick leave and compensatory absences when such amounts become due.

The Town recognizes a liability for vacation, holiday and compensatory absences and additional salary-related payments as the benefits are earned by the employees, based on the rendering of past service and the probability that the employees will be compensated for the benefits through paid time off or some other means. This includes vacation, holiday and compensatory absences that were earned but not used during the current or prior periods and of which employees can receive compensation in a future period.

In addition, the Town recognizes a liability for vesting sick leave and additional salary-related payments as employees earn benefits and to the extent it is probable that the Town will compensate the employees for the benefits through cash payments, rather than be taken as absences due to illness or other contingencies for employees who, at the balance sheet date, currently are eligible to receive termination payments as well as other employees who are expected to become eligible in the future to receive such payments.

E. Postemployment Benefits

Plan Description

GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefits.

Funding Policy

The Town currently funds the Plan to satisfy current obligations on a pay-as-you-go basis. During the year ended December 31, 2021 \$1,870,846 was paid on behalf of 156 retirees.

Benefits Provided

The Town provides postemployment healthcare benefits for certain eligible retirees.

8. LONG-TERM INDEBTEDNESS (CONTINUED)

E. *Postemployment Benefits (Continued)*

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	156
Active employees	<u>121</u>
Total participants covered by OPEB Plan	<u><u>277</u></u>

Total OPEB Liability

The Town's total OPEB liability of \$77,608,221 was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Discount Rate	2.05%
Healthcare Cost Trend Rates	5.7% for 2020 and 2021 to 4.04% in 2075
Salary Increases	Vary by year of service

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20 year AA municipal bond rate as of December 31, 2021.

Mortality rates were based on the April 1, 2010 - March 31, 2015 New York State Employees Retirement System expense with adjustments for mortality improvements based in Society for Actuaries Scale MP-2014.

8. LONG-TERM INDEBTEDNESS (CONTINUED)

E. Postemployment Benefits (Continued)

Changes in the Total OPEB Liability

OPEB Liability Beginning of Year	\$ 74,421,117
Changes for the Year:	
Service Cost	2,531,716
Interest	1,609,809
Assumption Changes and Differences	1,093,164
Benefit Payments	<u>(2,047,585)</u>
OPEB Liability End of Year	<u>\$ 77,608,221</u>

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

The following presents the Town's total OPEB Liability calculated using a discount rate of 2.05%, 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 rate:

	Discount Rate		
	<u>1% Decrease</u>	<u>% Baseline</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 93,704,532</u>	<u>\$ 77,608,221</u>	<u>\$ 65,164,337</u>

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

The following presents the Town's total OPEB Liability calculated using a healthcare cost trend rate of 4.04%, as well as what the Town's total OPEB Liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Healthcare Cost Trend Rate		
	<u>1% Decrease</u>	<u>% Baseline</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 63,005,471</u>	<u>\$ 77,608,221</u>	<u>\$ 97,135,345</u>

8. LONG-TERM INDEBTEDNESS (CONTINUED)

E. *Postemployment Benefits (Continued)*

OPEB Expense

For the year ended December 31, 2021, the Town recognized an OPEB expense as follows:

	<u>2021</u>
Service Cost	\$ 2,531,716
Interest	1,609,809
Changes of Assumptions or Other Inputs	<u>2,166,158</u>
 Net OPEB Expense	 <u>\$ 6,307,683</u>

At December 31, 2021, 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>
Difference between expected and actual expense	\$ 96,622	\$ (3,764,680)
Change in assumptions and other inputs	<u>14,256,715</u>	<u>(2,061,372)</u>
	<u>\$ 14,353,337</u>	<u>\$ (5,826,052)</u>

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

December 31, 2022	\$ 2,166,158
December 31, 2023	2,166,158
December 31, 2024	3,196,843
December 31, 2025	815,934
December 31, 2026	<u>182,192</u>
	<u>\$ 8,527,285</u>

Covered payroll was \$8,126,627 for the year ended December 31, 2021.

