



Town of Queensbury

Town of Queensbury, New York

Financial Report
December 31, 2024

Town of Queensbury, New York

Financial Report
December 31, 2024

Contents

	Page
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-10
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13
Reconciliation of the Total Fund Balances in the Governmental Funds to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Change in Net Position Shown in the Statement of Activities	16
Statement of Net Position - Proprietary Funds	17
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	18
Statement of Cash Flows - Proprietary Funds	19-20
Notes to Financial Statements	21-48
Required Supplementary Information	
Schedule of Other Postemployment Benefits Liability	49
Schedule of Proportionate Share of the Net Pension Liability	50
Schedule of Pension Contributions	51
Budgetary Comparison Statement - General Fund	52
Budgetary Comparison Statement - Highway Fund	53
Budgetary Comparison Statement - Fire Protection Fund	54
Supplementary Information	
Combining Balance Sheet - Non-Major Governmental Funds	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	56
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	57-58



Independent Auditor's Report

Supervisor and Town Board
Town of Queensbury, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Queensbury, 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, the business-type 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, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information listed in the accompanying table of contents on pages 4 through 10 and pages 49 through 54, respectively, 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 GAAS, 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 non-major fund financial statements on pages 55 and 56 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 GAAS. In our opinion, the combining and individual non-major fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2025 on our consideration of the Town's internal control over financial reporting and on our tests of it compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

BST+Co.CPAs, LLP

Latham, New York
July 31, 2025



Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

Description

As management of the Town of Queensbury, New York (Town), we offer the readers of the Town's financial statements this narrative overview and analysis as of and for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with our basic financial statements, which can be found on pages 11 through 48, and our supplementary information, which can be found on pages 49 through 56 of this report.

Financial Highlights

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows on December 31, 2024 by \$31,494,914, representing net position. Of this amount, \$44,628,899 represents the Town's investment in capital assets net of related debt, and \$5,271,392, is restricted for future capital improvements and perpetual care for the Town's cemeteries. The remaining amount of (\$18,405,377) represents unrestricted net deficit.
- At December 31, 2024, the Town's governmental funds reported a combined ending fund balance of \$29,888,774. Of this total amount, \$19,130,566 was restricted and assigned for specific purposes, \$1,964,768 was nonspendable, and \$8,793,440 was unassigned.
- At December 31, 2024, the unreserved and unappropriated fund balance of the General Fund was \$8,793,440, or 41% of 2024 expenditures and transfers out.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

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

The statement of net position presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as sales and mortgage taxes held for distribution by the County of Warren, unbilled water and sewer rents for services provided during the year, interest payable on long-term debt, and vested sick leave benefits payable to eligible employees.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and assessment charges (business-type activities). The governmental activities of the Town include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, and various home and community services. The business-type activities of the Town include operations of the Town's water districts, sewer districts, and refuse and garbage disposal and recycling services provided at the Town's landfill and transfer stations.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The Town did not have any fiduciary funds as of and for the year ended December 31, 2024.

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

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

The Town maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, the Highway Fund, and the Fire Protection Fund, all of which are considered to be major funds. Data from the other four governmental funds (the Special Grant Fund, the Cemetery Fund, the Lighting District Fund, and the Aquatic District Fund) are combined into a single, aggregated presentation as non-major governmental funds.

The governmental fund financial statements can be found on pages 13 through 16 of this report.

Proprietary funds: The Town utilizes enterprise funds to report the same function presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water districts, sewer districts, refuse and garbage disposal, and recycling operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water operations, sewer operations, and operation of the Town's landfill and transfer stations, all of which are considered to be major funds of the Town.

The Town utilizes an internal service fund to account for certain workers' compensation and unemployment insurance costs.

The proprietary fund financial statements can be found on pages 17 through 20 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 48 of this report.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$31,494,914 at December 31, 2024.

By far, the largest portion of the Town's net position, \$44,628,899, reflects the Town's investment in capital assets. This portion of net position includes the cost of land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and work in progress, less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; 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.

An additional portion of the Town's net position, \$5,271,392, represents resources that are subject to restrictions on how they may be used. The remaining balance of net position reflects a net deficit.

The following is a condensed statement of the Town's net position as of December 31, 2024:

	Governmental Activities	Business-Type Activities	Total
Current assets	\$ 35,403,012	\$ 12,322,549	\$ 47,725,561
Capital assets	20,510,203	31,319,365	51,829,568
Total assets	55,913,215	43,641,914	99,555,129
Deferred outflows of resources	4,813,582	1,451,654	6,265,236
Current liabilities	9,715,452	1,874,208	11,589,660
Long-term liabilities	29,620,376	13,534,205	43,154,581
Total liabilities	39,335,828	15,408,413	54,744,241
Deferred inflows of resources	13,710,772	5,870,438	19,581,210
Net position			
Net investment in capital assets	18,906,203	25,722,696	44,628,899
Restricted	3,144,005	2,127,387	5,271,392
Unrestricted (deficit)	(14,370,011)	(4,035,366)	(18,405,377)
Total net position	\$ 7,680,197	\$ 23,814,717	\$ 31,494,914

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

The following is a condensed statement of activities of the Town for the year ended December 31, 2024:

	Governmental Activities	Business-Type Activities	Total
REVENUES			
Program revenues			
Charges for services	\$ 4,327,043	\$ 6,471,290	\$ 10,798,333
Operating grants and contributions	34,086	-	34,086
Capital grants and contributions	1,526,673	-	1,526,673
General revenues			
Real property tax and related tax items	9,462,702	1,744,698	11,207,400
Non-property taxes	13,132,959	-	13,132,959
Other	2,796,369	455,356	3,251,725
Total revenues	<u>31,279,832</u>	<u>8,671,344</u>	<u>39,951,176</u>
EXPENSES			
General government activities	5,669,375	-	5,669,375
Public safety	7,644,708	-	7,644,708
Health	41,993	-	41,993
Transportation	6,336,252	-	6,336,252
Economic opportunity and development	393,033	-	393,033
Culture and recreation	2,135,556	-	2,135,556
Home and community service	3,145,535	-	3,145,535
Debt service	59,783	-	59,783
Water	-	5,418,376	5,418,376
Sewer	-	2,324,041	2,324,041
Landfill	-	628,430	628,430
Total expenses	<u>25,426,235</u>	<u>8,370,847</u>	<u>33,797,082</u>
TRANSFERS, <i>net</i>	<u>(502,085)</u>	<u>502,085</u>	<u>-</u>
Change in net position	5,351,512	802,582	6,154,094
NET POSITION, <i>beginning of year</i>	<u>2,328,685</u>	<u>23,012,135</u>	<u>25,340,820</u>
NET POSITION, <i>end of year</i>	<u>\$ 7,680,197</u>	<u>\$ 23,814,717</u>	<u>\$ 31,494,914</u>

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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

As of the end of the current year, the Town's governmental funds reported combined ending fund balances of \$29,888,774, an increase of \$267,604 from the prior year. Portions of these fund balances are reserved to indicate that they are not available for new spending because they have already been committed to pay future capital improvements of \$2,443,948 and pay for perpetual care at the Town's cemeteries of \$700,057.

General Fund: The General Fund is the main operating fund of the Town. At the end of the current year, the unreserved unappropriated fund balance of the General Fund was \$8,793,440, while total fund balance of the General Fund aggregated \$12,991,867. As a measure of the General Fund's liquidity, it is useful to compare both unreserved unappropriated fund balance and total fund balance to total fund expenditures. Unreserved unappropriated fund balance represents 41% of total General Fund expenditures and transfers out for 2024, while total fund balance represents 61% of the same amount.

The fund balance of the General Fund decreased \$1,705,041 from the prior year. While sales tax and other revenues exceeded budgeted projections, the reduction is primarily attributable to the unanticipated capital expenditure related to emergency culvert reconstruction totaling approximately \$2.25 million. This significant outlay contributed to the overall decline in fund balance despite stronger-than-expected revenue performance.

The main revenue source for the General Fund is derived from sales and use taxes, which are distributed from the County of Warren to all towns and the village and city located within the county. Together with our similar user taxes, non-property tax revenue and mortgage tax revenue for 2024 totaled \$12,950,954, representing 66% of total General Fund revenues.

The Town' has adopted a policy that seeks to achieve a minimum level of unrestricted fund balance equal to no less than three months of regular expenditures. Funds in excess of the minimum at the end of each year are generally allocated toward capital expenditures, including equipment, infrastructure or capital reserves. In the event of no surplus, required capital investments may be financed through established reserves.

Highway Fund: The Highway Fund is one of the Town's major governmental funds. It is utilized to account for revenues needed to maintain, repair, and improve Town roads; provide snow removal services; and provide other transportation services for Town residents and organizations. The main revenue source for the Highway Fund is an annual transfer of resources from the General Fund, funded primarily from non-property taxes. During 2024, the General Fund contributed \$6,078,811 to the Highway Fund, which ended the year with a fund balance of \$3,564,822.

