

# **Town of Somers, New York**

Financial Statements and  
Supplementary Information

Year Ended December 31, 2024



## Town of Somers, New York

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## **Independent Auditors' Report**

**The Honorable Supervisor and Town Board of  
the Town of Somers, New York**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Somers, New York ("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 accompanying 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 and the respective budgetary comparison for the General and Highway Funds 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' 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.

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.

## ***Auditors' 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 auditors' 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 GAAS 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 GAAS, 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 Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 combining and individual fund financial statements and schedules 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 and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

June 3, 2025

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## Town of Somers, New York

### Management's Discussion and Analysis December 31, 2024

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#### Introduction

This discussion and analysis of the Town of Somers, New York's ("Town") financial statements provides an overview of the financial activities of the Town for the fiscal year ended December 31, 2024. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

#### Financial Highlights for Fiscal Year 2024

- The Town is in sound financial condition with a strong credit rating, sizable tax base, prudent fund balances and low debt burden. The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was \$15,550,269 which represents an increase of \$2,285,202 from fiscal year 2023 primarily from recognition in 2024 of deferred revenue related to the prior receipt of American Rescue Plan Act ("ARPA") funds. Unassigned fund balance of \$3,704,798 represents 24% of the total fund balance of \$15,550,269 and represents 30% of total General Fund Expenditures and Other Financing Uses. The Town assigns a portion of its fund balance for future obligations including capital costs and tax certioraris.
- On the government-wide financial statements, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2024 by \$23,070,214 which represents an increase of \$3,653,999 from fiscal year 2023. However, the unrestricted net position, which is available to meet the ongoing needs of the Town, reflects a deficit of \$6,543,717 at December 31, 2024, a decrease of \$3,134,867 from 2023. This deficit results primarily from the accrual of certain operating liabilities pursuant to various Governmental Accounting Standards Board ("GASB") pronouncements discussed in this report. These obligations will be satisfied in future years.
- The Town reviewed the provisions of GASB Statement No. 101, "*Compensated Absences*" and its impact on the financial statements for the fiscal year ended December 31, 2024. The Town implemented this standard and it did not have a material impact on its financial statements.
- The Town provides postemployment benefits to certain current and retired employees in the form of healthcare and pensions. As a result, the Town has recorded substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2024, the Town had a liability of \$24,448,615 for other postemployment benefits recorded in accordance with provisions of Government Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" ("OPEB"). This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. Additionally, the Town had a liability of \$2,141,602 for its proportionate share of the net pension liability of the New York State and Local Employees' Retirement System ("ERS") recorded in accordance with the provision of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and none for the Local Police and Fire Retirement System ("PFRS") as there are

no current members. Under the standards, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all the municipalities and school districts in the plan. More detailed information about the Town's OPEB and pension reporting is presented in Note 3 in the notes to the Financial Statements.

- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$26,394,240, an increase of \$3,862,536 from the prior year. Exclusive of the Capital Projects Fund, the combined ending fund balances were \$26,405,996. Of this latter amount, the unassigned fund balance was \$3,704,798 or 14%. This amount is available for spending at the Town's discretion.
- The Town retired \$580,000 of general obligation debt in 2024 and ended the year with \$3,960,000 outstanding. In 2024, Moody's Investors Service reaffirmed the Town's General Obligation Bond Aaa rating which reflects the Town's healthy reserves, liquidity and tax base. More detailed information about the Town's Bonds Payable is presented in Note 3 in the notes to the Financial Statements.

### **Overview of the Financial Statements**

The Town's financial statements are composed of this Management Discussion and Analysis and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The Management Discussion and Analysis provides analysis and overview of the Town's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also includes other supplementary information as listed in the table of contents.

#### ***Government-Wide Financial Statements***

The *government-wide financial statements* are presented in a manner similar to private-sector business financial statements. The statements are prepared using the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to the Town's programs, are excluded from these statements.

The *Statement of Net Position* presents the Town's total assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to 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 current fiscal 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. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods such as uncollected taxes, earned but unused vacation leave, other postemployment benefit liabilities ("OPEB") and net pension liabilities and tax certiorari claims. The focus of this statement is on the net cost of providing various activities to the citizens of the Town.

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues ("*governmental activities*"). The governmental activities of the Town include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

### *Fund Financial Statements*

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in an individual fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds - Most of the basic services provided by the Town are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the Town's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

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. From this comparison, readers may better understand the long-term impact of the Town'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 has 8 individual governmental funds: General, Highway, Capital Projects, Public Library, Special Districts, Special Purpose, Debt Service and Permanent funds. Of these, the General, Highway, Debt Service, Special Purpose and Capital Projects Funds are reported as major funds and are presented in separate columns on the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for these non-major funds can be found in the *combining statements* elsewhere in this report.

The Town adopts an annual budget for its General, Highway, Public Library, Special Districts and Debt Service funds. A budgetary comparison statement, for the major funds, has been provided to demonstrate compliance with the respective budgets.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are *not* reflected in the government-wide financial statements because the assets of these funds are *not* available to support the activities of the Town.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

## Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements section of this report.

### Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Town's OPEB and net pension liabilities and the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$23,070,214 for fiscal year 2024.

The following table reflects the condensed Statement of Net Position:

	December 31,	
	2024	2023
Current Assets	\$ 31,064,165	\$ 28,531,824
Capital Assets, net	28,503,547	28,876,223
Total Assets	59,567,712	57,408,047
Deferred Outflows of Resources	4,827,641	6,846,206
Current Liabilities	2,902,586	4,506,282
Long-Term Liabilities	31,990,657	35,250,940
Total Liabilities	34,893,243	39,757,222
Deferred Inflows of Resources	6,431,896	5,080,816
Net Position		
Net Investment in Capital Assets	24,224,671	23,964,919
Restricted	5,389,260	5,129,880
Unrestricted	(6,543,717)	(9,678,584)
Total Net Position	\$ 23,070,214	\$ 19,416,215

Current assets increased in governmental activities by \$2,532,341 from the prior year. This was primarily due to an increase in Cash and equivalents, Investments, Taxes Receivable and State and Federal Aid.

Current liabilities in governmental activities decreased by \$1,603,696 from the previous year due to the recognition in 2024 of deferred revenue related to the prior receipt of ARPA funds.

Long-term liabilities, which consist of bonds, compensated absences, claims payable, net pension

liabilities and other post-employment benefit liability decreased by \$3,260,283 from the prior year for governmental activities. This was primarily due to the decrease in net pension liabilities, other post-employment benefit liability and the retirement of \$580,000 of general obligation debt in 2024.

The largest component of the Town's net position is invested in capital assets (net of related debt) of \$24,224,671 which reflects 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 its citizens 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.

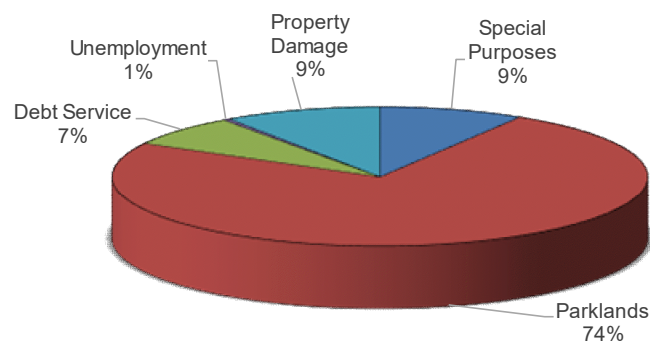
The restricted net position of \$5,389,260 represents resources that are subject to external restrictions on their use. The restrictions are:

	December 31,	
	2024	2023
Property Damage	\$ 512,624	\$ 500,000
Unemployment Benefits	20,365	20,365
Debt Service	386,650	385,245
Special Purposes	470,354	445,787
Parklands	3,999,267	3,778,483
	<u>\$ 5,389,260</u>	<u>\$ 5,129,880</u>

The remaining balance is an unrestricted deficit of \$6,543,717 which must be financed from future operations. The deficit does not mean the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including compensated absences (\$277,057), net pension liability (\$2,141,602), claims payable (\$772,663) and OPEB liability (\$24,448,615) that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made.

At the end of the current fiscal year, the Town is able to report positive net position balances for the government as a whole as well as for its governmental activities.

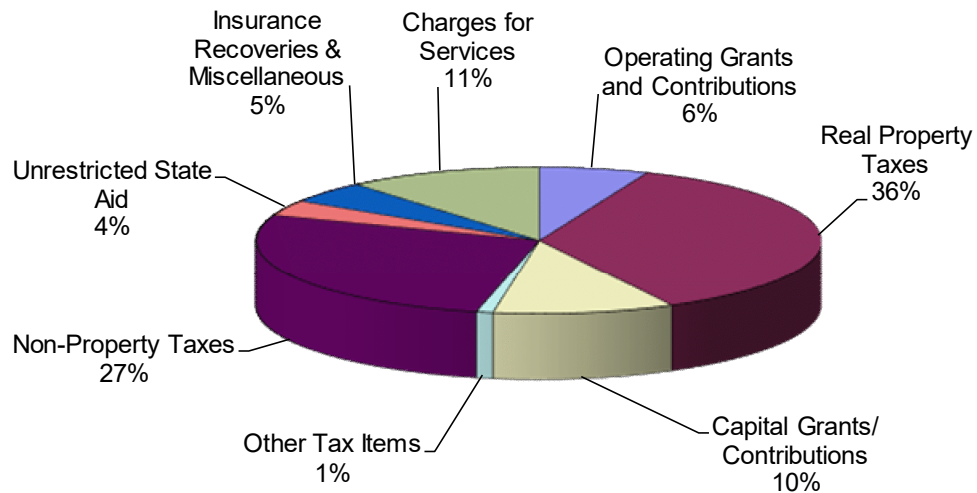
### 2024 Restricted Net Position



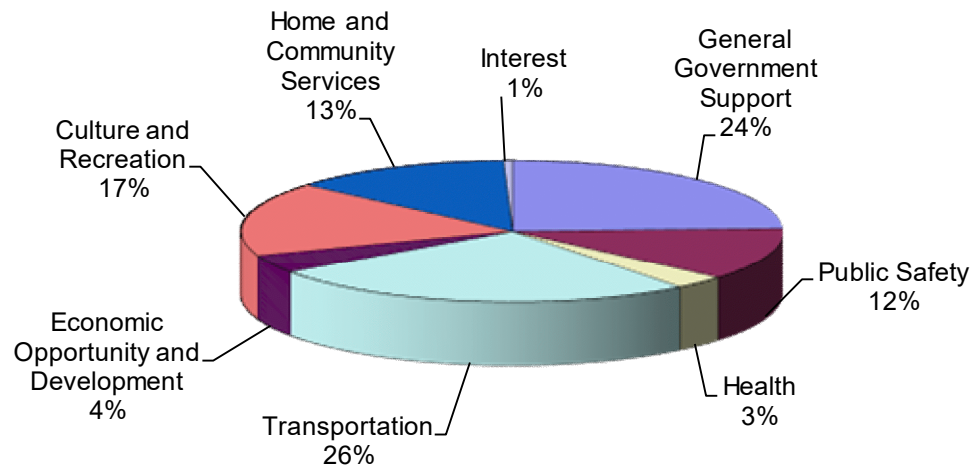
## Statement of Changes in Net Position

	December 31,	
	2024	2023
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 2,578,056	\$ 2,484,097
Operating Grants and Contributions	1,434,330	1,239,012
Capital Grants and Contributions	2,388,256	644,323
General Revenues		
Real Property Taxes	8,294,833	8,127,708
Payment in lieu of taxes	10,470	10,165
Other Tax Items:		
Interest and Penalties on Real Property Taxes	218,591	231,648
Non-Property Taxes		
Non-Property Tax Distribution from County	5,779,854	5,598,483
Franchise Fees - Cable TV	452,491	453,777
Unrestricted Use of Money and Property	1,076,375	1,013,772
Sale of Property and Compensation for Loss	8	242
Insurance Recoveries	860	26,832
Unrestricted State Aid	787,832	740,991
Miscellaneous	21,745	22,711
	<u>23,043,701</u>	<u>20,593,761</u>
Total Revenues		
<b>EXPENSES</b>		
Program Expenses		
General Government Support	4,717,031	5,207,502
Public Safety	2,335,841	2,242,577
Health	601,610	521,822
Transportation	4,996,422	4,754,861
Economic Opportunity and Development	799,907	844,078
Culture and Recreation	3,293,783	3,665,774
Home and Community Services	2,538,272	1,823,258
Interest	106,836	109,943
	<u>19,389,702</u>	<u>19,169,815</u>
Total Expenses		
Change in Net Position	3,653,999	1,423,946
<b>NET POSITION</b>		
Beginning	<u>19,416,215</u>	<u>17,992,269</u>
Ending	<u><u>\$ 23,070,214</u></u>	<u><u>\$ 19,416,215</u></u>