9. PENSION PLAN

General Information

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and New York State and Local Police and Fire Retirement System ("PFRS"). The Systems are cost sharing multiple-employer, public employee retirement systems. The Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

Plan Description and Benefits Provided

The Systems provide retirement benefits as well as death and disability benefits. The net position of the Systems are held in the New York State Common Retirement Fund, which was established to hold all net assets and record changes in plan net position allocated to the Systems. The Comptroller of the State of New York (the "Comptroller") serves as sole trustee and administrative head of the Systems. System benefits are established under provisions of the New York State Retirement and Social Security Laws ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The Systems are noncontributory except for ERS employees who joined the System after July 27, 1976 who contribute 3% of their salary, for the first ten years of membership and employees who joined on or after January 1, 2010 who generally must contribute 3% of their salary for their entire length of service. 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 Systems' fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100% of the contributions required as follows:

	<u>ERS</u>	<u>PFRS</u>
March 31, 2022	\$ 747,643	\$ 1,278,494
March 31, 2021	\$ 613,702	\$ 1,110,604
March 31, 2020	\$ 601,685	\$ 1,013,994

Chapter 260 of the laws of 2014 of the State of New York allows local employers to bond or amortize a portion (limitations established by fiscal year) of their retirement bill up to 10 years for fiscal years ended March 31, 2005 through 2008. Chapter 57 of the laws of 2010 of the State of New York allows local employers to amortize a portion (limitations established by fiscal year) of their retirement bill for 10 years for fiscal years ended March 31, 2013 and forward.

9. PENSION PLAN (CONTINUED)

Plan Description and Benefits Provided (Continued)

These laws require participating employers to make payments on a current basis, while bonding or amortizing existing unpaid amounts. The Town has not bonded or amortized any portion of their retirement obligations.

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

At December 31, 2021, the Town reported a liability of \$14,251 for ERS and \$2,230,083 for PFRS for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2020. The Town's proportion 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, 2021, the Town's proportion was .0143% percent ERS and .1284% PFRS.

At December 31, 2021, the Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 668,890	\$ -
Changes in assumptions	8,099,415	(49,420)
Net difference between projected and actual earnings on pension plan investments	-	(10,651,222)
Changes in proportion	113,268	(631,647)
Contributions subsequent to the measurement date	<u>1,519,602</u>	<u>-</u>
	<u>\$ 10,401,175</u>	<u>\$ (11,332,289)</u>

9. PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Inflows and Outflows of Resources Related to Pensions (Continued)

The net amount of the employer's balances of deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2022	\$	859,079
2023		(244,287)
2024		(554,470)
2025		(2,037,374)
2026		1,045,938
		<u>\$ (931,114)</u>

ERS Actuarial Assumptions

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuation used the following actuarial assumptions.

	<u>ERS</u>	<u>PFRS</u>
Interest rate	5.9%	5.9%
Salary increase	4.4%	6.2%
Inflation rate	2.7%	2.7%
Cost of living adjustment	1.4%	1.4%

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2020.

The actuarial assumptions used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period August 1, 2010 - March 31, 2020.

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are 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.

9. PENSION PLAN (CONTINUED)

ERS Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 were as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	4.05%
International equity	6.30%
Private equity	6.75%
Real estate	4.95%
Absolute return strategies	3.25%
Opportunistic portfolio	4.50%
Real assets	5.95%
Bonds and mortgages	3.63%
Cash	.50%

Discount Rate

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

9. PENSION PLAN (CONTINUED)

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

The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Town’s proportionate share of the net pension asset/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 rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Assumption</u>	<u>1%</u> <u>Increase</u>
<u>ERS</u>			
Town’s proportionate share of the net pension asset (liability)	\$ (3,955,589)	\$ (14,251)	\$ 3,620,585
<u>PFRS</u>			
Town’s proportionate share of the net pension asset (liability)	\$ (9,483,572)	\$ (2,230,083)	\$ 3,772,930

Pension Plan Fiduciary Net Position

The components of the net pension liability of the fiduciary as of March 31, 2021 was as follows (in thousands):

	<u>ERS</u>	<u>PFRS</u>
Fiduciary total pension liability	\$ (220,680,157)	\$ (41,236,775)
Fiduciary net position	<u>220,580,583</u>	<u>39,500,500</u>
Fiduciary net pension liability	<u>\$ (99,574)</u>	<u>\$ (1,736,275)</u>
Ratio of fiduciary net position to the fiduciary total pension liability	<u>99.95%</u>	<u>95.79%</u>

10. FUND BALANCE

The Town implemented GASB 54 “Fund Balance Reporting and Governmental Fund Type Definitions.”