Capital Projects Fund: The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Financing is generally provided from proceeds of bonds, notes, federal and state grants, and transfers from other governmental funds. The fund balance at December 31, 2024 is assigned for capital project purposes.

Fire Protection Fund: The Fire Protection Fund is also a major governmental fund. It is utilized to account for real property taxes levied annually and other applicable revenues generated to finance contracts for fire protection and emergency medical services. The Fire Protection Fund received \$5,698,850 in real property taxes during 2024 and ended the year with a fund balance of \$9,221,623. In accordance with Governmental Accounting Standards Board Statement No. 73, the Town accounts for and reports assets and liabilities related to the Town-sponsored service award programs for volunteer firefighters and ambulance workers within the fund financial statements.

Proprietary funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. The Town maintains three enterprise funds and one internal service fund.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

Water District Fund: The Water District Fund is reported as an enterprise fund. The Water District Fund ended 2024 with net position of \$15,609,524, which is an increase of \$616,582 from the prior year. Net position includes \$19,608,765, representing the Town's investment in water capital assets, net of related debt, and \$1,298,619, which is restricted for capital improvements. The remaining unrestricted net position is a deficit of (\$5,297,859).

Sewer District Fund: The Sewer District Fund is reported as an enterprise fund. The Sewer District Fund ended 2024 with net position of \$7,640,895, which is an increase of \$179,578 from the prior year. Net position includes \$5,796,077, representing the Town's investment in sewer capital assets, net of related debt. The remaining unrestricted net position of \$1,844,818 can be used for ongoing sewer operations.

Landfill/Transfer Stations Fund: The Landfill/Transfer Stations Fund is also reported as an enterprise fund. The Landfill/Transfer Stations Fund ended 2024 with net position of \$564,298, which is an increase of \$6,422 from the prior year. Net position includes \$317,855, representing the Town's investment in capital assets, and \$828,768, which is restricted for landfill closure and capital items. The remaining unrestricted net position is a deficit of (\$582,325).

Governmental Fund Budgetary Highlights

Budgetary comparison statements for the Town's General Fund, Highway Fund, and Fire Protection Fund are included on pages 52 through 54 of this report.

Capital Asset and Debt Administration

Capital assets: The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2024 amounts to \$51,829,568, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, work in progress, and infrastructure assets, such as roads, water systems, and sewer systems.

Major capital assets events that occurred during the current year included the following:

- Acquisition of highway equipment
- Recreational buildings, improvements and equipment
- Culverts and other infrastructure

Additional information on the Town's capital assets can be found in Note 6 to the financial statements on pages 31 and 32 of this report.

Long-term debt: At December 31, 2024, the Town had outstanding debt of \$1,604,000 relating to the Main Street reconstruction and \$4,945,174 for sewer district purposes. Debt of the Town is general obligation debt backed by the full faith and credit of the Town.

The Town was rated "Aa2" by Moody's Investor Services as of December 2024.

Additional information on the Town's long-term debt can be found in Note 8 to the financial statements on pages 33 and 34 of this report.

Economic Factors

The Town has approximately 29,000 residents and is the County Seat of Warren County, which is located in the southern Adirondack Region of northeastern New York, just north of Saratoga County and the Albany Capital District area.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2024

The Town borders the southern end of Lake George, a well-known summer destination, and is home to the Great Escape Theme Park operated by Six Flags and a factory outlet mall, both of which are popular tourist attractions. Business and government operations within the Town and Warren County offer numerous recreational and tourism opportunities, with several lakes, rivers, streams, mountains, ski centers, hiking trails, snowmobile trails, a newly added trampoline park, and other popular tourist attractions.

The Town is located 20 miles from the Saratoga Racecourse, one of the oldest and most prestigious thoroughbred horse racing tracks in the United States. Each summer, the racetrack operates a six-week schedule of races that attracts world-class horses to participate in various graded events.

With the area's successful tourism industry and its increasing population and both large and small businesses, including several medical manufacturers, Warren County has been able to generate additional revenues from sales tax and hotel occupancy tax.

Warren County distributes a portion of this revenue source to all towns and the village and city located within Warren County. Since the Town is the largest and most populous municipality within Warren County, the Town receives a significant amount of these shared revenues. The Town has used these shared revenues to finance governmental activities that promote the Town, both on a local and national level, for both tourist and business activities.

Request for Information

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

Town of Queensbury
Accounting Department
742 Bay Road
Queensbury, New York 12804

Town of Queensbury, New York

Government-Wide Financial Statements Statement of Net Position

	December 31, 2024		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 14,371,871	\$ 5,649,197	\$ 20,021,068
Receivables, net	7,321,205	2,176,046	9,497,251
Inventories	24,639	-	24,639
Prepaid expenses	612,825	143,583	756,408
Cash, cash equivalents and investments, restricted	3,144,005	2,127,387	5,271,392
Investments	9,928,467	435,794	10,364,261
Leases receivable	-	1,790,542	1,790,542
Capital assets, not being depreciated	8,661,076	1,445,971	10,107,047
Capital assets, net of accumulated depreciation	11,849,127	29,873,394	41,722,521
Total assets	55,913,215	43,641,914	99,555,129
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	3,138,130	946,381	4,084,511
OPEB deferrals	1,675,452	505,273	2,180,725
	4,813,582	1,451,654	6,265,236
LIABILITIES			
Accounts and other payables	3,765,761	392,176	4,157,937
Accrued liabilities	180,939	70,850	251,789
Deposits	284,507	39,217	323,724
Bond anticipation notes payable	-	651,495	651,495
Interest payable	19,635	24,632	44,267
Compensated absences	198,601	27,250	225,851
Due to other governments	22,166	250,876	273,042
Unearned revenues	634,744	-	634,744
Service awards	4,430,099	-	4,430,099
Long-term liabilities			
Due within one year	179,000	417,712	596,712
Due in more than one year	29,620,376	13,534,205	43,154,581
Total liabilities	39,335,828	15,408,413	54,744,241
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	1,450,988	437,581	1,888,569
Leases	-	1,735,609	1,735,609
OPEB deferrals	12,259,784	3,697,248	15,957,032
	13,710,772	5,870,438	19,581,210
NET POSITION			
Net investment in capital assets	18,906,203	25,722,696	44,628,899
Restricted for			
Capital and other	2,443,948	2,127,387	4,571,335
Cemetery perpetual care	700,057	-	700,057
Unrestricted (deficit)	(14,370,011)	(4,035,366)	(18,405,377)
Total net position	\$ 7,680,197	\$ 23,814,717	\$ 31,494,914

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Government-Wide Financial Statements Statement of Activities

Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General governmental support	\$ 5,669,375	\$ 38,738	\$ -	\$ -	\$ (5,630,637)	\$ -	\$ (5,630,637)
Public safety	7,644,708	2,738,153	-	-	(4,906,555)	-	(4,906,555)
Health	41,993	13,240	-	-	(28,753)	-	(28,753)
Transportation	6,336,252	-	-	1,526,673	(4,809,579)	-	(4,809,579)
Economic opportunity and development	393,033	-	-	-	(393,033)	-	(393,033)
Culture and recreation	2,135,556	537,550	-	-	(1,598,006)	-	(1,598,006)
Home and community service	3,145,535	999,362	34,086	-	(2,112,087)	-	(2,112,087)
Interest on debt	59,783	-	-	-	(59,783)	-	(59,783)
Total governmental activities	25,426,235	4,327,043	34,086	1,526,673	(19,538,433)	-	(19,538,433)
BUSINESS-TYPE ACTIVITIES							
Water	5,418,376	4,132,755	-	-	-	(1,285,621)	(1,285,621)
Sewer	2,324,041	1,746,518	-	-	-	(577,523)	(577,523)
Landfill	628,430	592,017	-	-	-	(36,413)	(36,413)
Total business-type activities	8,370,847	6,471,290	-	-	-	(1,899,557)	(1,899,557)
Total primary government	\$ 33,797,082	\$ 10,798,333	\$ 34,086	\$ 1,526,673	(19,538,433)	(1,899,557)	(21,437,990)
GENERAL REVENUES							
Real property tax and related tax items					9,462,702	1,744,698	11,207,400
Non-property taxes					13,132,959	-	13,132,959
Interest earnings					1,643,217	351,737	1,994,954
Sale of property and compensation for loss					147,407	-	147,407
Miscellaneous general revenues					12,589	-	12,589
Federal aid not restricted to specific purposes					373,788	-	373,788
State aid and mortgage taxes not restricted to specific purposes					619,368	-	619,368
Miscellaneous other revenues					-	103,619	103,619
Total general revenues					25,392,030	2,200,054	27,592,084
TRANSFERS, net					(502,085)	502,085	-
Total general revenues and transfers, net					24,889,945	2,702,139	27,592,084
Change in net position					5,351,512	802,582	6,154,094
NET POSITION, beginning of year					2,328,685	23,012,135	25,340,820
NET POSITION, end of year					\$ 7,680,197	\$ 23,814,717	\$ 31,494,914