## Sources of Revenue for Fiscal Year 2024 Governmental Activities



## Expenses for Fiscal Year 2024 Governmental Activities



Governmental Activities: For the fiscal year ended December 31, 2024, governmental activities increased the Town's net position by \$3,653,999, an increase of \$2,230,053 as compared to the prior year. Revenues from governmental activities totaled \$23,043,701, an increase of \$2,449,940 over fiscal year 2023 primarily due to the recognition in 2024 of deferred revenue related to the receipt of ARPA funds. The Town obligated and spent \$2,212,711 of ARPA funds in 2024 which represents the total funds allocated to the Town. Tax revenues of \$14,756,239 comprised of Real Property Taxes, Payment in lieu of taxes, Other Tax Items and Non-Property Taxes, represented the largest revenue source at 64%. Expenses in 2024 were \$19,389,702 which were reasonably consistent with prior year expenses of \$19,169,815.

### **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 discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town Board.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$26,394,240, an increase of \$3,862,536 from the prior year. The non-spendable fund balance component is \$956,484, consisting of \$671,606 of prepaid expenditures and \$284,878 of trust principal. Fund Balance of \$5,104,382 is restricted for debt service, property damage, unemployment benefits, parklands and trusts. The assigned fund balance of \$16,640,332 consisting partially of amounts to balance the fiscal 2024 budget (\$230,758 in the General Fund, \$46,000 in the Highway Fund and \$70,669 in the Library Fund) as well as \$8,000,000 for capital costs and \$2,500,000 for tax certioraris. The remaining fund balance is unassigned and represents the remaining positive fund balance in the General Fund of \$3,704,798 and after amounts that have been restricted, committed or assigned for other purposes.

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund was \$15,550,269. Of this amount, \$3,704,798 was unassigned and represents 24% of the total fund balance of \$15,550,269 and represents 30% of total General Fund Expenditures and Other Financing Uses.

#### ***General Fund Budgetary Highlights***

When the fiscal 2024 budget was adopted, it anticipated no use of fund balance. Actual results of operations resulted in an increase of \$2,285,202 to fund balance. Overall, General Fund expenditures and other financing uses were \$12,199,955 which was \$27 less than the final budget.

No major area of spending was materially more than the original budget except for Transfers out to the Highway Fund which was covered by Federal Aid from the revenue recognition of ARPA funds.



There was a difference between the original revenues budget and the actual revenues for the General Fund, with the original budget at \$11,146,209 and the actual revenues at \$14,485,157, a difference of \$3,338,948. The revenue categories that reflected the largest positive variance against the original budget were Federal Aid primarily due to revenue from ARPA (\$2,212,711), Use of Money and Property (\$626,114) and Non-property Taxes (\$468,796) which consists primarily of sales tax. The revenue category that reflected the largest negative variance against the original budget was Real Property Taxes (\$348,029).

There was a difference between the original expenditures budget and the actual expenditures and other financing uses for the General Fund, with the original budget at \$11,146,209 and the actual at \$12,199,955, a difference of \$1,053,746. This difference was primarily due to the transfer of funds to reimburse the Highway Fund for projects that were obligated and paid for with ARPA funds and equipment purchases for the Parks and Recreation Department.

#### *Other*

The Highway Fund's total fund balance at the end of the current fiscal year was \$2,919,054 which represents an increase of \$1,110,845 from fiscal year 2023. This increase was primarily due to the transfer of funds from the General Fund to reimburse the Highway Fund for projects that were obligated and paid for with ARPA funds.

The Capital Projects Fund is used to account for capital project activity throughout the Town. The Capital Projects Fund's ending fund balance is \$(11,756) for fiscal year 2024. This deficit arose because of expenditures exceeding current financing on the projects. This deficit will be eliminated with the subsequent receipt of issuance or authorized financing.

Non-major Governmental Funds consist of certain Special Revenue Funds and the Permanent Fund. The Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted to expenditures for certain defined purposes. The non-major Special Revenue Funds of the Town are the Public Library Fund, which is provided to account for the activities of the Town's Public Library, Special Districts Fund, which is provided to account for the operation and maintenance of the Town's water, sewer and street lighting districts, the Permanent Fund, which is used to account for assets held by the Town in accordance with the terms of donor or grantor stipulations where the principal amounts cannot be expended.

For fiscal year ending December 31, 2024, the combined fund balances of the Non-major Governmental Funds total \$3,410,817 which represents an increase of \$238,435 from fiscal 2023. The Library's fund balance at the end of the current fiscal year was \$441,496 which represents a decrease of \$64,292 from fiscal year 2023. This decrease was primarily due to higher costs for employee benefits. Special Districts ending fund balance is \$2,638,906 which represents an increase of \$286,500 from fiscal year 2023 primarily due to taxes raised for future capital projects including but not limited to water tank maintenance, new water meters, new hydrants and water connection projects.

For 2024, the Special Purpose Fund, which is used to account for assets held by the Town in accordance with terms of donor or grantor stipulations, is reported as a Major Government Fund. The Special Purpose Fund's total fund balance at the end of the current fiscal year was \$4,139,206 which represents an increase of \$229,124 from fiscal year 2023.

## Capital Asset and Debt Administration

Capital Assets - The Town's investment in capital assets for its governmental activities as of December 31, 2024, amount to \$28,503,547 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

### Capital Assets

	December 31,	
	2024	2023
Land	\$ 5,881,179	\$ 5,881,179
Construction Work-in-Progress	4,344,396	4,740,452
Buildings and Improvements	10,275,517	10,064,733
Machinery and Equipment	2,783,932	2,479,653
Infrastructure	5,218,523	5,710,206
Total	\$ 28,503,547	\$ 28,876,223

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Road resurfacing (approximately 16 roads or 2.5 miles) - \$458,839
- Purchase of four trucks for Highway Department - \$332,830
- Purchase of one new hybrid police vehicle - \$70,828
- Purchase of four AEDs for Reis Park - \$19,828
- Purchase of two new vehicles for Parks Department - \$133,986
- Purchase and installation of new Reis Park Sign - \$45,035
- Purchase and install lift for Town House meeting room - \$28,950

Capital projects expected to continue in 2025 include the Route 202 crosswalk and sidewalk, the multi-year expansion of Reis Park, the installation of a generator at the Police Department, the project to reduce PFAS levels in the water supply in the Town House and Annex buildings and the Ross Drive water tank rehabilitation. New projects anticipated to commence for 2025 include: the Historic Elephant Hotel (Town House) restoration, the Wright-Reis Homestead roof repairs, and the purchase of a vacuum truck for Highway and Water Department use. Grants and Fund Balance Reserves are expected to provide some of the funding for these projects while the larger projects may require the Town to borrow funds.

Additional information on the Town's capital assets can be found in Note 3 of this report.

Long-Term Debt - At the end of the current fiscal year, the Town had total bonded debt outstanding of \$3,960,000. In 2024, Moody's Investors Service reaffirmed the Town's General Obligation Bond Aaa rating which reflects the Town's healthy reserves, liquidity and tax base. Payments of \$580,000 on prior indebtedness were made in 2024.

Known as the "constitutional debt limit", and pursuant to New York State Local Finance Law §104, the Town must limit total outstanding long-term debt to no more than 7% of the five-year average full valuation of real property. As of December 31, 2024, the Town is significantly below this limitation and had exhausted 1.26% of its constitutional debt limit.

As a result of sound financial management, prudent budgeting and manageable debt levels, the Town is currently rated Aaa by Moody's Investor Service. The Town continues to maintain its consistently strong cash flow position, fully able to fund operating activities without the need to borrow. The Town Tax Levy for 2024 remained well below the tax cap and marginally higher than 2023. Contract negotiations are ongoing with one of the Town's unions and any impact on future budgets is unknown at this time.

Additional information on the Town's long-term debt can be found in Note 3 of this report.

### **Economic Factors and Next Year's Budget**

The Town is affected by economic conditions including, but not limited to, the housing and labor markets, interest rates, and changes in taxable assessed valuations. Inflation is also a factor as the cost for materials and services has risen and any further increases in the price of goods and services will adversely affect the Town's finances. Economic and other factors such as healthcare and pension costs may increase at a faster rate than overall inflation.

Despite these challenges, the Town strives to remain under the State's mandated Tax Cap and has done so every year since its implementation in 2012.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, Town of Somers Finance Office, 335 Route 202, Somers, New York 10589 or [Finance@Somersny.gov](mailto:Finance@Somersny.gov).

**Town of Somers, New York**Statement of Net Position  
December 31, 2024

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 3,139,717
Investments	22,823,388
Receivables	
Taxes, net	1,043,077
Accounts	152,148
Water and sewer rents	406,236
State and Federal aid	556,371
Due from other governments	1,465,031
Prepaid expenses	671,606
Investment in joint venture	806,591
Capital assets	
Not being depreciated	10,225,575
Being depreciated, net	18,277,972
Total Assets	59,567,712
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge on refunding bonds	71,844
Pension related	2,312,656
OPEB related	2,443,141
Total Deferred Outflows of Resources	4,827,641
<b>LIABILITIES</b>	
Accounts payable	631,158
Accrued liabilities	369,652
Deposits payable	1,045,411
Employee payroll deductions	171
Unearned revenues	830,883
Accrued interest payable	25,311
Noncurrent liabilities	
Due within one year	1,523,000
Due in more than one year	30,467,657
Total Liabilities	34,893,243
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	1,118,352
OPEB related	5,313,544
Total Deferred Inflows of Resources	6,431,896
<b>NET POSITION</b>	
Net investment in capital assets	24,224,671
Restricted for	
Property damage	512,624
Unemployment benefits	20,365
Debt service	386,650
Special Purposes	
Expendable-Culture and recreation	185,476
Nonexpendable-Culture and recreation	284,878
Parklands	3,999,267
Unrestricted	(6,543,717)
Total Net Position	\$ 23,070,214

The notes to the financial statements are an integral part of this statement.