GASB 54 defines five categories of fund balances as follows:

1. **Nonspendable** fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Town’s nonspendable fund balance consists of inventories and prepaid expenses at December 31, 2021.

10. FUND BALANCE (CONTINUED)

2. **Restricted** fund balance includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. Restricted fund balance includes the following:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Capital Reserve	\$ 99,311	\$ -	\$ -	\$ -
Parkland Reserve	166,343	-	-	-
Employee Benefit Reserve	134,381	-	-	-
Assets Forfeiture Reserve	46,922	-	-	-
Repair Reserve	<u>703,100</u>	<u>650,950</u>	<u>1,410,936</u>	<u>198,344</u>
	<u>\$ 1,150,057</u>	<u>\$ 650,950</u>	<u>\$ 1,410,936</u>	<u>\$ 198,344</u>

3. **Committed** fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town Board. The Town had no committed fund balances at December 31, 2021.
4. **Assigned** fund balance includes amounts that are constrained by the Town’s intent to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include funds that are legally mandated to be accounted for separately as well as amounts that have been contractually obligated by the Town or designated by the Town for ensuing year’s budget. Assigned fund balance includes the following:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Assigned for Tax Certiorari	\$ 54,109	\$ 29,134	\$ -	\$ -
Assigned for Special Revenue	-	1,370,626	2,960,521	1,804,751
Total	<u>\$ 54,109</u>	<u>\$ 1,399,760</u>	<u>\$ 2,960,521</u>	<u>\$ 1,804,751</u>

5. **Unassigned** fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the fund.

The Town Board determines whether restricted, committed, assigned or unassigned amounts are considered to have been spent first when resources are available from multiple constraint levels. The default policy is that resources are spent first from the highest constraint level.

11. TAX ABATEMENT

The Town enters into Payment in Lieu of Taxes (“PILOTS”) agreements with some local businesses. PILOTS are often included as part of an Industrial Development Agency (“IDA”) agreement with a commercial or industrial development for the purpose of attracting or retaining business within their jurisdictions. PILOT agreements normally provide for payments of amount lesser than would have been collected for real estate taxes for a number of years.

For the year ended December 31, 2021, the Town recognized \$997,751 in PILOT revenue under PILOT agreements. Abated property taxes amounted to approximately \$113,000 under this program.

12. INTERFUND BALANCES AND TRANSFERS

Interfund balances and transfers were as follows:

	<u>Due From</u>	<u>Due To</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ -	\$ 614	\$ 378,099	\$ -
Highway	44,348	-	165,337	60,000
Water	-	43,734	158,408	182,350
Sewer	-	-	39,842	114,000
Drainage	-	-	-	200
Fire Protection	-	-	-	2,000
Lighting	-	-	-	5,000
Capital Projects	-	-	-	378,136
Total	<u>\$ 44,348</u>	<u>\$ 44,348</u>	<u>\$ 741,686</u>	<u>\$ 741,686</u>

Administrative changes to other funds by the general fund were \$363,550. The remaining transfers were to fund capital projects.

13. COMMITMENTS AND CONTINGENCIES

Litigation

Several claims against the Town are presently pending for various reasons including condemnation and personal injuries. Although the final outcome of these matters cannot be predicted, management of the Town, based on the advice of the Town’s legal counsel, does not believe that the final settlement of these matters will have a material adverse effect on the financial condition of the Town.

13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grant Programs

The Town participates in a number of grant programs. These programs are subject to financial and compliance audits by the grantor or its representatives. The Town believes, based upon its review of current activity and prior experience, the amount of disallowances resulting from these audits, if any, will not be significant to the Town's financial position or results of operations.

Environmental Concerns

The Town is engaged in many activities (e.g., water and sewer service, refuse collection, gasoline storage), in the normal course of operations, that are potentially hazardous to the environment. As of December 31, 2021, the Town is not aware of any significant environmental problems that should be disclosed in the Financial statements.