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Balance Sheet - Governmental Funds

	December 31, 2024					
	Major Funds				Other	
	General	Highway	Capital Projects	Fire Protection	Governmental Funds	Total
ASSETS						
Cash and cash equivalents	\$ 403,001	\$ 3,608,471	\$ 4,323,196	\$ 4,596,792	\$ 1,344,492	\$ 14,275,952
Receivables from other governments	4,199,084	244,301	727,606	-	10,839	5,181,830
Other receivables, net of uncollectibles	308,704	7,920	45,575	540,411	81,133	983,743
Due from other funds	1,155,632	-	-	-	-	1,155,632
Prepaid expenses	347,174	186,074	14,210	33,804	31,563	612,825
Investments	5,498,368	-	-	4,430,099	-	9,928,467
Cash and investments, restricted	2,443,948	-	-	-	700,057	3,144,005
Total assets	\$ 14,355,911	\$ 4,046,766	\$ 5,110,587	\$ 9,601,106	\$ 2,168,084	\$ 35,282,454
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 289,648	\$ 231,073	\$ 1,947,172	\$ 2,113	\$ 50,981	\$ 2,520,987
Accrued liabilities	113,012	53,503	-	-	14,424	180,939
Deposits	92,457	192,050	-	-	-	284,507
Due to other governments	22,166	-	-	-	-	22,166
Due to other funds	-	-	1,066,960	-	88,672	1,155,632
Unearned revenue	634,744	-	-	-	-	634,744
Service awards	-	-	-	324,375	-	324,375
Other payables	30,012	5,318	-	52,995	-	88,325
Total liabilities	1,182,039	481,944	3,014,132	379,483	154,077	5,211,675
Deferred inflows of resources	182,005	-	-	-	-	182,005
Fund balances						
Nonspendable	1,674,479	186,073	14,210	33,804	31,563	1,940,129
Restricted for capital reserve purposes	2,443,948	-	-	-	-	2,443,948
Restricted for other purposes	-	-	-	-	700,057	700,057
Assigned, appropriated	80,000	-	-	-	-	80,000
Assigned, unappropriated	-	3,378,749	2,082,245	9,187,819	1,282,387	15,931,200
Unassigned	8,793,440	-	-	-	-	8,793,440
Total fund balances	12,991,867	3,564,822	2,096,455	9,221,623	2,014,007	29,888,774
Total liabilities and fund balances	\$ 14,355,911	\$ 4,046,766	\$ 5,110,587	\$ 9,601,106	\$ 2,168,084	\$ 35,282,454

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Reconciliation of the Total Fund Balances in the Governmental Funds to the Statement of Net Position

	December 31, 2024
Total fund balances in the fund financial statements for the governmental funds	\$ 29,888,774
This amount differs from the amount of net position shown in the statement of net position due to the following:	
Capital assets are included as assets in the government-wide statements and are added, net of accumulated depreciation.	20,510,203
Inventories of materials and supplies are included as assets in the governmental activities.	24,639
Deferred outflows of resources related to the net pension liability are recognized on the statement of net position.	3,138,130
Deferred inflows of resources related to revenues that will be collected after year-end but are not available soon enough to pay for the current period's expenditures are deferred in the funds.	182,005
Deferred inflows of resources related to the net pension liability are recognized on the statement of net position.	(1,450,988)
Liabilities for interest payable are included as liabilities of the governmental activities and are deducted.	(19,635)
Long-term governmental liabilities for bonds payable are included as liabilities of the governmental activities and are deducted.	(1,604,000)
Long-term governmental liabilities for compensated absences are included as liabilities of the governmental activities and are deducted.	(198,601)
Long-term governmental liabilities for OPEB costs are included as liabilities of the governmental activities and are deducted.	(25,388,618)
Deferred outflows of resources related to OPEB costs are recognized on the statement of net position.	1,675,452
Deferred inflows of resources related to OPEB costs are recognized on the statement of net position.	(12,259,784)
The net pension liability is included as a liability of the governmental activities.	(2,806,758)
Long-term liabilities for service awards payable under the Length of Service Award Program are included as a liability of the governmental activities and are deducted.	(4,105,724)
Net position of the internal service fund is included in governmental activities.	95,102
Total net position per the statement of net position	\$ 7,680,197

Town of Queensbury, New York

Fund Financial Statements Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended December 31, 2024							
	Major Funds				Other	Eliminations	Total
	General	Highway	Capital Projects	Fire Protection	Governmental Funds		
REVENUES							
Real property taxes	\$ 3,377,274	\$ -	\$ -	\$ 5,698,850	\$ 218,589	\$ -	\$ 9,294,713
Real property tax items	119,034	-	-	48,955	-	-	167,989
Non-property taxes	12,950,954	-	-	-	-	-	12,950,954
Departmental income	669,135	-	-	2,360,098	648,070	-	3,677,303
Use of money and property	685,474	121,768	345	834,696	934	-	1,643,217
Licenses and permits	298,350	-	-	-	-	-	298,350
Fines and forfeitures	351,390	-	-	-	-	-	351,390
Sale of property and compensation for loss	7,535	39,387	93,394	-	7,091	-	147,407
Miscellaneous	2,995	315	8,049	-	1,230	-	12,589
Interfund revenues	192,963	-	-	-	-	(192,963)	-
State aid	619,368	799,067	727,606	-	34,086	-	2,180,127
Federal aid	373,788	-	-	-	-	-	373,788
Total revenues	19,648,260	960,537	829,394	8,942,599	910,000	(192,963)	31,097,827
EXPENDITURES							
General government support	4,316,702	10,445	-	-	-	-	4,327,147
Public safety	641,989	-	-	6,451,965	-	-	7,093,954
Health	2,000	-	-	-	39,993	-	41,993
Transportation	480,185	2,906,704	-	-	126,224	-	3,513,113
Economic opportunity and development	393,033	-	-	-	-	-	393,033
Culture and recreation	1,437,837	-	-	-	-	-	1,437,837
Employee benefits	2,892,463	1,416,522	-	489,630	297,188	(192,963)	4,902,840
Home and community service	927,073	-	-	-	861,934	-	1,789,007
Debt service							
Principal	175,500	-	-	-	-	-	175,500
Interest	61,539	-	-	-	-	-	61,539
Capital outlay							
General government support	173,048	-	763,870	-	-	-	936,918
Transportation	-	2,124,750	-	-	-	-	2,124,750
Culture and recreation	97,364	-	708,032	-	-	-	805,396
Home and community service	-	-	2,701,149	-	23,962	-	2,725,111
Total expenditures	11,598,733	6,458,421	4,173,051	6,941,595	1,349,301	(192,963)	30,328,138
OTHER FINANCING SOURCES (USES)							
Transfers in	-	6,071,811	2,492,824	-	687,848	-	9,252,483
Transfers out	(9,754,568)	-	-	-	-	-	(9,754,568)
Total other financing sources (uses)	(9,754,568)	6,071,811	2,492,824	-	687,848	-	(502,085)
Net change in fund balances	(1,705,041)	573,927	(850,833)	2,001,004	248,547	-	267,604
FUND BALANCES, beginning of year, as previously reported	14,696,908	2,990,895	-	7,220,619	4,712,748	-	29,621,170
Change in fund classification between major and non-major	-	-	2,947,288	-	(2,947,288)	-	-
FUND BALANCES, beginning of year, as restated	14,696,908	2,990,895	2,947,288	7,220,619	1,765,460	-	29,621,170
FUND BALANCES, end of year	\$ 12,991,867	\$ 3,564,822	\$ 2,096,455	\$ 9,221,623	\$ 2,014,007	\$ -	\$ 29,888,774

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Change in Net Position Shown in the Statement of Activities