**Town of Somers, New York**

Statement of Activities  
Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 4,717,031	\$ 238,423	\$ 42,453	\$ 125,086	\$ (4,311,069)
Public safety	2,335,841	18,247	-	230,580	(2,087,014)
Health	601,610	-	-	-	(601,610)
Transportation	4,996,422	88,587	694,292	918,647	(3,294,896)
Economic opportunity and development	799,907	-	282,606	216,984	(300,317)
Culture and recreation	3,293,783	373,736	307,449	380,998	(2,231,600)
Home and community services	2,538,272	1,859,063	107,530	496,752	(74,927)
Interest	106,836	-	-	19,209	(87,627)
<b>Total Governmental Activities</b>	<b>\$ 19,389,702</b>	<b>\$ 2,578,056</b>	<b>\$ 1,434,330</b>	<b>\$ 2,388,256</b>	<b>(12,989,060)</b>
General revenues					
Real property taxes					8,294,833
Other tax items					
Payments in lieu of taxes					10,470
Interest and penalties on real property taxes					218,591
Non-property taxes					
Non-property tax distribution from County					5,779,854
Franchise - Cable TV					452,491
Unrestricted use of money and property					1,076,375
Sale of property and compensation of loss					8
Unrestricted State aid					787,832
Miscellaneous					21,745
Insurance recoveries					860
<b>Total General Revenues</b>					<b>16,643,059</b>
<b>Change in Net Position</b>					<b>3,653,999</b>
<b>NET POSITION</b>					
Beginning					19,416,215
Ending					<b>\$ 23,070,214</b>

The notes to the financial statements are an integral part of this statement.

**Town of Somers, New York**

Balance Sheet  
Governmental Funds  
December 31, 2024

	General	Highway	Debt Service
<b>ASSETS</b>			
Cash and equivalents	\$ 2,333,761	\$ 120,044	\$ 12,340
Investments	13,984,699	1,535,224	374,310
Taxes receivable, net of allowance for uncollectible amounts of \$1,122,948	1,043,077	-	-
Other receivables			
Accounts	148,628	-	-
Water and sewer rents	-	-	-
State and Federal aid	111,428	444,943	-
Due from other governments	1,465,031	-	-
Due from other funds	11,756	914,850	-
	1,736,843	1,359,793	-
Prepaid expenditures	602,089	40,277	-
Total Assets	<u>\$ 19,700,469</u>	<u>\$ 3,055,338</u>	<u>\$ 386,650</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 353,451	\$ 54,246	\$ -
Accrued liabilities	235,461	82,038	-
Deposits payable	1,045,411	-	-
Employee payroll deductions	171	-	-
Due to other funds	982,386	-	-
Unearned revenues	547,261	-	-
Total Liabilities	3,164,141	136,284	-
Deferred inflows of resources			
Deferred tax revenues	986,059	-	-
Total Liabilities and Deferred Inflows of Resources	4,150,200	136,284	-
Fund balances (deficits)			
Nonspendable	602,089	40,277	-
Restricted	512,624	-	386,650
Assigned	10,730,758	2,878,777	-
Unassigned	3,704,798	-	-
Total Fund Balances (Deficits)	15,550,269	2,919,054	386,650
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 19,700,469</u>	<u>\$ 3,055,338</u>	<u>\$ 386,650</u>

The notes to the financial statements are an integral part of this statement.

Special Purpose	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 120,351	\$ 103,322	\$ 449,899	\$ 3,139,717
4,018,855	19,544	2,890,756	22,823,388
-	-	-	1,043,077
-	-	3,520	152,148
-	-	406,236	406,236
-	-	-	556,371
-	-	-	1,465,031
-	67,536	-	994,142
-	67,536	409,756	3,573,928
-	-	29,240	671,606
\$ 4,139,206	\$ 190,402	\$ 3,779,651	\$ 31,251,716
\$ -	\$ 95,948	\$ 127,513	\$ 631,158
-	-	52,153	369,652
-	-	-	1,045,411
-	-	-	171
-	11,756	-	994,142
-	94,454	189,168	830,883
-	202,158	368,834	3,871,417
-	-	-	986,059
-	202,158	368,834	4,857,476
-	-	314,118	956,484
4,139,206	-	65,902	5,104,382
-	-	3,030,797	16,640,332
-	(11,756)	-	3,693,042
4,139,206	(11,756)	3,410,817	26,394,240
\$ 4,139,206	\$ 190,402	\$ 3,779,651	\$ 31,251,716

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## Town of Somers, New York

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

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances - Governmental Funds	\$ 26,394,240
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	10,225,575
Capital assets - depreciable	56,585,428
Accumulated depreciation	(38,307,456)
Investment in joint venture is not reported in the funds.	806,591
	<u>29,310,138</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	2,312,656
Deferred outflows - OPEB related	2,443,141
Deferred inflows - pension related	(1,118,352)
Deferred inflows - OPEB related	(5,313,544)
	<u>(1,676,099)</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>986,059</u>
Long-term and other liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(25,311)
General obligation bonds payable	(3,960,000)
Compensated absences	(277,057)
Claims payable	(772,663)
Net pension liability - ERS	(2,141,602)
Total OPEB liability	<u>(24,448,615)</u>
	<u>(31,625,248)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amount on refunding	71,844
Premium on general obligation bonds	<u>(390,720)</u>
	<u>(318,876)</u>
Net Position of Governmental Activities	<u>\$ 23,070,214</u>

The notes to the financial statements are an integral part of this statement.

# Town of Somers, New York

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

	General	Highway	Debt Service
<b>REVENUES</b>			
Real property taxes	\$ 2,471,146	\$ 3,886,537	\$ -
Other tax items	229,061	-	-
Non-property taxes	6,232,345	-	-
Departmental income	484,783	-	-
Intergovernmental charges	49,657	82,463	-
Use of money and property	1,105,301	121,644	19,209
Licenses and permits	351,329	-	-
Fines and forfeitures	138,212	-	-
Sale of property and compensation for loss	8	1,862	-
Interfund revenues	67,752	937	-
State aid	896,336	572,163	-
Federal aid	2,385,703	-	-
Miscellaneous	68,867	4,262	-
Total Revenues	14,480,500	4,669,868	19,209
<b>EXPENDITURES</b>			
Current			
General government support	3,245,302	-	-
Public safety	1,588,499	-	-
Health	588,965	-	-
Transportation	368,828	2,984,554	-
Economic opportunity and development	579,570	-	-
Culture and recreation	1,614,585	-	-
Home and community services	223,954	-	-
Employee benefits	2,655,549	976,447	-
Debt service			
Principal	-	-	580,000
Interest	-	-	162,281
Capital outlay	-	-	-
Total Expenditures	10,865,252	3,961,001	742,281
Excess (Deficiency) of Revenues Over Expenditures	3,615,248	708,867	(723,072)
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance recoveries	860	-	-
Transfers in	3,797	925,000	724,477
Transfers out	(1,334,703)	(523,022)	-
Total Other Financing Sources (Uses)	(1,330,046)	401,978	724,477
Net Change in Fund Balances	2,285,202	1,110,845	1,405
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	13,265,067	1,808,209	385,245
End of Year	\$ 15,550,269	\$ 2,919,054	\$ 386,650

The notes to the financial statements are an integral part of this statement.

Special Purpose	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 1,612,650	\$ 7,970,333
-	-	-	229,061
-	-	-	6,232,345
34,500	-	1,436,562	1,955,845
-	-	-	132,120
191,871	-	153,985	1,592,010
-	-	-	351,329
-	-	-	138,212
-	-	-	1,870
-	-	133,158	201,847
-	3,797	6,730	1,479,026
-	-	-	2,385,703
23,446	152,538	1,374	250,487
249,817	156,335	3,344,459	22,920,188
-	-	-	3,245,302
-	-	-	1,588,499
-	-	-	588,965
-	-	20,418	3,373,800
-	-	-	579,570
18,601	-	882,850	2,516,036
-	-	1,609,779	1,833,733
-	-	542,319	4,174,315
-	-	-	580,000
-	-	-	162,281
-	416,011	-	416,011
18,601	416,011	3,055,366	19,058,512
231,216	(259,676)	289,093	3,861,676
-	-	-	860
-	260,998	2,718	1,916,990
(2,092)	(3,797)	(53,376)	(1,916,990)
(2,092)	257,201	(50,658)	860
229,124	(2,475)	238,435	3,862,536
3,910,082	(9,281)	3,172,382	22,531,704
\$ 4,139,206	\$ (11,756)	\$ 3,410,817	\$ 26,394,240

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## Town of Somers, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2024

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Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	\$ 3,862,536
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	1,820,243
Depreciation expense	(2,192,919)
Equity interest in joint venture	(54,016)
	<u>(426,692)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>324,500</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal paid on general obligation bonds	<u>580,000</u>
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.	
Accrued interest	3,017
Changes in pension liabilities and related deferred outflows and inflows of resources	(272,314)
Compensated absences	(114,388)
Claims payable	(55,489)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(299,599)
Amortization of loss on refunding bonds and issuance premium	52,428
	<u>(686,345)</u>
Change in Net Position of Governmental Activities	<u>\$ 3,653,999</u>

The notes to the financial statements are an integral part of this statement.

**Town of Somers, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual  
General and Highway Funds  
Year Ended December 31, 2024

	General			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 2,819,175	\$ 2,819,175	\$ 2,471,146	\$ (348,029)
Other tax items	245,470	245,470	229,061	(16,409)
Non-property taxes	5,763,549	5,763,549	6,232,345	468,796
Departmental income	383,300	383,300	484,783	101,483
Intergovernmental charges	46,032	46,032	49,657	3,625
Use of money and property	479,187	479,187	1,105,301	626,114
Licenses and permits	370,000	370,000	351,329	(18,671)
Fines and forfeitures	130,000	130,000	138,212	8,212
Sale of property and compensation for loss	1,000	1,000	8	(992)
Interfund revenues	59,200	59,200	67,752	8,552
State aid	728,100	728,100	896,336	168,236
Federal aid	61,668	976,517	2,385,703	1,409,186
Miscellaneous	59,528	59,528	68,867	9,339
Total Revenues	11,146,209	12,061,058	14,480,500	2,419,442
<b>EXPENDITURES</b>				
Current				
General government support	3,162,046	3,245,310	3,245,302	8
Public safety	1,690,017	1,588,503	1,588,499	4
Health	584,570	588,966	588,965	1
Transportation	394,390	368,828	368,828	-
Economic opportunity and development	653,095	579,573	579,570	3
Culture and recreation	1,299,498	1,614,588	1,614,585	3
Home and community services	158,659	223,956	223,954	2
Employee benefits	2,701,167	2,655,553	2,655,549	4
Total Expenditures	10,643,442	10,865,277	10,865,252	25
Excess (Deficiency) of Revenues Over Expenditures	502,767	1,195,781	3,615,248	2,419,467
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	-	-	860	860
Transfers in	-	-	3,797	3,797
Transfers out	(502,767)	(1,334,705)	(1,334,703)	2
Total Other Financing Uses	(502,767)	(1,334,705)	(1,330,046)	4,659
Net Change in Fund Balances	-	(138,924)	2,285,202	2,424,126
<b>FUND BALANCES</b>				
Beginning of Year	-	138,924	13,265,067	13,126,143
End of Year	\$ -	\$ -	\$ 15,550,269	\$ 15,550,269

The notes to the financial statements are an integral part of this statement.