Water Sale Agreement

The Town signed a five year agreement (with an additional five year option) with the Town of Guilderland to sell water at an annual rate of \$3 per thousand gallons for the first 45 million gallons and \$2.75 per thousand gallons thereafter. Water sales began in June 2021 and totaled \$183,871 for the year ended December 31, 2021.

Union Contracts

Police and general city employees are each represented by a collective bargaining agent. Those agents which represent them and the dates of expiration of their agreements are as follows:

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
C.S.E.A., Local 1000	December 31, 2021
Rotterdam Patrolmen's Benevolent Association	December 31, 2021

14. SUBSEQUENT EVENTS

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through September 21, 2023, the date the financial statements were available to be issued. No such events or transactions were identified.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ROTTERDAM, NEW YORK
BUDGETARY COMPARISON STATEMENT - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Real property taxes	\$ 7,181,780	\$ 7,181,780	\$ 7,181,780	\$ -
Real property tax items	858,584	858,584	838,685	(19,899)
Non-property tax items	4,275,000	4,275,000	4,456,834	181,834
Departmental income	264,000	287,462	367,698	80,236
Intergovernmental charges	194,543	194,543	198,093	3,550
Use of money and property	12,925	12,925	2,574	(10,351)
Licenses and permits	41,250	41,250	48,729	7,479
Fines and forfeitures	720,400	720,400	268,318	(452,082)
Sale of property and compensation for loss	28,015	28,015	14,748	(13,267)
Miscellaneous local sources	6,000	6,000	79,522	73,522
Interfund revenues	25,000	25,000	25,000	-
State aid	948,530	948,530	1,321,797	373,267
Federal aid	<u>5,000</u>	<u>5,000</u>	<u>548,745</u>	<u>543,745</u>
Total revenues	<u>14,561,027</u>	<u>14,584,489</u>	<u>15,352,523</u>	<u>768,034</u>
Expenditures				
General governmental support	2,781,147	2,818,491	3,086,054	(267,563)
Public safety	6,879,281	6,963,681	6,754,710	208,971
Public Health	3,400	3,400	3,374	26
Transportation	314,467	314,467	229,881	84,586
Economic assistance and opportunity	308,515	314,758	143,332	171,426
Culture and recreation	542,500	565,962	987,932	(421,970)
Home and community services	1,189,020	1,189,020	502,104	686,916
Employee benefits	5,247,959	5,247,959	4,812,756	435,203
Debt service	<u>157,695</u>	<u>157,695</u>	<u>157,693</u>	<u>2</u>
Total expenditures	<u>17,423,984</u>	<u>17,575,433</u>	<u>16,677,836</u>	<u>897,597</u>
Other Financing Sources (Uses)				
Operating transfers - in	<u>363,550</u>	<u>363,550</u>	<u>378,099</u>	<u>14,549</u>
Excess of expenditures and other financing sources over revenues	(2,499,407)	(2,627,394)	<u>\$ (947,214)</u>	<u>\$ 1,680,180</u>
Appropriated fund balance	<u>2,499,407</u>	<u>2,627,394</u>		
	<u>\$ -</u>	<u>\$ -</u>		

(1) AIM revenue of \$173,445 reclassified from miscellaneous revenue to state aid to conform to budgetary basis.

TOWN OF ROTTERDAM, NEW YORK
BUDGETARY COMPARISON STATEMENT - HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Real property taxes	\$ 3,880,733	\$ 3,880,733	\$ 3,880,733	\$ -
Real property tax items	311,323	311,323	311,482	159
Use of money and property	3,500	3,500	365	(3,135)
Licenses and permits	3,000	3,000	2,900	(100)
Sale of property and compensation for loss	6,000	6,000	3,378	(2,622)
Miscellaneous local sources	-	-	22,392	22,392
State aid	<u>230,871</u>	<u>230,871</u>	<u>455,679</u>	<u>224,808</u>
Total revenues	<u>4,435,427</u>	<u>4,435,427</u>	<u>4,676,929</u>	<u>241,502</u>
Expenditures				
Transportation	2,870,996	3,139,965	2,961,124	178,841
Employee benefits	1,328,710	1,328,710	1,147,635	181,075
Debt service	<u>437,496</u>	<u>437,496</u>	<u>506,744</u>	<u>(69,248)</u>
Total expenditures	<u>4,637,202</u>	<u>4,906,171</u>	<u>4,615,503</u>	<u>290,668</u>
Other Financing Sources (Uses)				
Operating transfers - in	-	-	165,337	165,337
Operating transfers - out	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Total other changes	<u>(60,000)</u>	<u>(60,000)</u>	<u>105,337</u>	<u>165,337</u>
Excess of revenue and other finding sources over expenditures	(261,775)	(530,744)	<u>\$ 166,763</u>	<u>\$ 697,507</u>
Appropriated fund balance	<u>261,775</u>	<u>530,744</u>		
	<u>\$ -</u>	<u>\$ -</u>		