	Year Ended December 31, 2024
Net change in fund balances shown for total governmental funds.	\$ 267,604
This amount differs from the change in net position shown in the statement of activities and change in net position as follows:	
Capital outlays for acquisition of capital assets are recorded in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This amount represents the difference between expenditures for the acquisition of capital assets and depreciation expense for the period.	
Capital acquisitions	4,886,810
Net dispositions	(83,738)
Depreciation expense	<u>(1,213,160)</u>
	3,589,912
Major revenues are recorded in the governmental funds when they become susceptible to accrual (that is, when they are earned, measurable, and available to provide current financial resources). In the statement of activities, major revenues are recognized when they are earned and measurable, regardless of when they become available. This is the amount by which earned revenues for mortgage tax for the current period differ from the amounts of revenues not recognized as being available in the governmental funds until a future period.	
	182,005
Governmental funds report the annual contribution to the System as retirement expense. The prior-year contribution is recognized as an expense, as well as the change in the net pension liability and the deferred inflows and deferred outflows created as a result of this change:	
Change in net pension liability	1,163,546
Change in deferred outflows of resources	(369,825)
Change in deferred inflows of resources	<u>(1,288,173)</u>
	(494,452)
Bond proceeds provide current-year 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.	
Principal paid on bonds	175,500
The cost of acquiring inventory of material and supplies is included as expenditures in the governmental funds. In the government-wide financial statements, inventory at year-end is included as an asset.	
	(50,723)
Some expenses and changes in deferred outflows of resources reported in the statement of activities and change in net position do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These include:	
Accrued interest	1,756
Compensated absences	45,542
Service awards	(309,296)
Change in OPEB deferred outflows of resources	(2,367,957)
Change in OPEB deferred inflows of resources	3,999,576
OPEB obligation payable	<u>333,957</u>
	1,703,578
Internal service fund transactions are reported separately in the fund financial statements. In the government-wide financial statements, internal service fund transactions are included in governmental activities. This is the net result of the internal service fund revenues and expenses that are included in governmental activities.	
	<u>(21,912)</u>
Change in net position of governmental activities	<u>\$ 5,351,512</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Net Position - Proprietary Funds

	December 31, 2024				
	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water	Sewer	Landfill/	Total	Internal
	District	District	Transfer Stations		Service
ASSETS					
Cash and cash equivalents	\$ 2,134,433	\$ 3,008,337	\$ 506,427	\$ 5,649,197	\$ 95,919
Receivables, net	1,475,312	661,024	39,710	2,176,046	-
Investments	435,794	-	-	435,794	-
Prepaid expenses	104,506	21,160	17,917	143,583	-
Cash, cash equivalents and investments, restricted	1,298,619	-	828,768	2,127,387	-
Leases receivable	1,790,542	-	-	1,790,542	-
Capital assets, not being depreciated	1,276,582	83,952	85,437	1,445,971	-
Capital assets, net of accumulated depreciation	18,850,427	10,790,549	232,418	29,873,394	-
Total assets	27,366,215	14,565,022	1,710,677	43,641,914	95,919
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferrals	721,733	119,676	104,972	946,381	-
OPEB deferrals	385,334	63,895	56,044	505,273	-
	1,107,067	183,571	161,016	1,451,654	-
LIABILITIES					
Accounts payable	185,704	180,052	26,420	392,176	817
Accrued liabilities	58,251	6,196	6,403	70,850	-
Deposits	-	39,217	-	39,217	-
Due to other governments	-	250,876	-	250,876	-
Bond anticipation notes payable	518,245	133,250	-	651,495	-
Interest payable	-	24,632	-	24,632	-
Compensated absences	27,250	-	-	27,250	-
Bonds payable	-	4,945,174	-	4,945,174	-
Landfill post-closure costs	-	-	40,167	40,167	-
Net pension liability	645,522	107,039	93,888	846,449	-
OPEB liability	6,539,858	898,384	681,885	8,120,127	-
Total liabilities	7,974,830	6,584,820	848,763	15,408,413	817
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	333,711	55,335	48,535	437,581	-
Leases	1,735,609	-	-	1,735,609	-
OPEB deferrals	2,819,608	467,543	410,097	3,697,248	-
	4,888,928	522,878	458,632	5,870,438	-
NET POSITION					
Net investment in capital assets	19,608,764	5,796,077	317,855	25,722,696	-
Restricted for					
Capital and other	1,298,619	-	828,768	2,127,387	-
Unrestricted (deficit)	(5,297,859)	1,844,818	(582,325)	(4,035,366)	95,102
Total net position	\$ 15,609,524	\$ 7,640,895	\$ 564,298	\$ 23,814,717	\$ 95,102

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds

	Year Ended December 31, 2024				
	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water District	Sewer District	Landfill/ Transfer Stations	Total	Internal Service
OPERATING REVENUES					
Water sales and services	\$ 4,132,755	\$ -	\$ -	\$ 4,132,755	\$ -
Sewer sales and services	-	1,746,518	-	1,746,518	-
Landfill and transfer station charges	-	-	592,017	592,017	-
Total operating revenues	4,132,755	1,746,518	592,017	6,471,290	-
OPERATING EXPENSES					
Costs of sales and services	4,380,423	1,713,746	591,591	6,685,760	21,989
Depreciation	995,785	472,612	36,839	1,505,236	-
Total operating expenses	5,376,208	2,186,358	628,430	8,190,996	21,989
Operating loss	(1,243,453)	(439,840)	(36,413)	(1,719,706)	(21,989)
NONOPERATING REVENUES (EXPENSES)					
Real property taxes levied for water and sewer purposes	1,231,909	512,789	-	1,744,698	-
State aid	-	-	5,000	5,000	-
Interest earnings	197,663	116,239	37,835	351,737	77
Other	98,619	-	-	98,619	-
Interest expense	(42,168)	(137,683)	-	(179,851)	-
Total nonoperating revenues	1,486,023	491,345	42,835	2,020,203	77
Income (loss) before other financing sources (uses)	242,570	51,505	6,422	300,497	(21,912)
OTHER FINANCING SOURCES (USES)					
Transfers in	524,012	128,073	-	652,085	-
Transfers out	(150,000)	-	-	(150,000)	-
Total other financing sources (uses)	374,012	128,073	-	502,085	-
Change in net position	616,582	179,578	6,422	802,582	(21,912)
NET POSITION, beginning of year	14,992,942	7,461,317	557,876	23,012,135	117,014
NET POSITION, end of year	\$ 15,609,524	\$ 7,640,895	\$ 564,298	\$ 23,814,717	\$ 95,102

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Cash Flows - Proprietary Funds

	Year Ended December 31, 2024				
	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water	Sewer	Landfill/	Total	Internal
	District	District	Transfer Stations		Service
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES					
Cash received from customers	\$ 3,996,105	\$ 1,719,749	\$ 593,907	\$ 6,309,761	\$ -
Cash paid to employees	(2,787,109)	(461,209)	(400,065)	(3,648,383)	(4,071)
Cash paid to contractors and suppliers	(2,069,829)	(1,094,721)	(266,191)	(3,430,741)	(21,989)
	<u>(860,833)</u>	<u>163,819</u>	<u>(72,349)</u>	<u>(769,363)</u>	<u>(26,060)</u>
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES					
Cash received from real property taxes	1,231,909	512,789	-	1,744,698	-
Cash received from state aid	-	-	5,000	5,000	-
	<u>1,231,909</u>	<u>512,789</u>	<u>5,000</u>	<u>1,749,698</u>	<u>-</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(642,777)	-	-	(642,777)	-
Leases and other	136,169	(69,445)	-	66,724	-
Repayment of bond anticipation note	(520,000)	(133,250)	-	(653,250)	-
Principal paid on long-term debt	-	(391,023)	-	(391,023)	-
Interest paid on long-term debt	(42,169)	(137,683)	-	(179,852)	-
Intergovernmental transfers, net	374,012	128,073	-	502,085	-
	<u>(694,765)</u>	<u>(603,328)</u>	<u>-</u>	<u>(1,298,093)</u>	<u>-</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES					
Purchases of investments	(21,402)	-	-	(21,402)	-
Interest earnings	197,663	116,239	37,835	351,737	77
	<u>176,261</u>	<u>116,239</u>	<u>37,835</u>	<u>330,335</u>	<u>77</u>
Net increase (decrease) in cash and cash equivalents	(147,428)	189,519	(29,514)	12,577	(25,983)
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	3,580,480	2,818,818	1,364,709	7,764,007	121,902
CASH AND CASH EQUIVALENTS, <i>end of year</i>	\$ 3,433,052	\$ 3,008,337	\$ 1,335,195	\$ 7,776,584	\$ 95,919

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Cash Flows - Proprietary Funds (Continued)

	Year Ended December 31, 2024				
	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water	Sewer	Landfill/		Internal
	District	District	Transfer Stations	Total	Service
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED					
(USED) BY OPERATING ACTIVITIES					
Operating loss	\$ (1,243,453)	\$ (439,840)	\$ (36,413)	\$ (1,719,706)	\$ (21,989)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities					
Depreciation expense	995,785	472,612	36,839	1,505,236	-
Changes in assets and liabilities					
Receivables, net	(72,772)	(26,769)	1,890	(97,651)	-
Prepaid expenses	(22,968)	(6,504)	(5,459)	(34,931)	-
Pension deferred outflows of resources	77,585	5,340	9,590	92,515	-
OPEB deferred outflows of resources	589,013	88,496	83,603	761,112	-
Accounts payable	(574,203)	165,425	9,820	(398,958)	(4,071)
Accrued liabilities	10,271	284	(25)	10,530	-
Interest payable	-	(2,642)	-	(2,642)	-
Due to/from other activities	633,366	58,858	746	692,970	-
Compensated absences	2,398	-	-	2,398	-
Deposits	-	(53)	-	(53)	-
OPEB liability	(76,805)	(12,736)	(11,170)	(100,711)	-
Net pension liability	(311,209)	(42,597)	(43,236)	(397,042)	-
Landfill post-closure costs	-	-	(9,989)	(9,989)	-
Leases deferred inflows of resources	(63,878)	-	-	(63,878)	-
Pension deferred inflows of resources	294,477	49,199	42,911	386,587	-
OPEB deferred inflows of resources	(1,098,440)	(145,254)	(151,456)	(1,395,150)	-
	\$ (860,833)	\$ 163,819	\$ (72,349)	\$ (769,363)	\$ (26,060)