Highway			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,886,537	\$ 3,886,537	\$ 3,886,537	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
85,883	85,883	82,463	(3,420)
25,000	25,000	121,644	96,644
-	-	-	-
-	-	-	-
4,900	4,900	1,862	(3,038)
-	-	937	937
508,000	508,000	572,163	64,163
-	-	-	-
-	-	4,262	4,262
4,510,320	4,510,320	4,669,868	159,548
-	-	-	-
-	-	-	-
-	-	-	-
2,932,947	2,984,560	2,984,554	6
-	-	-	-
-	-	-	-
-	-	-	-
1,050,858	999,245	976,447	22,798
3,983,805	3,983,805	3,961,001	22,804
526,515	526,515	708,867	182,352
-	-	-	-
-	-	925,000	925,000
(526,515)	(526,515)	(523,022)	3,493
(526,515)	(526,515)	401,978	928,493
-	-	1,110,845	1,110,845
-	-	1,808,209	1,808,209
\$ -	\$ -	\$ 2,919,054	\$ 2,919,054

Town of Somers, New York

Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2024

	Custodial Fund
<b>ASSETS</b>	
Cash and equivalents	\$ 217,458
Investments	14,862,923
Real property taxes receivable for other governments	25,127,221
Total Assets	\$ 40,207,602
<b>LIABILITIES</b>	
Due to other governments	\$ 40,207,602

The notes to the financial statements are an integral part of this statement.



**Town of Somers, New York**

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

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Real property taxes collected for other governments	\$ 105,044,035
<b>DEDUCTIONS</b>	
Payments of real property taxes to other governments	<u>105,044,035</u>
Net Change in Fiduciary Net Position	-
<b>NET POSITION</b>	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

The notes to the financial statements are an integral part of this statement.

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## **Town of Somers, New York**

Notes to Financial Statements  
December 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies**

The Town of Somers, New York ("Town") was established in 1788 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as both the chief executive and chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below:

#### **A. Financial Reporting Entity**

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following blended component unit is included in the Town's reporting entity because of its operational or financial relationship with the Town. Blended component units, through legally separate entities, are in substance, part of the Town's operations. The blended component unit serves or benefits the Town almost exclusively. Financial information from this component unit is combined with that of the Town. The following represents the Town's blended component unit.

The Somers Library ("Library") was granted charter by the University of the State of New York. Although the Library is a separate legal entity, the Town appoints Library trustees, approves the budget, raises taxes and finances the Library's operations through real property taxes, has title to real property used by the Library and issues all Library indebtedness which is supported by the full faith and credit of the Town.

#### **B. Government-Wide Financial Statements**

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

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers

**Note 1 - Summary of Significant Accounting Policies**

or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

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

**C. Fund Financial Statements**

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

**Fund Categories**

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds.

General Fund - The General Fund constitutes the primary operating fund of the Town in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

Special Revenue Funds - Special revenue funds are established to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specific purposes other than debt service and capital projects. The major special revenue funds of the Town are as follows:

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenue of this fund is real property taxes.

**Note 1 - Summary of Significant Accounting Policies**

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Town in accordance grantor or contributor stipulations.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

The Town also reports the following non-major governmental funds.

Special Revenue Funds:

Public Library Fund - The Public Library Fund is used to account for the activities of the Town's Public Library.

Special Districts Fund - The Special Districts Fund is used to account for the operation and maintenance of the Town's water, sewer and street lighting districts.

Permanent Fund - The Permanent Fund is used to account for assets held by the Town in accordance with grantor or contributor stipulations where the principal amount cannot be expended.

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Town on behalf of others. The Custodial Fund is used to account for real property taxes collected for other governments.

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

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

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

**Note 1 - Summary of Significant Accounting Policies**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability and other post-employment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

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

**Cash and Equivalents, Investments and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Town's deposit and investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

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

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The Town follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies**

The Town participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30<sup>th</sup>.

The Town's position in the pool at December 31, 2024 of \$30,313,208 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days. CLASS is rated AAAM by Standard & Poor's. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17<sup>th</sup> Street, Suite 1850, Denver, CO 80202.

The Town also participates in the New York Liquid Assets Fund ("NYLAF"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. The sponsoring agency of the pool is another governmental unit, which acting through the fiscal officer, is primarily responsible for executing the provisions of the cooperative agreement. NYLAF has designated PMA Asset Management, LLC as its registered investment advisor.

The pool is authorized to invest in various securities issued by the United States and its agencies. The amounts represent the amortized cost of the cooperative shares and are considered to approximate fair value. The Town's position in the pool at December 31, 2024 of \$7,373,103 is equal to the value of the pool shares.

NYLAF is rated AAAM by Standard and Poor's Rating Service. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. NYLAF invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the NYLAF is presented in the annual report, which may be obtained from the Governing Board c/o PMA Financial Network, LLC, 300 Westage Business Center Drive, Fishkill, NY 12524.

### **Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal

**Note 1 - Summary of Significant Accounting Policies**

investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40, *"Deposits and Investment Risk Disclosures – an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2024.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town's investment policy limits the amount on deposit at each of its banking institutions.

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special districts taxes, which are due April 1st and payable without penalty to April 30th. School districts taxes are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County of Westchester, New York ("County") and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

The Town functions in both a fiduciary and guarantor relationship with the County and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and satisfy the balance of forty percent by October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligations regardless of the amounts collected. County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, *"Fiduciary Activities"*, and therefore have been accounted for within the Custodial Fund.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized



## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies**

as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

**Due From/To Other Funds** - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in the fund financial statements are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Inventory** - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventorable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

**Investment in Joint Venture** - The investment in joint venture represents the Town's equity interest in the Northern Westchester Joint Water Works.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

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

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

Land and construction-in-progress are not depreciated. Property, plant and equipment of the Town are depreciated using the straight line method over the following estimated useful lives.

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies**

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Machinery and equipment	5-20
Infrastructure	20-50

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental funds balance sheet.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned revenues consist of amounts received in advance and/or grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$526,000 fees received in advance, \$20,000 for NYSERDA grant received in advance, and \$1,261 for related interest earned in the General Fund, \$94,454 for grants and deposits received in advance in the Capital Projects Fund, and \$189,168 for a NYS construction grant received in advance in the Library Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

The Town has reported deferred inflows of resources of \$986,059 in the General Fund for real property taxes not expected to be collected within the first sixty days of the subsequent fiscal year. Those amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

The Town reported deferred amounts on refunding bonds resulting from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Town has also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the government-wide financial statement for governmental activities. These amounts are detailed in the discussion of the Town's pension and other postemployment benefit liabilities in Note 3F.

**Note 1 - Summary of Significant Accounting Policies**

**Long-Term Liabilities** - In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

**Compensated Absences** - The liability for compensated absences represents the sick time ("leave"/"leave days") and salary related payments which have been earned for services previously rendered by employees in accordance with the Town's various collective bargaining agreements, accumulates, is allowed to be carried over to subsequent year(s) and is deemed more likely than not (by management) to be used for time off or otherwise paid/settled in the future. The liability is calculated based on each employees' rate of pay and the number of unused leave days accumulated as of year-end, management's assumption that the likelihood of future use (either by use during employment or settlement/payment upon separation from service) is probable, and the salary related payments are directly and incrementally associated with payments for the leave. The Town utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability for compensated absences is reflected in the government-wide financial statements as current and long-term liabilities. In the fund financial statements, only the compensated absences liability that has matured through employee resignation or retirement and is expected to be payable from expendable available financial resources is reported. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 101, "*Compensated Absences*".

**Net Pension Liability (Asset)** - The net pension liability represents the Town's proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*".

**Other Postemployment Benefit Liability ("OPEB")** – In addition to providing pension benefits, the Town provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

**Net Position** - represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of

**Note 1 - Summary of Significant Accounting Policies**

resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

*Restricted* net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the Town includes restricted for property damage, unemployment benefits, debt service, special purpose and parklands.

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statement, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have depleted before unrestricted net position is applied.

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

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Board.

**Note 1 - Summary of Significant Accounting Policies**

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Director of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

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

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Highway and certain non-major funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 3, 2025.

## **Town of Somers, New York**

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 2 - Stewardship, Compliance and Accountability**

#### **A. Budgetary Data**

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Highway, Debt Service, Public Library and Special Districts funds.
- i) Budgets for General, Highway, Public Library, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Special Purpose and Permanent funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Town Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 2 - Stewardship, Compliance and Accountability**

- k) Appropriations in General, Highway, Public Library, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

#### **B. Property Tax Limitation**

Under New York State Town Law, the Town is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the New York State Laws of 2011, as amended ("Tax Levy Limitation Law") modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of two percent or the "Inflation Factor" provided, however, that in no case shall the levy growth factor be less than one. The Inflation Factor is the percentage change in the twelve month average National Consumer Price Indexes determined by the United States Department of Labor calculated six months before the start of the new fiscal year.

The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

#### **C. Capital Projects Fund Project Deficits**

The State Police Barracks capital project has a deficit balance of \$11,756 at December 31, 2024. This deficit arises because of expenditures exceeding current financing on the project. This deficit will be eliminated with the subsequent receipt or issuance of authorized financing.

#### **D. New Accounting Pronouncement**

GASB Statement No. 101, "*Compensated Absences*", established guidance for measuring the liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. Measurement for the liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. The requirements of GASB Statement No. 101 are effective for the Town's fiscal year ended December 31, 2024. The Town has completed its evaluation of the financial impact of

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 2 - Stewardship, Compliance and Accountability**

GASB Statement No. 101 and determined that the implementation of this standard did not have a material impact on its financial statements.

### **Note 3 - Detailed Notes on All Funds**

#### **A. Taxes Receivable**

Taxes receivable at December 31, 2024 consisted of the following:

Town and County taxes - Current	\$	137,578
Tax liens		1,127,323
Property acquired for taxes		<u>901,124</u>
		2,166,025
Allowance for uncollectible taxes		<u>(1,122,948)</u>
	\$	<u>1,043,077</u>

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$986,059 which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

#### **B. Interfund Receivables/Payables**

The composition of due from/to other funds at December 31, 2024 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 11,756	\$ 982,386
Highway	914,850	-
Capital Projects	<u>67,536</u>	<u>11,756</u>
	<u>\$ 994,142</u>	<u>\$ 994,142</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

#### **C. Investment in Joint Venture**

The Town together with the Town of Yorktown, New York, the Town of Cortlandt, New York and the Montrose Improvement District, New York, participate in the Northern Westchester Joint Water Works. The purpose of the joint venture is to construct, maintain and operate a water works transmission system for its members. The Town has an equity interest in the joint venture of 6%.



## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

The following is an audited summary of financial information included in the financial statements of the joint venture.

Total Assets	\$ 26,716,376
Deferred Outflows of Resources	3,484,683
Total Liabilities	11,895,154
Deferred Inflows of Resources	4,862,718
Total Equity	13,443,187
Total Operating Revenues	12,059,027
Total Non-Operating Revenues	393,590
Total Expenses	13,120,967

Complete separate financial statements may be obtained at the Northern Westchester Joint Water Works, 2065 East Main Street, Cortlandt Manor, New York 10567.