TOWN OF ROTTERDAM, NEW YORK
BUDGETARY COMPARISON STATEMENT - WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Real property taxes	\$ 1,133,243	\$ 1,133,243	\$ 1,133,275	\$ 32
Departmental income	1,193,100	1,193,100	1,279,134	86,034
Intergovernmental charges	100,000	100,000	183,871	83,871
Use of money and property	230,990	230,990	260,538	29,548
Miscellaneous local sources	<u>3,250</u>	<u>3,250</u>	<u>22,272</u>	<u>19,022</u>
Total revenues	<u>2,660,583</u>	<u>2,660,583</u>	<u>2,879,090</u>	<u>218,507</u>
Expenditures				
Home and community services	1,999,280	2,086,377	1,512,424	573,953
Employee benefits	381,790	381,790	273,505	108,285
Debt service	<u>147,163</u>	<u>147,163</u>	<u>216,642</u>	<u>(69,479)</u>
Total expenditures	<u>2,528,233</u>	<u>2,615,330</u>	<u>2,002,571</u>	<u>612,759</u>
Other Financing Sources/Uses				
Operating transfers - in	-	-	158,408	158,408
Operating transfers - out	<u>(282,350)</u>	<u>(282,350)</u>	<u>(182,350)</u>	<u>100,000</u>
Total other changes	<u>(282,350)</u>	<u>(282,350)</u>	<u>(23,942)</u>	<u>123,942</u>
Excess of revenue over expenses and other financing uses	(150,000)	(237,097)	<u>\$ 852,577</u>	<u>\$ 1,089,674</u>
Appropriated fund balance	<u>150,000</u>	<u>237,097</u>		
	<u>\$ -</u>	<u>\$ -</u>		

TOWN OF ROTTERDAM, NEW YORK
BUDGETARY COMPARISON STATEMENT - SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Real property taxes	\$ 1,262,741	\$ 1,262,741	\$ 1,262,772	\$ 31
Departmental income	326,547	326,547	447,853	121,306
Use of money and property	3,055	3,055	479	(2,576)
Licenses and permits			1,155	1,155
Sale of property and compensation for loss	500	500	6,230	5,730
Miscellaneous local sources	<u>5,000</u>	<u>5,000</u>	<u>3,735</u>	<u>(1,265)</u>
Total revenues	<u>1,597,843</u>	<u>1,597,843</u>	<u>1,722,224</u>	<u>124,381</u>
Expenditures				
Home and community services	1,206,045	1,301,369	1,202,563	98,806
Employee benefits	276,320	276,320	212,145	64,175
Debt service	<u>368,478</u>	<u>368,478</u>	<u>356,291</u>	<u>12,187</u>
Total expenditures	<u>1,850,843</u>	<u>1,946,167</u>	<u>1,770,999</u>	<u>175,168</u>
Other Financing Sources/Uses				
Operating transfers - in	4,000	4,000	39,842	35,842
Operating transfers - out	<u>(114,000)</u>	<u>(114,000)</u>	<u>(114,000)</u>	<u>-</u>
Total other changes	<u>(110,000)</u>	<u>(110,000)</u>	<u>(74,158)</u>	<u>(35,842)</u>
Excess of revenues over expenditures and other financing uses	(363,000)	(458,324)	<u>\$ (122,933)</u>	<u>\$ 335,391</u>
Appropriated fund balance	<u>363,000</u>	<u>458,324</u>		
	<u>\$ -</u>	<u>\$ -</u>		