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Queensbury, New York (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for establishing governmental accounting and financial reporting principles.

a. Financial Reporting Entity

The Town, which was established in 1762, is governed by its Town Charter and other general laws of the State of New York and various local laws. The Town Board, which is the governing body of the Town, consists of the Supervisor and four voting Council persons, all elected. The Town Supervisor serves as the chief executive and fiscal officer. As authorized by Town Law 3 §34, the Town provides the following basic services: public safety, health services, maintenance of Town roads, recreation, home and community service, economic assistance, and other general services.

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 reporting entity was made by applying the criteria set forth in U.S. GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to influence operations significantly, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the Town and/or its citizens, or whether the activity is conducted within geographic boundaries of the Town and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Town is able to exercise oversight responsibilities. Based on the application of these criteria, the Town has determined that it has no component units.

The Economic Development Corporation (EDC) is a not-for-profit corporation created to promote economic development within Warren County. Members of the EDC are not appointed by the Town Board. EDC members have complete responsibility for management of the agency and accountability for fiscal matters. The Town is not liable for EDC bonds or notes. The Town has entered into an agreement with the EDC for services in the amount of \$114,000 for the year ended December 31, 2024. The EDC is not considered a component unit of the Town.

b. Government-Wide and Fund Financial Statements

The governmental reporting model has the following sections: Management's Discussion and Analysis, Government-Wide Financial Statements, and Fund Financial Statements.

The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all nonfiduciary activities of the Town, as the primary government. The effect of interfund transactions within the same activities has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support made to customers.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

The statement of net position presents the financial condition of the Town's activities at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The statement of activities identifies the net expense or revenue from each activity and identifies the amount of general revenues needed to help finance the specific activities.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. The General Fund and other major individual governmental funds are reported as separate columns in the fund financial statements. All non-major governmental funds are aggregated in one column identified as "other governmental funds."

A fund is a separate accounting entity with a self-balancing set of accounts.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and applicable fiduciary fund financial statements. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recorded in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the related cash flows. Property taxes are recognized as revenues in the year they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. This measurement focus and basis of accounting are similar to private sector reporting.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances of these funds' presents increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financial uses) in net current position.

Under the modified accrual basis of accounting, governmental fund revenues are recognized when susceptible to accrual, which is when they become both measurable and available. "Measurable" means the amount of the transaction can be reasonably determined, and "available" means the related cash resources are collectible within the current period or soon enough thereafter to be used to pay current liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected generally within 120 days. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Property taxes, sales taxes, and certain intergovernmental revenues are considered to be susceptible to accrual and so have been recognized in the fund financial statements as revenues of the current fiscal period. All other revenue items are considered to be measurable and available generally when the Town receives cash for these revenues, such as fines, permits, and other miscellaneous collections.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

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

The Town reports deferred outflows and inflows of resources on its government-wide financial statements for items related to leases, net pension liability, and other postemployment benefits (OPEB) liability and, when applicable, reports deferred inflows of resources on its fund financial statements for certain revenues other than property taxes.

Governmental fund expenditures are recorded when the fund liability is incurred, except that:

- Payments for the acquisition of inventory-type items are recorded as expenditures when the related amounts are due and payable. This method is generally referred to as the “purchase” method, as opposed to the “consumption” method.
- Principal and interest on indebtedness, as well as expenditures related to compensated absences and claims and judgments, are recorded as expenditures when the related debt service amounts are due and payable, which normally approximates the date the debt is paid.
- Costs of acquiring capital assets are recorded as expenditures when the related acquisition amounts are due and payable.

d. Fund Accounting

The Town’s fund types are as follows:

Governmental funds are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The Town’s governmental funds are as follows:

- The General Fund is the Town’s primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. This fund operates within the financial limits of an annual budget adopted by the Town Board and includes expenditures for general governmental support and other general Town activities.
- Special revenue funds are used to account for specific revenues (other than those generated for major capital projects) that are legally restricted to expenditures for particular purposes. The Town utilizes the following special revenue funds:
 - The Special Grant Fund is used to account for federally funded community development block grants and other specially funded programs.
 - The Cemetery Fund is used to account for revenues from sales of cemetery lots, charges for services, and other revenues generated to pay for the operation of the Town’s various cemeteries.
 - The Highway Fund is used to account for revenues generated to pay for repairs and improvements to Town roads, the acquisition and maintenance of highway vehicles and equipment, snow removal, and other transportation services.
 - The Fire Protection Fund is used to account for real property taxes and other revenues generated to pay for contracts for fire protection services, contributions to the service award program, and other related public safety costs.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

d. Fund Accounting (Continued)

- The Lighting District Fund is used to account for real property taxes and other revenues generated within district boundaries to pay for specific street lighting costs.
- The Aquatic District Fund is used to account for resources generated within the Glen Lake Aquatic Plant Growth Control District for the purposes of controlling non-native, invasive aquatic plant species in Glen Lake.
- The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Financing is generally provided from proceeds of bonds, notes, federal and state grants, and transfers from other governmental funds.

In addition to the General Fund, the Town considers the Highway Fund, the Capital Projects Fund, and the Fire Protection Fund to be major governmental funds. The Capital Projects Fund was reported as a non-major governmental fund at December 31, 2023.

Proprietary funds represent the Town's business-type activities and include enterprise funds and internal service funds. Enterprise funds are used to report activities for which fees are charged to external customers for goods and services provided, and the Town's fee pricing policies are established to recover costs of providing such goods and services, including capital costs, such as depreciation or debt service. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues are charged to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town reports the following enterprise funds:

- The Water District Fund is used to report operations of the Town's water treatment and supply facilities that provide drinking water to Town residents within established water districts, as well as to certain local communities outside the Town's corporate boundaries. Users of the water system, inside and outside of Town limits, are charged certain user fees and assessments to pay for water operations. The fund also records revenues and expenses associated with extending water lines, making improvements to the water treatment facilities, and other capital expenses.
- The Sewer District Fund is used to report operations of the Town's sanitary sewer system that are provided to Town residents located within established sewer districts. The Town contracts with the City of Glens Falls, New York, for treatment and disposal at the city's wastewater treatment facility. Users of the sewer system are charged certain user fees and assessments to pay for sewer operations.
- The Landfill/Transfer Stations Fund is used to report refuse and garbage disposal services and recycling operations at the Town's transfer stations and landfill. Certain user fees are charged to customers to pay for these services.

The Town considers each of the three enterprise funds to be major proprietary funds.

The Town maintains one internal service fund to account for certain workers' compensation and unemployment insurance costs.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

d. Fund Accounting (Continued)

Fiduciary funds are used to report resources that are held by the Town in a trustee or agency capacity for others and cannot be used to support the Town's own programs. The Town did not maintain any fiduciary funds during 2024.

In addition to the various funds, the Town also maintains schedules of non-current governmental assets and non-current governmental liabilities. Non-current governmental assets include capital assets used in governmental activities, and non-current governmental liabilities include bonds, retirement system debt, accumulated sick and compensatory time, and other long-term debt used to finance governmental activities. These non-current governmental assets and liabilities are included under governmental activities in the government-wide statement of net position.

e. Property Taxes

Taxes for Town purposes are based on Town budget requirements. Taxes are collected by the Town until April 1, at which time all unpaid taxes are returned to Warren County, which is responsible for all uncollected taxes. The following calendar pertains to the Town's real property taxes:

Valuation date	January 1
Taxable status date	March 1
Exemption filing date	March 1
Final roll date	July 1
Date taxes due	January 1
Date penalty periods begin	February 1

f. Budgetary Accounting

Prior to October 5 of each year, the Budget Officer submits to the Town Clerk and the Town Board a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers' comments. Prior to November 20, the budget is adopted by the Town Board. The Town Board must approve all modifications of the budget.