#### **D. Capital Assets**

Changes in the Town's capital assets are as follows:

	Balance January 1, 2024	Additions	Deletions	Balance December 31, 2024
Capital Assets, not being depreciated:				
Land	\$ 5,881,179	\$ -	\$ -	\$ 5,881,179
Construction in progress	4,740,452	542,202	938,258	4,344,396
	<u>\$ 10,621,631</u>	<u>\$ 542,202</u>	<u>\$ 938,258</u>	<u>\$ 10,225,575</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 17,923,792	\$ 1,079,995	\$ 265,000	\$ 18,738,787
Machinery and equipment	7,037,982	1,136,304	300,091	7,874,195
Infrastructure	29,972,446	-	-	29,972,446
Total Capital Assets, being depreciated	<u>54,934,220</u>	<u>2,216,299</u>	<u>565,091</u>	<u>56,585,428</u>
Less Accumulated Depreciation for:				
Buildings and improvements	7,859,059	869,211	265,000	8,463,270
Machinery and equipment	4,558,329	832,025	300,091	5,090,263
Infrastructure	24,262,240	491,683	-	24,753,923
Total Accumulated Depreciation	<u>36,679,628</u>	<u>2,192,919</u>	<u>565,091</u>	<u>38,307,456</u>
Total Capital Assets, being depreciated, net	<u>\$ 18,254,592</u>	<u>\$ 23,380</u>	<u>\$ -</u>	<u>\$ 18,277,972</u>
Capital Assets, net	<u>\$ 28,876,223</u>	<u>\$ 565,582</u>	<u>\$ 938,258</u>	<u>\$ 28,503,547</u>

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

Depreciation expense was charged to the Town's functions and programs as follows:

General Government Support	\$ 55,621
Public Safety	133,428
Transportation	1,094,937
Economic Opportunity and Development	41,546
Culture and Recreation	196,470
Home and Community Services	<u>670,917</u>
Total Depreciation Expense	<u>\$ 2,192,919</u>

#### **E. Accrued Liabilities**

Accrued liabilities at December 31, 2024 were as follows:

	Fund			Total
	General	Highway	Non-Major Governmental	
Payroll and Employee Benefits	<u>\$ 235,461</u>	<u>\$ 82,038</u>	<u>\$ 52,153</u>	<u>\$ 369,652</u>

#### **F. Long-Term Liabilities**

The following table summarizes changes in the Town's long-term liabilities for the year ended December 31, 2024:

	Balance January 1, 2024	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2024	Due Within One Year
General Obligation Bonds Payable:					
Capital Construction	\$ 4,540,000	\$ -	\$ 580,000	\$ 3,960,000	\$ 375,000
Plus					
Unamortized premium on bonds	449,395	-	58,675	390,720	-
	<u>4,989,395</u>	<u>-</u>	<u>638,675</u>	<u>4,350,720</u>	<u>375,000</u>
Other Non-current Liabilities:					
Compensated Absences	162,669	114,388	-	277,057	* 28,000
Claims payable	717,174	55,489	-	772,663	-
Net Pension Liability-ERS	3,005,341	-	863,739	2,141,602	-
Other Post Employment Benefit Liability	<u>26,376,361</u>	<u>(805,885)</u>	<u>1,121,861</u>	<u>24,448,615</u>	<u>1,120,000</u>
Total Other Non-current Liabilities	<u>30,261,545</u>	<u>(636,008)</u>	<u>1,985,600</u>	<u>27,639,937</u>	<u>1,148,000</u>
Total Long-Term Liabilities	<u>\$ 35,250,940</u>	<u>\$ (636,008)</u>	<u>\$ 2,624,275</u>	<u>\$ 31,990,657</u>	<u>\$ 1,523,000</u>

\* The change in compensated absences liability is presented as a net change.

Each governmental fund's liability for compensated absences, net pension liability and other postemployment benefit liability is liquidated by the General, Highway and Special Districts funds.

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

The Town's indebtedness for general obligation bonds is satisfied by the Debt Service Fund, which is funded primarily by the General, Highway and Special Districts funds.

#### **General Obligation Bonds Payable**

General obligation bonds payable at December 31, 2024 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2024
Refunding Bonds	2015	3,300,000	05/2036	2.125 - 3.250	2,105,000
Public Improvement Bonds	2021	2,435,000	05/2031	5.000	1,855,000
					<u>\$ 3,960,000</u>

Interest expenditures of \$162,281 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$106,836 was recorded in the government-wide financial statements for governmental activities.

#### **Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2024, including interest payments of \$742,203 are as follows:

Year Ended December 31,	Principal	Interest	Total
2025	\$ 375,000	\$ 145,488	\$ 520,488
2026	400,000	130,269	530,269
2027	405,000	113,984	518,984
2028	425,000	96,875	521,875
2029	445,000	78,781	523,781
2030-2034	1,510,000	163,931	1,673,931
2035-2036	400,000	12,875	412,875
	<u>\$ 3,960,000</u>	<u>\$ 742,203</u>	<u>\$ 4,702,203</u>

The above general obligation bonds are direct borrowings of the Town for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Town.

## **Town of Somers, New York**

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

#### **Legal Debt Margin**

The Town is subject to legal limitations on the amount of debt that it may issue. The Town's legal debt margin is 7% of the five year average full valuation of taxable real property. At December 31, 2024 that amount was \$314,218,703. As of December 31, 2024 the total outstanding debt applicable to the limit was \$3,960,000, which is 1.26% of the total debt limit.

#### **Compensated Absences**

Civil service employees may accumulate and carryover up to ten vacation days. Upon separation from service, employees will be compensated for unused leave. Employees may accumulate unused sick leave, however, upon separation of service, they are not compensated for this leave. The Town has determined that the potential liability for compensated absences as of December 31, 2024 was \$277,057. The value of all compensated absences has been recorded in the government-wide financial statements.

#### **Claims Payable**

Claims payable as of December 31, 2024 reflects a liability of \$772,663 for expected tax certiorari refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the government-wide financial statements.

#### **Pension Plans**

##### *New York State and Local Retirement System*

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan, 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/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Employees who joined before January 1, 2010 contribute 3% of their salary for the first ten years of membership while those who joined on or after January 1, 2010 generally contribute between 3% and 6% of their salary for their entire length of service. Employees who joined PFRS before

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

June 30, 2009 are not required to contribute while those who joined on or after July 1, 2009 generally contribute between 3% and 6% 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 System's fiscal year ending March 31. The employer contribution rates for the ERS plan year ended March 31, 2025 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	17.6 %
	4 A15	17.6
	5 A15	15.2
	6 A15	11.2

At December 31, 2024, the Town reported the following for its proportionate share of the net pension liability for ERS.

	<u>ERS</u>
Measurement date	March 31, 2024
Net pension liability	\$ 2,141,602
Town's proportion of the net pension liability	0.0145449 %
Change in proportion since the prior measurement date	0.0005301 %

The Town has no pensionable wages and no net pension liability for PFRS as of March 31, 2024.

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 an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2024, the Town recognized its proportionate share of pension expense in the government-wide financial statements of \$1,024,513 for ERS and \$2,204 for PFRS. Pension expenditures of \$754,403 for ERS and \$0 for PFRS were recorded in the fund financial statements and were charged to the following funds.

	<u>ERS</u>	<u>PFRS</u>
General	\$ 488,040	\$ -
Highway	156,353	-
Special Districts	73,505	-
Library	<u>36,505</u>	<u>-</u>
Total	<u>\$ 754,403</u>	<u>\$ -</u>

# Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

## Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2024, the Town reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 689,808	\$ 58,396	\$ -	\$ -
Changes of assumptions	809,692	-	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,046,161	-	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	207,317	-	13,311	13,795
Town contributions subsequent to the measurement date	592,528	-	-	-
	<u>\$ 2,299,345</u>	<u>\$ 1,104,557</u>	<u>\$ 13,311</u>	<u>\$ 13,795</u>
Total				
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 689,808	\$ 58,396		
Changes of assumptions	809,692	-		
Net difference between projected and actual earnings on pension plan investments		1,046,161		
Changes in proportion and differences between Town contributions and proportionate share of contributions	220,628	13,795		
Town contributions subsequent to the measurement date	592,528	-		
	<u>\$ 2,312,656</u>	<u>\$ 1,118,352</u>		

\$592,528 reported as deferred outflows of resources related to ERS resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan year ended March 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2025	\$ (313,510)	\$ (484)
2026	465,030	-
2027	655,773	-
2028	(205,033)	-
2029	-	-
	<u>\$ 602,260</u>	<u>\$ (484)</u>

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

The total pension liability for the ERS and PFRS measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

	ERS	PFRS
Measurement date	March 31, 2024	March 31, 2024
Actuarial valuation date	April 1, 2023	April 1, 2023
Investment rate of return	5.9%	5.9%
Salary scale	4.4%	6.2%
Inflation rate	2.9%	2.9%
Cost of living adjustments	1.5%	1.5%

\*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2015 - 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 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.00 %
International Equity	15	6.65
Private Equity	10	7.25
Real Estate	9	4.60
Opportunistic / ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	3	5.79
Fixed Income	23	1.50
Cash	1	0.25
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.9%.

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

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 those 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.

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 6,733,415</u>	<u>\$ 2,141,602</u>	<u>\$ (1,693,515)</u>

The components of the collective net pension liability (asset) as of the March 31, 2024 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 240,696,851,000	\$ 46,137,717,000	\$ 286,834,568,000
Fiduciary net position	<u>225,972,801,000</u>	<u>41,394,895,000</u>	<u>267,367,696,000</u>
Employers' net pension liability (asset)	<u>\$ 14,724,050,000</u>	<u>\$ 4,742,822,000</u>	<u>\$ 19,466,872,000</u>
Fiduciary net position as a percentage of total pension liability	<u>93.88%</u>	<u>89.72%</u>	<u>93.21%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of December 31, 2024 represent the employer contribution for the period of April 1, 2024 through December 31, 2024 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2024 were \$592,528.

#### *Voluntary Defined Contribution Plan*

The Town can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town will contribute 8%. Employer contributions vest after 366 days of service. An employee of the Town is participating in this program and employer contributions of \$10,553 as of December 31, 2024 were recorded in the General Fund.



**Note 3 - Detailed Notes on All Funds (Continued)**

**Other Postemployment Benefit Liability (“OPEB”)**

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Town and the retired employee as noted below. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”*, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

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

Inactive employees currently receiving benefit payments	71
Active employees	81
	<hr/>
	152
	<hr/>

The Town’s total OPEB liability of \$24,448,615 was measured as of December 31, 2024, and was determined by an actuarial valuation as of January 1, 2024.

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount rate	4.28%
Healthcare cost trend rates	7.0% for 2025, decreasing by up to .5% per year to an ultimate rate of 4.5% for 2034
Retirees' share of benefit-related costs	Generally, the retiree will contribute 30%

The discount rate was based on the S&P Municipal Bond 20-year High Grade Rate Index.

Mortality rates were based on the sex-distinct weighted Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy annuitants with Scale MP-2021 mortality improvement scale on a generational basis.

The actuarial assumptions used in the January 1, 2024 valuation for turnover and retirement for ERS and PFRS were based on the April 1, 2015 to March 31, 2020 experience study.

# Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

## Note 3 - Detailed Notes on All Funds (Continued)

The Town's change in the total OPEB liability for the year ended December 31, 2024 is as follows:

Total OPEB Liability - Beginning of Year	\$ 26,376,361
Service cost	784,868
Interest	1,032,617
Differences between expected and actual experience	(1,339,650)
Changes in assumptions or other inputs	(1,283,720)
Benefit payments	<u>(1,121,861)</u>
Total OPEB Liability - End of Year	<u>\$ 24,448,615</u>

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 (3.28%) or 1 percentage point higher (5.28%) than the current discount rate:

	1% Decrease (3.28%)	Current Discount Rate (4.28%)	1% Increase (5.28%)
Total OPEB Liability	<u>\$ 27,636,064</u>	<u>\$ 24,448,615</u>	<u>\$ 21,800,269</u>

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 (6.0% decreasing to 3.5%) or 1 percentage point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	1% Decrease (6.0% decreasing to 3.5%)	Current Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Total OPEB Liability	<u>\$ 21,641,329</u>	<u>\$ 24,448,615</u>	<u>\$ 27,891,279</u>

For the year ended December 31, 2024, the Town recognized OPEB expense of \$1,421,460 in the government-wide financial statements. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 640,805	\$ 4,241,824
Changes of assumptions or other inputs	<u>1,802,336</u>	<u>1,071,720</u>
	<u>\$ 2,443,141</u>	<u>\$ 5,313,544</u>

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### **Note 3 - Detailed Notes on All Funds (Continued)**

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

<u>Year Ended</u> <u>December 31,</u>	
2025	\$ (1,236,824)
2026	(1,140,999)
2027	32,094
2028	(524,674)
2029	-
	<u>\$ (2,870,403)</u>

## **G. Revenues and Expenditures**

### **Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers:

Transfers Out	Transfers In					Total
	General Fund	Debt Service Fund	Capital Projects Fund	Highway Fund	Public Library Fund	
General Fund	\$ -	\$ 201,455	\$ 205,530	\$ 925,000	\$ 2,718	\$ 1,334,703
Capital Fund	3,797	-	-	-	-	3,797
Highway Fund	-	523,022	-	-	-	523,022
Special Purpose Fund	-	-	2,092	-	-	2,092
Special District	-	-	53,376	-	-	53,376
	<u>\$ 3,797</u>	<u>\$ 724,477</u>	<u>\$ 260,998</u>	<u>\$ 925,000</u>	<u>\$ 2,718</u>	<u>\$ 1,916,990</u>

Transfers are used to 1) move amounts to the Debt Service Fund from the operating funds as debt service principal and interest payments become due and 2) move amounts earmarked in the operating funds to fulfill commitments for the Capital Projects and Public Library Fund expenditures 3) move unexpended capital project funds back to the General Fund and 4) Transfer ARPA aid from the General Fund to the Highway Fund.

## **H. Net Position**

The components of net position are detailed below:

*Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

## Town of Somers, New York

Notes to Financial Statements (Continued)  
December 31, 2024

### Note 3 - Detailed Notes on All Funds (Continued)

*Restricted for Property Damage* - the component of net position that has been established to set aside funds to be used to self-insure the Town for its deductibles for annual property damage claims, pursuant to General Municipal Law.

*Restricted for Unemployment Benefits* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-m of General Municipal Law of the State of New York.

*Restricted for Debt Service* - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law of the State of New York.

*Restricted for Special Purposes* - the component of net position that has been established to set aside funds in accordance with the terms of donor or grantor stipulations.

*Restricted for Parklands* - the component of net position that has been established pursuant to New York State Law. These amounts represent funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

*Unrestricted* - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

#### I. Fund Balances

	General Fund	Highway Fund	Debt Service Fund	Special Purpose Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable							
Prepaid expenditures	\$ 602,089	\$ 40,277	\$ -	\$ -	\$ -	\$ 29,240	\$ 671,606
Trust principal	-	-	-	-	-	284,878	284,878
Total Nonspendable	602,089	40,277	-	-	-	314,118	956,484
Restricted							
Debt service	-	-	386,650	-	-	-	386,650
Property damage	512,624	-	-	-	-	-	512,624
Unemployment benefits	-	-	-	-	-	20,365	20,365
Parklands	-	-	-	3,999,267	-	-	3,999,267
Trusts	-	-	-	139,939	-	45,537	185,476
Total Restricted	512,624	-	386,650	4,139,206	-	65,902	5,104,382
Subsequent year's expenditures	230,758	46,000	-	-	-	-	276,758
Subsequent year's expenditures - Library	-	-	-	-	-	70,669	70,669
Capital costs	8,000,000	-	-	-	-	-	8,000,000
Tax certiorari	2,500,000	-	-	-	-	-	2,500,000
Highway	-	2,832,777	-	-	-	-	2,832,777
Library	-	-	-	-	-	331,215	331,215
Special Districts	-	-	-	-	-	2,628,913	2,628,913
Total Assigned	10,730,758	2,878,777	-	-	-	3,030,797	16,640,332
Unassigned	3,704,798	-	-	-	(11,756)	-	3,693,042
Total Fund Balances	\$ 15,550,269	\$ 2,919,054	\$ 386,650	\$ 4,139,206	\$ (11,756)	\$ 3,410,817	\$ 26,394,240

## **Town of Somers, New York**

Notes to Financial Statements (Continued)  
December 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been provided to account for certain payments made in advance. The reserve indicates that the funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Subsequent year's expenditures represent that at December 31, 2024, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Assigned for Capital Costs - This has been established to fund future capital costs.

Assigned for Tax Certiorari - This has been established to set aside funds to meet anticipated judgments and claims arising out of tax certiorari proceedings.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned.

### **Note 4 - Summary Disclosure of Significant Contingencies**

#### **A. Litigation**

The Town is the defendant in various actions, all of which are within the limits of the Town's insurance coverage. Counsel has indicated that the insurance companies are vigorously defending those claims and that there is adequate insurance to cover these contingencies.

#### **B. Risk Management**

The Town purchases various conventional insurance policies to reduce its exposure to loss. The general liability, public officials liability, commercial automobile and police professional liability policies each provide for coverage with an occurrence limit of \$1 million. The Town also maintains an excess liability policy with a limit of \$15 million occurrence over general liability, automobile, police professional and public officials liability. The Town purchases conventional workers' compensation insurance with coverage at statutory levels. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years. The Town is self-insured for property damage as it relates to glass damage not covered by conventional insurance and deductibles for all private passenger type vehicles. The Town purchases health insurance from the New York State Health Insurance Program.

#### **C. Contingencies**

The Town has received a federal grant which is subject to a Federal Single audit under the requirements of the Uniform Guidance. Alternatively, the Town may elect to engage an auditor to perform a compliance examination of the CSLFRF program. That Single Audit report will be issued subsequent to the issuance of this report. Additionally, the grant is subject to audit by agencies of the federal government. Such audits may result in disallowances and a request for return of funds. The District believes such disallowances, if any, will not be material.

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**Note 5 - Recently Issued GASB Pronouncements**

GASB Statement No. 102, "*Certain Risk Disclosures*" - The objective of this Statement is to disclose within government financial statements risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024 (i.e., the Town's financial statements for the year ended December 31, 2025).

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

GASB Statement No. 104, "*Disclosure of Certain Capital Assets*", has been issued to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Town believes will most impact its financial statements. The Town will evaluate the impact of this and other pronouncements may have on its financial statements and will implement them if applicable and when material.

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# Town of Somers, New York

## Required Supplementary Information - Schedule of Changes in the Town's Total OPEB Liability and Related Ratios Last Ten Fiscal Years (1) (2)

	2024	2023	2022	2021
Total OPEB Liability:				
Service cost	\$ 784,868	\$ 643,996	\$ 708,156	\$ 713,001
Interest	1,032,617	968,841	629,399	542,793
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(1,339,650)	1,715,843	1,631,166	601,824
Changes of assumptions or other inputs	(1,283,720)	1,068,009	(7,496,650)	(1,080,940)
Benefit payments	(1,121,861)	(998,463)	(934,463)	(920,247)
Net Change in Total OPEB Liability	(1,927,746)	3,398,226	(5,462,392)	(143,569)
Total OPEB Liability – Beginning of Year	26,376,361	22,978,135	28,440,527	28,584,096
Total OPEB Liability – End of Year	<u>\$ 24,448,615</u>	<u>\$ 26,376,361</u>	<u>\$ 22,978,135</u>	<u>\$ 28,440,527</u>
Town's covered-employee payroll	<u>\$ 5,978,000</u>	<u>\$ 5,700,000</u>	<u>\$ 5,375,000</u>	<u>\$ 5,147,000</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>408.98%</u>	<u>462.74%</u>	<u>427.50%</u>	<u>552.57%</u>
Discount rate	<u>4.28%</u>	<u>4.00%</u>	<u>4.31%</u>	<u>2.25%</u>

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

See independent auditors' report.



2020	2019	2018
\$ 548,991	\$ 526,573	\$ 569,296
767,641	867,990	922,889
-	-	-
(68,066)	(1,877,607)	(1,997,767)
4,272,068	1,159,742	-
(967,625)	(982,954)	(1,022,349)
4,553,009	(306,256)	(1,527,931)
24,031,087	24,337,343	25,865,274 (3)
<u>\$ 28,584,096</u>	<u>\$ 24,031,087</u>	<u>\$ 24,337,343</u>
<u>\$ 5,091,000</u>	<u>\$ 4,875,000</u>	<u>\$ 4,661,800</u>
<u>561.46%</u>	<u>492.95%</u>	<u>522.06%</u>
<u>1.93%</u>	<u>3.26%</u>	<u>3.64%</u>

# Town of Somers, New York

Required Supplementary Information  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years

## Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset) (1)

	2024 (3)	2023 (2)	2022 (3)	2021 (3)
Town's proportion of the net pension liability (asset)	<u>0.0145449%</u>	<u>0.0140148%</u>	<u>0.0139231%</u>	<u>0.0136017%</u>
Town's proportionate share of the net pension liability (asset)	<u>\$ 2,141,602</u>	<u>\$ 3,005,341</u>	<u>\$ (1,138,156)</u>	<u>\$ 13,544</u>
Town's covered payroll	<u>\$ 5,886,884</u>	<u>\$ 5,353,369</u>	<u>\$ 4,874,882</u>	<u>\$ 4,687,149</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>36.38%</u>	<u>56.14%</u>	<u>-23.35%</u>	<u>0.29%</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>	<u>99.95%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

## Schedule of Contributions

	2024	2023	2022	2021
Contractually required contribution	\$ 790,678	\$ 647,500	\$ 519,962	\$ 705,368
Contributions in relation to the contractually required contribution	<u>(790,678)</u>	<u>(647,500)</u>	<u>(519,962)</u>	<u>(705,368)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 5,733,840</u>	<u>\$ 5,590,452</u>	<u>\$ 5,104,729</u>	<u>\$ 4,819,400</u>
Contributions as a percentage of covered payroll	<u>13.79%</u>	<u>11.58%</u>	<u>10.19%</u>	<u>14.64%</u>

(1) The amounts presented for each fiscal year were determined as of the March 31, measurement date within the current fiscal year.