Budgets are adopted annually on a basis consistent with U.S. GAAP. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

g. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year-end are reported as reservations of fund balances since the commitments do not constitute expenditures or liabilities.

h. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

i. Leases Receivable

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term, discounted by the explicit or implicit interest rate in the agreement or the Town's incremental borrowing rate at lease inception. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The Town monitors changes in circumstances that would require a remeasurement of its leases and will remeasure a lease receivable and related deferred inflows of resources if changes occur that are expected to significantly affect the amount of the lease receivable.

j. Capital Assets and Depreciation

Property, plant, and equipment of all funds are stated at historical cost or the estimated cost. Donated fixed assets are stated at their fair value on the date donated. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets ranging from three to 50 years.

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over its fair value. There was no impairment of long-lived assets as of December 31, 2024.

k. Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future period. The Town's deferred outflows of resources represent deferred costs related to the change in the net pension liability and OPEB liability.

The Town's deferred inflows of resources arise when potential revenue does not meet both of the "measurable" and "available" criteria for recognition in the current period, as defined in Note 1b. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred inflow is removed from the balance sheet and revenue is recognized.

Deferred inflows of resources in the government-wide financial statements represent amounts related to the change in the net pension liability, leases, and OPEB liability.

l. Compensated Absences

Town employees are granted vacation and sick leave in varying amounts. In the event of voluntary separation, an employee is entitled to payment for accumulated vacation time at various rates subject to certain maximum limitations. Upon retirement, an employee is entitled to payment for accumulated vacation and sick leave at various rates subject to certain maximum limitations. The liability for accumulated vacation, vested sick benefits, and related benefits related to governmental activities has been recorded in the government-wide financial statements. For proprietary funds, the liability is recognized within the respective fund.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

m. Other Postemployment Benefits

In addition to providing pension benefits, the Town provides certain health care benefits to retired employees and their dependents. Substantially all Town employees may become eligible for those benefits if they reach the normal retirement age while working for the Town. The Town recognizes the cost of postemployment benefits in the financial statements in the periods the exchange occurs rather than in the periods the benefits are paid. The Town amortizes prior service costs over a period of 30 years.

n. Pensions

The Town is a participating employer in the New York State and Local Retirement System (System). Employees in permanent positions are required to enroll in the System, and employees in part-time or seasonal positions have the option of enrolling in the System. The System is a cost-sharing, multiple-employer public employee defined benefit retirement system. The impact on the Town's financial position and results of operations due to its participation in the System is more fully disclosed in Note 10.

o. Fund Balance

Fund balances for governmental funds are reported in classifications that compose a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The five fund balance classifications are as follows:

- Nonspendable: Amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.
- Restricted: Amounts that have restraints that are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action, such as legislation, resolution, or ordinance by the government's highest level of decision-making authority.
- Assigned: Amounts that are constrained only by the government's intent to be used for a specified purpose but are not restricted or committed in any manner.
- Unassigned: The residual amount in the General Fund after all of the other classifications have been established. In a special revenue fund, if expenditures and other financing uses exceed the amounts restricted, committed, or assigned for those purposes, then a negative unassigned fund balance will occur.

The Town's fund balance policy is set by the Council, the highest level of decision-making authority. The Town considers "formal action" for a committed fund balance to be the passing of a resolution by the Town Board. The Council has delegated the ability to assign fund balance to the Budget Officer. The Town considers funds to be expended in the order of restricted, committed, assigned, and unassigned.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

p. Net Position

Net position balances at the government-wide level and for enterprise funds are reported in the following three categories:

- Restricted: Net position is reported as restricted when constraints placed on net position use are either:
 - Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws and regulations of other governments; or
 - Imposed by law through constitutional provisions or enabling legislation.
- Net investment in capital assets: Consists of capital assets, including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Unrestricted: Consists of the amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted components of net position.

q. Unearned Revenues

Unearned revenues represent amounts received by the Town under the American Rescue Plan Act. The use of such funds is subject to eligibility requirements and will be recognized as income when such requirements are met.

r. Subsequent Events

Management has evaluated subsequent events for potential recognition or disclosure through July 31, 2025, the date the financial statements were available to be issued.

Note 2. Cash, Cash Equivalents, and Investments

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

Collateral is required for demand deposits and certificates of deposit at 100% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of any state and its municipalities and school districts.

The Town's cash and cash equivalents are defined as restricted and unrestricted short-term, highly liquid investments that are readily convertible to known amounts of cash at maturity (with maturity being no greater than 90 days when purchased).

During 2024, cash and cash equivalents were either insured by federal depository insurance or collateralized by assets of the Town's agent in the Town's name.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 2. Cash, Cash Equivalents, and Investments (Continued)

Investments of the Town at December 31, 2024 of \$6,619,450 (General Fund), \$453,794 (Water District Fund) and \$560,594 (Landfill/Transfer Stations Fund) were held in the New York Cooperative Liquid Asset Securities System (NYCLASS), a cooperative investment program. Investments held by NYCLASS are measured at fair value using amortized cost as reported by NYCLASS. NYCLASS is subject to the Municipal Cooperation Agreement Amended and Restated as of March 14, 2014 (Agreement) and is structured in accordance with New York State General Municipal Law (GML) Article 3-A and Article 5-G, Sections 119-n and -o, and Chapter 623 of the Laws of 1998. All NYCLASS investment and custodial policies are in accordance with GML Sections 10 and 11 (as amended by Chapter 708 of the Laws of 1992). NYCLASS is rated "AAA" by Standard & Poor's Global Ratings. Participants are allowed to conduct transactions (deposits, withdrawal, or transfers) on a normal business day.

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Note 3. Fair Value Measurements

The framework for measuring fair value includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of inputs used to measure fair value are as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Town has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset; and
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3: Inputs to the valuation methodology are unobservable inputs and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The investments held within the Town's Length of Service Award Program (LOSAP) at December 31, 2024 are categorized as Level 1 in the fair value hierarchy, with fair value determined by the active markets. Money market funds are reported at the carrying amounts, which reasonably estimate fair value. The composition of benefit trust investments, investment information, and fair values is presented in Note 11.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 3. Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes that its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the Town's Volunteer Firefighter Awards Program (see Note 11) and Volunteer Ambulance Worker Service Award Program (see Note 12) investments at December 31, 2024:

	Level 1	Level 2	Level 3	Total
U.S. equities	\$ 2,021,222	\$ -	\$ -	\$ 2,021,222
Mutual funds	599,799	-	-	599,799
Closed-end funds	1,595,023	-	-	1,595,023
Corporate bonds	9,787	-	-	9,787
Cash and money market funds	204,268	-	-	204,268
Investments, at fair value	<u>\$ 4,430,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,430,099</u>

The Town's investments with NYCLASS are not required to be categorized within the fair value hierarchy in accordance with GASB Statement No. 72.

Note 4. Due From Other Governments

Due from other governments, classified on the statement of net position within receivables, consists of the following at December 31, 2024:

	Governmental Activities	Business-Type Activities
Sales and mortgage tax	\$ 4,199,084	\$ -
State aid - Highway	244,301	-
State aid - Capital Projects	727,606	-
Other	10,839	-
Water and sewer rents and relievis	-	261,399
	<u>\$ 5,181,830</u>	<u>\$ 261,399</u>

Town of Queensbury, New York

Notes to Financial Statements December 31, 2024

Note 5. Restricted Assets

Restricted assets consist of cash and cash equivalents and investments for the following:

	Restricted Balance	Restriction
General Fund	\$ 2,443,948	Capital and other
Water District Fund	1,298,619	Capital
Landfill/Transfer Stations Fund	828,768	Capital and landfill closure
Cemetery Fund	700,057	Perpetual care
	<u>5,271,392</u>	
Total restricted assets	<u>\$ 5,271,392</u>	

Note 6. Capital Assets

A summary of changes in capital assets is as follows:

	Balance January 1, 2024	Additions	Reclassifications/ Retirements	Balance December 31, 2024
Governmental activities				
Work in progress	\$ 1,375,807	\$ 2,761,685	\$ -	\$ 4,137,492
Land	4,471,908	51,676	-	4,523,584
Buildings	9,813,297	276,000	-	10,089,297
Improvements	1,833,366	318,146	-	2,151,512
Machinery and equipment	10,370,447	1,479,303	(995,240)	10,854,510
Infrastructure	8,502,309	-	-	8,502,309
	<u>36,367,134</u>	<u>4,886,810</u>	<u>(995,240)</u>	<u>40,258,704</u>
Business-type activities				
Work in progress	683,549	305,803	-	989,352
Land	456,619	-	-	456,619
Buildings	1,931,394	-	-	1,931,394
Improvements	12,407	-	-	12,407
Machinery and equipment	2,069,648	423,814	(173,966)	2,319,496
Infrastructure	70,084,108	-	-	70,084,108
	<u>75,237,725</u>	<u>729,617</u>	<u>(173,966)</u>	<u>75,793,376</u>
Accumulated depreciation				
Governmental activities				
Buildings	4,412,118	215,676	-	4,627,794
Improvements	1,149,675	53,768	-	1,203,443
Machinery and equipment	7,294,900	777,401	(911,502)	7,160,799
Infrastructure	6,590,150	166,315	-	6,756,465
	<u>19,446,843</u>	<u>1,213,160</u>	<u>(911,502)</u>	<u>19,748,501</u>
Business-type activities				
Buildings	1,352,763	39,879	-	1,392,642
Improvements	9,564	2,843	-	12,407
Machinery and equipment	1,611,097	111,837	(156,569)	1,566,365
Infrastructure	40,151,919	1,350,677	-	41,502,596
	<u>43,125,343</u>	<u>1,505,236</u>	<u>(156,569)</u>	<u>44,474,010</u>
Capital assets, net	<u>\$ 49,032,673</u>	<u>\$ 2,898,031</u>	<u>\$ (101,135)</u>	<u>\$ 51,829,569</u>