(2) Increase in the Town's proportionate share of the net pension liability (asset) mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3) Decrease in the Town's proportionate share of the net pension liability (asset) mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

<u>2020 (2)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>0.0129989%</u>	<u>0.0127043%</u>	<u>0.0131091%</u>	<u>0.0127720%</u>	<u>0.0121090%</u>	<u>0.0126587%</u>
<u>\$ 3,442,172</u>	<u>\$ 900,135</u>	<u>\$ 423,090</u>	<u>\$ 1,200,082</u>	<u>\$ 1,943,528</u>	<u>\$ 427,640</u>
<u>\$ 4,408,754</u>	<u>\$ 4,172,929</u>	<u>\$ 4,143,362</u>	<u>\$ 4,035,219</u>	<u>\$ 3,891,006</u>	<u>\$ 3,883,535</u>
<u>78.08%</u>	<u>21.57%</u>	<u>10.21%</u>	<u>29.74%</u>	<u>49.95%</u>	<u>11.01%</u>
<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>
<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>
<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>\$ 606,473</u>	<u>\$ 577,641</u>	<u>\$ 593,215</u>	<u>\$ 589,725</u>	<u>\$ 598,286</u>	<u>\$ 615,247</u>
<u>(606,473)</u>	<u>(577,641)</u>	<u>(593,215)</u>	<u>(589,725)</u>	<u>(598,286)</u>	<u>(615,247)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 4,606,001</u>	<u>\$ 4,408,320</u>	<u>\$ 4,124,797</u>	<u>\$ 4,104,413</u>	<u>\$ 3,969,835</u>	<u>\$ 4,093,334</u>
<u>13.17%</u>	<u>13.10%</u>	<u>14.38%</u>	<u>14.37%</u>	<u>15.07%</u>	<u>15.03%</u>

# Town of Somers, New York

Required Supplementary Information  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years

## Schedule of the Town's Proportionate Share of the Net Pension Liability (1)

	2024 (4)	2023 (4)	2022 (3)	2021 (3)
Town's proportion of the net pension liability	<u>0.0000000%</u>	<u>0.0000000%</u>	<u>0.0003489%</u>	<u>0.0011096%</u>
Town's proportionate share of the net pension liability	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,982</u>	<u>\$ 19,266</u>
Town's covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,298</u>	<u>\$ 84,613</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>-%</u>	<u>-%</u>	<u>12.96%</u>	<u>22.77%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>89.72%</u>	<u>87.43%</u>	<u>98.66%</u>	<u>95.79%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

## Schedule of Contributions

	2024	2023	2022	2021
Contractually required contribution	\$ -	\$ -	\$ 2,977	\$ 17,120
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>(2,977)</u>	<u>(17,120)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,805</u>
Contributions as a percentage of covered payroll	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>63.87%</u>

(1) The amounts presented for each fiscal year were determined as of the March 31, measurement date within the current fiscal year.

(2) Increase in the Town's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3) Decrease in the Town's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

(4) The Town has no covered payroll and no net pension liability associated with the plan.

See independent auditors' report.

2020 (2)	2019	2018	2017	2016	2015
<u>0.0013026%</u>	<u>0.0014226%</u>	<u>0.0015378%</u>	<u>0.0013308%</u>	<u>0.0017036%</u>	<u>0.0016548%</u>
<u>\$ 69,624</u>	<u>\$ 23,857</u>	<u>\$ 15,543</u>	<u>\$ 27,582</u>	<u>\$ 50,439</u>	<u>\$ 4,555</u>
<u>\$ 110,525</u>	<u>\$ 114,713</u>	<u>\$ 116,083</u>	<u>\$ 113,091</u>	<u>\$ 113,049</u>	<u>\$ 135,560</u>
<u>62.99%</u>	<u>20.80%</u>	<u>13.39%</u>	<u>24.39%</u>	<u>44.62%</u>	<u>3.36%</u>
<u>84.86%</u>	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>
<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>
2020	2019	2018	2017	2016	2015
<u>\$ 20,389</u>	<u>\$ 20,019</u>	<u>\$ 19,798</u>	<u>\$ 19,848</u>	<u>\$ 19,392</u>	<u>\$ 25,407</u>
<u>(20,389)</u>	<u>(20,019)</u>	<u>(19,798)</u>	<u>(19,848)</u>	<u>(19,392)</u>	<u>(25,407)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 102,359</u>	<u>\$ 116,074</u>	<u>\$ 113,671</u>	<u>\$ 115,419</u>	<u>\$ 110,340</u>	<u>\$ 127,723</u>
<u>19.92%</u>	<u>17.25%</u>	<u>17.42%</u>	<u>17.20%</u>	<u>17.57%</u>	<u>19.89%</u>

**Town of Somers, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REAL PROPERTY TAXES</b>	\$ 2,819,175	\$ 2,819,175	\$ 2,471,146	\$ (348,029)
<b>OTHER TAX ITEMS</b>				
Payments in lieu of taxes	10,470	10,470	10,470	-
Interest and penalties on real property taxes	235,000	235,000	218,591	(16,409)
	245,470	245,470	229,061	(16,409)
<b>NON-PROPERTY TAXES</b>				
Non-property tax distribution from County	5,315,549	5,315,549	5,779,854	464,305
Franchise fees - Cable TV	448,000	448,000	452,491	4,491
	5,763,549	5,763,549	6,232,345	468,796
<b>DEPARTMENTAL INCOME</b>				
Town Clerk fees	15,000	15,000	13,068	(1,932)
Engineering fees	50,000	50,000	22,855	(27,145)
Public safety fees	4,000	4,000	5,375	1,375
Parking lots and garages	800	800	540	(260)
Parks and recreation charges	255,000	255,000	369,460	114,460
Recreation concessions	10,000	10,000	7,502	(2,498)
Zoning fees	5,000	5,000	6,600	1,600
Planning Board fees	25,000	25,000	37,438	12,438
Vital statistics fees	13,500	13,500	17,570	4,070
Other	5,000	5,000	4,375	(625)
	383,300	383,300	484,783	101,483
<b>INTERGOVERNMENTAL CHARGES</b>				
Programs for the aging	46,032	46,032	49,657	3,625
<b>USE OF MONEY AND PROPERTY</b>				
Earnings on investments	461,990	461,990	1,076,375	614,385
Rental of real property	17,197	17,197	28,926	11,729
	479,187	479,187	1,105,301	626,114
<b>LICENSES AND PERMITS</b>				
Dog licenses	20,000	20,000	18,247	(1,753)
Building and alteration permits	350,000	350,000	333,082	(16,918)
	370,000	370,000	351,329	(18,671)
<b>FINES AND FORFEITURES</b>				
Fines and forfeited bail	130,000	130,000	138,212	8,212
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Other sales	1,000	1,000	8	(992)

**Town of Somers, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>INTERFUND REVENUES</b>				
Services to other funds	\$ 59,200	\$ 59,200	\$ 67,752	\$ 8,552
<b>STATE AID</b>				
Mortgage tax	600,000	600,000	730,926	130,926
Programs for the aging	74,915	74,915	88,520	13,605
Aid and incentives for municipalities	53,185	53,185	53,185	-
Temporary municipal assistance	-	-	3,721	3,721
Other	-	-	19,984	19,984
	<u>728,100</u>	<u>728,100</u>	<u>896,336</u>	<u>168,236</u>
<b>FEDERAL AID</b>				
Programs for the aging	61,668	61,668	150,522	88,854
American rescue plan	-	-	2,212,711	2,212,711
Other	-	914,849	22,470	(892,379)
	<u>61,668</u>	<u>976,517</u>	<u>2,385,703</u>	<u>1,409,186</u>
<b>MISCELLANEOUS</b>				
Gifts and donations	59,528	59,528	47,122	(12,406)
Refund of prior year expenditures	-	-	3,570	3,570
Other	-	-	18,175	18,175
	<u>59,528</u>	<u>59,528</u>	<u>68,867</u>	<u>9,339</u>
<b>TOTAL REVENUES</b>	<u>11,146,209</u>	<u>12,061,058</u>	<u>14,480,500</u>	<u>2,419,442</u>
<b>OTHER FINANCING SOURCES</b>				
Insurance recoveries	-	-	860	860
Transfers in				
Special Purpose Fund	-	-	3,797	3,797
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>-</u>	<u>-</u>	<u>4,657</u>	<u>4,657</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 11,146,209</u>	<u>\$ 12,061,058</u>	<u>\$ 14,485,157</u>	<u>\$ 2,424,099</u>

See independent auditors' report.

**Town of Somers, New York**

## General Fund

## Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT</b>				
<b>SUPPORT</b>				
Town Board	\$ 116,704	\$ 118,711	\$ 118,710	\$ 1
Town Justice	291,419	321,543	321,543	-
Supervisor	320,468	322,317	322,317	-
Finance	381,948	384,047	384,047	-
Auditor	54,150	58,525	58,525	-
Tax collection	168,055	167,654	167,654	-
Assessment	259,925	219,743	219,743	-
Town Clerk	181,304	182,679	182,679	-
Town Attorney	243,642	279,345	279,345	-
Engineer	182,972	180,906	180,906	-
Elections	40,737	38,488	38,488	-
Records management	13,968	10,192	10,192	-
Central services				
Operation of plant/buildings	232,978	307,376	307,375	1
Central supply	33,242	33,320	33,319	1
Central storeroom	500	19	19	-
Central printing and mailing	30,000	31,874	31,874	-
Central data processing	189,551	155,855	155,855	-
Special items				
Unallocated insurance	335,000	360,645	360,644	1
Municipal association dues	4,200	2,800	2,800	-
Judgments and claims	5,000	1,773	1,773	-
Easements	3	3	-	3
Taxes and assessments on property	37,000	52,218	52,217	1
Metropolitan commuter transportation mobility tax	14,280	15,277	15,277	-
Contingency	25,000	-	-	-
	<u>3,162,046</u>	<u>3,245,310</u>	<u>3,245,302</u>	<u>8</u>
<b>PUBLIC SAFETY</b>				
Police	1,087,114	962,564	962,563	1
Traffic control	36,000	42,707	42,707	-
Control of dogs	23,290	21,842	21,841	1
Fire protection	38,141	33,818	33,817	1
Safety inspection	505,472	527,572	527,571	1
	<u>1,690,017</u>	<u>1,588,503</u>	<u>1,588,499</u>	<u>4</u>



**Town of Somers, New York**

## General Fund

## Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>HEALTH</b>				
Registrar of Vital Statistics	\$ 13,800	\$ 18,240	\$ 18,239	\$ 1
Drug abuse prevention	2,500	3,454	3,454	-
Northern Westchester Guidance	5,000	4,000	4,000	-
Advanced life support	563,270	563,272	563,272	-
	<u>584,570</u>	<u>588,966</u>	<u>588,965</u>	<u>1</u>
<b>TRANSPORTATION</b>				
Highway administration	329,990	330,609	330,609	-
Highway garage	61,800	35,248	35,248	-
Street lighting	2,600	2,971	2,971	-
	<u>394,390</u>	<u>368,828</u>	<u>368,828</u>	<u>-</u>
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>				
Publicity	37,200	38,018	38,017	1
Veterans' services	5,000	2,975	2,974	1
Senior transportation	187,647	134,526	134,525	1
Programs for the aging				
Nutrition	33,070	31,221	31,221	-
S.N.A.P.	390,178	372,833	372,833	-
	<u>653,095</u>	<u>579,573</u>	<u>579,570</u>	<u>3</u>
<b>CULTURE AND RECREATION</b>				
Recreation administration	312,603	328,934	328,934	-
Parks	662,577	885,032	885,032	-
Recreation centers	73,000	53,627	53,627	-
Youth programs	206,500	195,578	195,576	2
Historian	3,318	3,092	3,092	-
Historical property	29,500	123,298	123,297	1
Celebrations	12,000	25,027	25,027	-
	<u>1,299,498</u>	<u>1,614,588</u>	<u>1,614,585</u>	<u>3</u>

**Town of Somers, New York**

## General Fund

## Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>HOME AND COMMUNITY SERVICES</b>				
Zoning	\$ 3,984	\$ 3,562	\$ 3,561	\$ 1
Planning	130,152	181,114	181,114	-
Refuse and garbage	22,000	37,206	37,206	-
Land trust	931	469	469	-
Architectural review board	1,592	1,605	1,604	1
	<u>158,659</u>	<u>223,956</u>	<u>223,954</u>	<u>2</u>
<b>EMPLOYEE BENEFITS</b>				
State retirement	460,000	488,040	488,040	-
Voluntary defined contribution plan	10,557	10,555	10,553	2
Social security	341,150	348,886	348,886	-
Workers' compensation benefits	105,000	16,328	16,328	-
Life insurance	25,000	24,585	24,585	-
Unemployment benefits	10,000	21	21	-
Health insurance	1,666,960	1,689,852	1,689,851	1
Dental insurance	77,500	72,778	72,777	1
Optical insurance	5,000	4,508	4,508	-
	<u>2,701,167</u>	<u>2,655,553</u>	<u>2,655,549</u>	<u>4</u>
<b>TOTAL EXPENDITURES</b>	<u>10,643,442</u>	<u>10,865,277</u>	<u>10,865,252</u>	<u>25</u>
<b>OTHER FINANCING USES</b>				
Transfers out				
Debt Service Fund	202,767	201,456	201,455	1
Highway Fund	-	927,718	927,718	-
Capital Projects Fund	300,000	205,531	205,530	1
<b>TOTAL OTHER FINANCING USES</b>	<u>502,767</u>	<u>1,334,705</u>	<u>1,334,703</u>	<u>2</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 11,146,209</u>	<u>\$ 12,199,982</u>	<u>\$ 12,199,955</u>	<u>\$ 27</u>

See independent auditors' report.