Town of Queensbury, New York

Notes to Financial Statements December 31, 2024

Note 6. Capital Assets (Continued)

Depreciation expense for 2024 was charged to functions of the primary government as follows:

General governmental support	\$	100,148
Public safety		29,109
Transportation		885,872
Culture and recreation		142,546
Home and community service		55,485
		<hr/>
	\$	1,213,160

Note 7. Leases

The Town is a party to long-term leasing arrangements, as the lessor, for the placement of cellular equipment on Town-owned property. The leases provide for escalating annual payments to the Town over both the initial periods and optional renewal periods. Renewal options under the leases are reasonably certain to be exercised. The leases did not contain provisions for interest, and the incremental borrowing rates of the lessees were not determinable; accordingly, the Town estimated its incremental borrowing rate under the leases to be 2.38% and 6.86%, respectively. At December 31, 2024, leases receivable and deferred inflows of resources related to the leases were \$1,790,542 and \$1,735,609, respectively.

The Town recognized lease and related interest revenue of approximately \$37,600 and \$7,000, respectively, during the year ended December 31, 2024.

Future annual lease payments under the Town's leases at December 31, 2024 are as follows:

	Principal	Interest	Total
Year ending December 31,			
2025	\$ 38,324	\$ 6,825	\$ 45,149
2026	44,094	6,640	50,734
2027	44,942	6,418	51,360
2028	45,812	6,193	52,005
2029	46,703	5,966	52,669
2030-2034	271,853	26,064	297,917
2035-2039	333,812	18,609	352,421
2040-2044	243,003	10,621	253,624
2045-2049	186,593	7,732	194,325
2050-2054	219,919	5,359	225,278
2055-2059	258,595	2,563	261,158
2060-2061	56,892	135	57,027
	<hr/>	<hr/>	<hr/>
Total	\$ 1,790,542	\$ 103,125	\$ 1,893,667

Town of Queensbury, New York

Notes to Financial Statements December 31, 2024

Note 8. Long-Term Liabilities

Governmental activities long-term liabilities consisted of the following at December 31, 2024:

	Balance January 1, 2024	Additions	Retirements	Balance December 31, 2024	Due Within One Year
Bonds payable (a)	\$ 1,779,500	\$ -	\$ (175,500)	\$ 1,604,000	\$ 179,000
Net pension liability (asset)	3,970,304	-	(1,163,546)	2,806,758	-
OPEB liability (c)	25,722,575	2,072,549	(2,406,506)	25,388,618	-
	<u>\$ 31,472,379</u>	<u>\$ 2,072,549</u>	<u>\$ (3,745,552)</u>	<u>\$ 29,799,376</u>	<u>\$ 179,000</u>

Business-type activities long-term liabilities consisted of the following at December 31, 2024:

	Balance January 1, 2024	Additions	Retirements	Balance December 31, 2024	Due Within One Year
Bonds payable (a)	\$ 5,336,197	\$ -	\$ (391,023)	\$ 4,945,174	\$ 404,323
Landfill post-closure costs (b)	50,156	-	(9,989)	40,167	13,389
Net pension liability	1,243,491	-	(397,042)	846,449	-
OPEB liability (c)	8,220,838	625,029	(725,740)	8,120,127	-
	<u>\$ 14,850,682</u>	<u>\$ 625,029</u>	<u>\$ (1,523,794)</u>	<u>\$ 13,951,917</u>	<u>\$ 417,712</u>

a. Bonds Payable

Governmental activities bonds payable comprise the following at December 31, 2024:

Serial Bonds	Date Issued	Original Amount	Interest Rate	Maturity	Balance December 31, 2024
Main Street	7/17/2013	\$ 3,319,000	3.00%-4.00%	2032	<u>\$ 1,604,000</u>

Future debt service requirements related to governmental activities bonds payable at December 31, 2024 are as follows:

	Principal	Interest	Total
Year ending December 31,			
2025	\$ 179,000	\$ 55,998	\$ 234,998
2026	186,000	49,834	235,834
2027	193,500	43,193	236,693
2028	197,000	36,359	233,359
2029	204,000	29,086	233,086
2030-2034	644,500	38,991	683,491
Total	<u>\$ 1,604,000</u>	<u>\$ 253,461</u>	<u>\$ 1,857,461</u>

Town of Queensbury, New York

Notes to Financial Statements December 31, 2024

Note 8. Long-Term Liabilities (Continued)

a. Bonds Payable (Continued)

Business-type activities bonds payable comprise the following at December 31, 2024:

State Loans Payable	Date Issued	Original Amount	Interest Rate	Maturity	Balance December 31, 2024
Queensbury Avenue Sewer	3/4/2004	\$ 1,362,591	4.00%	2033	\$ 450,000
Route 9 Sewer	7/17/2006	4,912,000	2.49%-4.13%	2035	2,260,000
 Serial Bonds					
West Queensbury Sewer	7/17/2013	\$ 1,316,500	3.00%-4.00%	2032	636,000
Sewer Force Main	12/21/2016	930,000	2.93%	2031	484,174
Carey Road Sewer Improvements	6/24/2020	1,293,400	2.00%-4.00%	2045	1,115,000
					<u>\$ 4,945,174</u>

Future debt service requirements related to business-type activities bonds payable at December 31, 2024 are as follows:

Year ending December 31,	Principal	Interest	Total
2025	\$ 404,323	\$ 133,355	\$ 537,678
2026	414,178	121,226	535,404
2027	423,588	108,699	532,287
2028	442,052	95,759	537,811
2029	452,077	82,290	534,367
2030-2034	1,938,956	217,527	2,156,483
2035-2039	510,000	59,572	569,572
2040-2044	295,000	25,636	320,636
2045	65,000	-	65,000
Total	<u>\$ 4,945,174</u>	<u>\$ 844,064</u>	<u>\$ 5,789,238</u>

b. Landfill Post-Closure Care Costs

State and federal laws and regulations require the Town to place a final cover on its Ridge Road landfill site and perform certain maintenance and monitoring functions at the site for 30 years after closure. The Town ceased operations at the landfill in 1993 and completed closure in 1997. Landfill post-closure care costs of \$40,167 reported at December 31, 2024 represent the remaining estimated cost to perform post-closure care. These estimated amounts are based on what it would cost to perform post-closure care as of December 31, 2024. Actual post-closure care costs may differ due to inflation, changes in technology, or changes in regulations.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 8. Long-Term Liabilities (Continued)

c. Other Postemployment Benefits

Plan description and annual OPEB cost: In addition to providing retirement benefits, the Town provides medical and Medicare Part B benefits to its eligible retirees. The benefits are provided through fully insured plans. To be eligible for such coverage, the retiring employee must be age 55 or older, be eligible to receive a pension from the New York State Employees' Retirement System (NYSERS), and have at least 10 to 15 years of service with the Town; or the retiring employee must be age 50 or older, be eligible to receive a pension from NYSERS, and have at least 30 years of service with the Town.

The Town pays a portion of the retirees' and their dependents' medical benefits depending on the employee group. The Town also reimburses the retiree for a portion of the Medicare Part B premium. The spouse may be permitted to continue coverage following the death of the retired employee, provided that the retiree had 20 or more years of service at the time of retirement.

A summary of active employees and retired employees covered under the plan are as follows:

Active employees	128
Retired employees	83
	<hr/>
	211
	<hr/>

The Town recognizes the cost of providing health insurance annually as expenditures in various funds in its financial statements as payments are made. For the year ended December 31, 2024, the Town recognized approximately \$885,400 for its share of insurance premiums for currently enrolled retirees. The Town is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees.