**Town of Somers, New York**

Debt Service Fund  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual  
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Use of money and property	\$ 13,000	\$ 13,000	\$ 19,209	\$ 6,209
<b>EXPENDITURES</b>				
Current				
Debt service				
Serial bonds				
Principal	580,000	580,000	580,000	-
Interest	162,282	162,282	162,281	1
Total Expenditures	742,282	742,282	742,281	1
Deficiency of Revenues Over Expenditures	(729,282)	(729,282)	(723,072)	6,210
<b>OTHER FINANCING SOURCES</b>				
Transfers in	729,282	729,282	724,477	(4,805)
Net Change in Fund Balance	-	-	1,405	1,405
<b>FUND BALANCE</b>				
Beginning of Year	-	-	385,245	385,245
End of Year	\$ -	\$ -	\$ 386,650	\$ 386,650

See independent auditors' report.

**Town of Somers, New York**

Capital Projects Fund

Project-Length Schedule

Inception of Project through December 31, 2024

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Project Name	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
Reynolds House Angle Fly Preserve	\$ 193,838	\$ 191,692	\$ 2,146
Angle Fly Building Assessment	32,337	25,705	6,632
Town House Water Project	77,500	77,487	13
Water Loop - Somers Realty	1,329,879	1,296,828	33,051
Water Loop - Kearney	2,461,844	2,385,788	76,056
Route 202 Crosswalk	350,844	52,066	298,778
State Police Barracks	430,000	11,756	418,244
Library Teen Room	8,231	8,231	-
Police Generator	49,000	40,858	8,142
Reis Park Expansion	166,600	87,052	79,548
Lake Shenorock Aeration	25,885	23,318	2,567
CWD Building Roof Replaced	17,118	17,118	-
CWD Parkway Drive Connection	30,500	14,725	15,775
CWD Ross Dr Water Tank Recoating	72,000	21,533	50,467
Totals	<u>\$ 5,245,576</u>	<u>\$ 4,254,157</u>	<u>\$ 991,419</u>

See independent auditors' report.

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Total Revenues and Transfers	Fund Balance (Deficit) at December 31, 2024
\$ 191,692	\$ -
25,705	-
77,487	-
1,296,828	-
2,385,788	-
52,066	-
-	(11,756)
8,231	-
40,858	-
87,052	-
23,318	-
17,118	-
14,725	-
21,533	-
<u>\$ 4,242,401</u>	<u>\$ (11,756)</u>

**Town of Somers, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2024

	Public Library	Special Districts	Permanent	Total Non-Major Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 200,439	\$ 249,460	\$ -	\$ 449,899
Investments	479,970	2,080,371	330,415	2,890,756
Receivables				
Water and sewer rents	-	406,236	-	406,236
Accounts receivable	-	3,520	-	3,520
	-	409,756	-	409,756
Prepaid expenditures	19,247	9,993	-	29,240
Total Assets	<u>\$ 699,656</u>	<u>\$ 2,749,580</u>	<u>\$ 330,415</u>	<u>\$ 3,779,651</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 34,824	\$ 92,689	\$ -	\$ 127,513
Accrued liabilities	34,168	17,985	-	52,153
Unearned revenue	189,168	-	-	189,168
Total Liabilities	<u>258,160</u>	<u>110,674</u>	<u>-</u>	<u>368,834</u>
Fund balances				
Nonspendable	19,247	9,993	284,878	314,118
Restricted	20,365	-	45,537	65,902
Assigned	401,884	2,628,913	-	3,030,797
Total Fund Balances	<u>441,496</u>	<u>2,638,906</u>	<u>330,415</u>	<u>3,410,817</u>
Total Liabilities and Fund Balances	<u>\$ 699,656</u>	<u>\$ 2,749,580</u>	<u>\$ 330,415</u>	<u>\$ 3,779,651</u>

See independent auditors' report.

**Town of Somers, New York**

Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 Non-Major Governmental Funds  
 Year Ended December 31, 2024

	Public Library	Special Districts	Permanent	Total Non-Major Governmental Funds
<b>REVENUES</b>				
Real property taxes	\$ 1,098,050	\$ 514,600	\$ -	\$ 1,612,650
Departmental income	4,276	1,432,286	-	1,436,562
Use of money and property	29,753	108,005	16,227	153,985
Interfund revenues	-	133,158	-	133,158
State aid	6,730	-	-	6,730
Miscellaneous	1,364	10	-	1,374
Total Revenues	1,140,173	2,188,059	16,227	3,344,459
<b>EXPENDITURES</b>				
Current				
Transportation	-	20,418	-	20,418
Culture and recreation	882,850	-	-	882,850
Home and community services	-	1,609,779	-	1,609,779
Employee benefits	324,333	217,986	-	542,319
Total Expenditures	1,207,183	1,848,183	-	3,055,366
Excess (Deficiency) of Revenues Over Expenditures	(67,010)	339,876	16,227	289,093
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,718	-	-	2,718
Transfers out	-	(53,376)	-	(53,376)
Total Other Financing Sources (Uses)	2,718	(53,376)	-	(50,658)
Net Change in Fund Balances	(64,292)	286,500	16,227	238,435
<b>FUND BALANCES</b>				
Beginning of Year	505,788	2,352,406	314,188	3,172,382
End of Year	\$ 441,496	\$ 2,638,906	\$ 330,415	\$ 3,410,817

See independent auditors' report.

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**Town of Somers, New York**

Public Library Fund  
Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 1,098,050	\$ 1,098,050	\$ 1,098,050	\$ -
Departmental income	1,000	4,275	4,276	1
Use of money and property	18,000	29,752	29,753	1
State aid	5,500	6,730	6,730	-
Miscellaneous	-	1,363	1,364	1
Total Revenues	1,122,550	1,140,170	1,140,173	3
<b>EXPENDITURES</b>				
Current				
Culture and recreation	905,912	882,850	882,850	-
Employee benefits	255,238	324,337	324,333	4
Total Expenditures	1,161,150	1,207,187	1,207,183	4
Excess (Deficiency) of Revenues Over Expenditures	(38,600)	(67,017)	(67,010)	7
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	2,718	2,718	-
Net Change in Fund Balance	(38,600)	(64,299)	(64,292)	7
<b>FUND BALANCE</b>				
Beginning of Year	38,600	64,299	505,788	441,489
End of Year	\$ -	\$ -	\$ 441,496	\$ 441,496

See independent auditors' report.

**Town of Somers, New York**

Special Districts Fund  
Combining Balance Sheet - Sub Funds  
December 31, 2024

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	Water Districts		Sewer District
	No. 1 - Somers Consolidated Water District	No. 2 - Percy Mullen	No. 1
<b>ASSETS</b>			
Cash and equivalents	\$ 161,728	\$ 5,055	\$ 44,941
Investments	1,817,365	-	263,006
Receivables			
Water and sewer rents	342,595	-	63,641
Accounts receivable	3,520	-	-
	346,115	-	63,641
Prepaid expenditures	9,993	-	-
Total Assets	<u>\$ 2,335,201</u>	<u>\$ 5,055</u>	<u>\$ 371,588</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 86,412	\$ -	\$ 4,553
Accrued liabilities	17,985	-	-
Total Liabilities	104,397	-	4,553
Fund balances			
Nonspendable	9,993	-	-
Assigned	2,220,811	5,055	367,035
Total Fund Balances	2,230,804	5,055	367,035
Total Liabilities and Fund Balances	<u>\$ 2,335,201</u>	<u>\$ 5,055</u>	<u>\$ 371,588</u>

See independent auditors' report.

Street Lighting Districts		
No. 1 - Croton Falls	No. 2 - Shenorock	Totals
\$ 6,251	\$ 31,485	\$ 249,460
-	-	2,080,371
-	-	406,236
-	-	3,520
-	-	409,756
-	-	9,993
<u>\$ 6,251</u>	<u>\$ 31,485</u>	<u>\$ 2,749,580</u>
\$ 121	\$ 1,603	\$ 92,689
-	-	17,985
121	1,603	110,674
-	-	9,993
6,130	29,882	2,628,913
6,130	29,882	2,638,906
<u>\$ 6,251</u>	<u>\$ 31,485</u>	<u>\$ 2,749,580</u>

**Town of Somers, New York**

Special Districts Fund  
Combining Schedule of Revenues, Expenditures and Changes  
in Fund Balances - Sub Funds  
Year Ended December 31, 2024

	Water Districts		Sewer District
	No. 1 - Somers Consolidated Water District	No. 2 - Percy Mullen	No. 1
<b>REVENUES</b>			
Real property taxes	\$ 350,000	\$ -	\$ 150,000
Departmental income	1,196,239	-	236,047
Use of money and property	96,371	57	11,092
Interfund revenues	133,158	-	-
Miscellaneous	10	-	-
Total Revenues	1,775,778	57	397,139
<b>EXPENDITURES</b>			
Current			
Transportation	-	-	-
Home and community services	1,356,237	-	253,542
Employee benefits	217,986	-	-
Total Expenditures	1,574,223	-	253,542
Excess (Deficiency) of Revenues Over Expenditures	201,555	57	143,597
<b>OTHER FINANCING USES</b>			
Transfers out	(53,376)	-	-
Net Change in Fund Balances	148,179	57	143,597
<b>FUND BALANCES</b>			
Beginning of Year	2,082,625	4,998	223,438
End of Year	\$ 2,230,804	\$ 5,055	\$ 367,035

See independent auditors' report.

Street Lighting Districts		
No. 1 - Croton Falls	No. 2 - Shenorock	Totals
\$ 1,100	\$ 13,500	\$ 514,600
-	-	1,432,286
74	411	108,005
-	-	133,158
-	-	10
1,174	13,911	2,188,059
1,439	18,979	20,418
-	-	1,609,779
-	-	217,986
1,439	18,979	1,848,183
(265)	(5,068)	339,876
-	-	(53,376)
(265)	(5,068)	286,500
6,395	34,950	2,352,406
\$ 6,130	\$ 29,882	\$ 2,638,906