At December 31, 2024, the Town reported a liability of \$25,388,618 and \$8,120,127 for its OPEB liability in the governmental activities and business-type activities, respectively. The OPEB liability was measured as of December 31, 2024 by an actuarial valuation using census data information as of January 1, 2024. For the year ended December 31, 2024, the Town recognized OPEB credits of \$333,957 and \$100,712 in the governmental activities and business-type activities, respectively. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,127,463	\$ 1,360,888
Changes in assumptions	547,989	10,898,896
	<hr/>	<hr/>
Total	\$ 1,675,452	\$ 12,259,784
	<hr/>	<hr/>

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 8. Long-Term Liabilities (Continued)

c. Other Postemployment Benefits (Continued)

	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 340,014	\$ 410,412
Changes in assumptions	165,259	3,286,836
Total	<u>\$ 505,273</u>	<u>\$ 3,697,248</u>

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

	Governmental Activities	Business-Type Activities	Total
Year ending December 31,			
2025	\$ (3,919,885)	\$ (1,182,139)	\$ (5,102,024)
2026	(3,992,297)	(1,203,976)	(5,196,273)
2027	(1,252,537)	(377,734)	(1,630,271)
2028	(1,109,071)	(334,468)	(1,443,539)
2029	(310,542)	(93,658)	(404,200)
Total	<u>\$ (10,584,332)</u>	<u>\$ (3,191,975)</u>	<u>\$ (13,776,307)</u>

The total OPEB liability at December 31, 2024 was determined using the following actuarial assumptions:

Discount rate	4.08% based on the Bond Buyer 20-Bond General Obligation Index based on the 20-Year AA Municipal Bond rate as of December 31, 2024.
Health care cost trend rates	
2024 trend	
(Pre-65/Post-65)	16.39%/4.94%
2025 trend	
(Pre-65/Post-65)	8.00%/5.00%
Ultimate trend	4.54%
Year ultimate trend is reached	
(Pre-65/Post-65)	2090/2027
Salary increases	3.50%
Mortality rates	Pub-2010 General Employees headcount - Weighted Mortality fully generational using Scale MP-2021 and Pub-2010 General Contingent Survivors Headcount-Weighted Mortality.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 8. Long-Term Liabilities (Continued)

c. Other Postemployment Benefits (Continued)

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

Changes in the net OPEB liability are as follows:

	Governmental Activities	Business-Type Activities	Total
Balance as of January 1, 2024	\$ 25,722,575	\$ 8,220,838	\$ 33,943,413
Changes for the year			
Service cost	1,040,647	313,833	1,354,480
Interest	1,031,901	311,196	1,343,097
Changes in assumptions	(1,248,786)	(376,603)	(1,625,389)
Difference between expected and actual experience	-	-	-
Benefit payments	(1,157,719)	(349,137)	(1,506,856)
Net changes	(333,957)	(100,711)	(434,668)
Balance as of December 31, 2024	\$ 25,388,618	\$ 8,120,127	\$ 33,508,745

The following presents the OPEB liability of the plan as of December 31, 2024, calculated using current health care cost trend rates, as well as what the OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
OPEB liability			
Governmental activities	\$ 21,954,568	\$ 25,388,618	\$ 30,507,016
Business-type activities	6,620,947	8,120,127	9,200,151
	\$ 28,575,515	\$ 33,508,745	\$ 39,707,167

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 8. Long-Term Liabilities (Continued)

c. Other Postemployment Benefits (Continued)

The following presents the OPEB liability of the plan as of December 31, 2024, calculated using the discount rate of 4.08%, as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
OPEB liability			
Governmental activities	\$ 29,427,614	\$ 25,388,618	\$ 22,715,515
Business-type activities	8,874,630	8,120,127	6,850,429
	<u>\$ 38,302,244</u>	<u>\$ 33,508,745</u>	<u>\$ 29,565,944</u>

Note 9. Reserved Fund Balances

a. Encumbrances

The governmental funds include a reserve for encumbrances equal to an amount reserved to satisfy purchase orders and other commitments for goods and/or services to be received in the following year.

b. Capital Reserves

Capital reserves have been established as follows:

General Fund	
Recreation	\$ 120,701
Capital	2,193,312
Town-wide drainage	126,301
Highway garage	3,634
	<u>2,443,948</u>
Water District Fund	
Equipment	8,667
Capital	1,289,952
	<u>1,298,619</u>
Landfill/Transfer Stations Fund	
Landfill closure	670,718
Equipment	158,050
	<u>828,768</u>
	<u>\$ 4,571,335</u>

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 9. Reserved Fund Balances (Continued)

c. Reserve for Perpetual Care

The Cemetery Fund has a reserve for perpetual care of \$700,057.

Note 10. Retirement Benefits

a. Plan Description and Benefits Provided

The Town participates in the System, which is a cost-sharing, multiple-employer public employee retirement system. The System provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. The System issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the System at www.osc.state.ny.us/retire.

The System provides retirement, disability, and death benefits for eligible members, including an automatic cost-of-living adjustment. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

b. Contributions

The System is noncontributory, except for employees who joined after July 26, 1976 and contribute 3% of their salary for the first 10 years of membership, employees who joined between January 1, 2010 and April 1, 2012 and contribute 3% of their salary for the entire length of service, and employees who joined after April 1, 2012 and contribute between 3% and 6% of their earned wages for the entire length of their career.

The Comptroller annually certifies the rates, expressed as proportions of payroll of members, which are used in computing the contributions required to be made by employers. The Town's contributions for the current year and two preceding years were as follows:

Year ended December 31,	
2024	\$ 1,288,702
2023	1,010,916
2022	835,808

Contributions were equal to 100% of the actuarially required contributions for each respective year.

c. Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At December 31, 2024, the Town reported net pension liabilities in the governmental activities and business-type activities of \$2,806,758 and \$846,449, respectively. The net pension asset was measured as of March 31, 2024, and the total pension liability was determined by an actuarial valuation as of April 1, 2023. The Town's proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to the System's total actuarially determined employer contribution for the fiscal year ended on the measurement date. At the March 31, 2024 measurement date, the Town's proportionate share was 0.0248%.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 10. Retirement Benefits (Continued)

c. Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2024, the Town recognized pension expense on the accrual basis of accounting in the governmental activities and business-type activities of \$1,300,550 and \$373,781, respectively. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to the net pension liability as follows:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 904,055	\$ 76,533
Changes in assumptions	1,061,173	-
Net differences between projected and actual investment earnings on pension plan investments	-	1,371,087
Changes in proportion and differences between employer contributions and proportionate share of contributions	182,792	3,368
Town contributions subsequent to the measurement date	990,110	-
Total	\$ 3,138,130	\$ 1,450,988
	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 272,640	\$ 23,081
Changes in assumptions	320,023	-
Net differences between projected and actual investment earnings on pension plan investments	-	413,486
Changes in proportion and differences between employer contributions and proportionate share of contributions	55,125	1,014
Town contributions subsequent to the measurement date	298,593	-
Total	\$ 946,381	\$ 437,581

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 10. Retirement Benefits (Continued)

c. Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

Town contributions subsequent to the measurement date will be recognized as an adjustment of the net pension asset in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Governmental Activities	Business-Type Activities	Total
Year ending December 31,			
2025	\$ (452,819)	\$ (136,559)	\$ (589,378)
2026	591,565	178,401	769,966
2027	847,370	255,543	1,102,913
2028	(289,084)	(87,178)	(376,262)
Total	<u>\$ 697,032</u>	<u>\$ 210,207</u>	<u>\$ 907,239</u>

d. Actuarial Assumptions

The actuarial assumptions used in the April 1, 2023 valuation, with updated procedures to roll forward the total pension asset to March 31, 2024, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. The valuation used the following assumptions:

Actuarial cost method	Aggregate cost method
Inflation rate	2.9%
Salary scale	4.4%, indexed by service
Investment rate of return, including inflation	5.9% compounded annually, net of expenses
Cost-of-living adjustment	1.5% annually
Decrement	Based on FY 2015-2020 experience
Mortality improvement	Society of Actuaries' Scale MP-2021

e. Investment Asset Allocation

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each target asset allocation percentage and adding expected inflation.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 10. Retirement Benefits (Continued)

e. Investment Asset Allocation (Continued)

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2024 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.00%	4.00%
International equity	15.00%	6.65%
Private equity	10.00%	7.25%
Real estate	9.00%	4.60%
Opportunistic/absolute return strategy	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	3.00%	5.79%
Fixed income	23.00%	1.50%
Cash	1.00%	0.25%
	<u>100.00%</u>	

f. Discount Rate

The discount rate projection of cash flows assumes that contributions from members will be made at the current member contribution rates and contributions from employers will be made at statutorily required rates, actuarially determined. Based on 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.

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

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Town's proportionate share of the net pension liability (asset)			
Governmental activities	\$ 8,824,737	\$ 2,806,758	\$ (2,219,501)
Business-type activities	2,661,319	846,449	(669,346)
	<u>\$ 11,486,056</u>	<u>\$ 3,653,207</u>	<u>\$ (2,888,847)</u>

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 10. Retirement Benefits (Continued)

h. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the System as of March 31, 2024 were as follows (dollars in thousands):

Employers' total pension liability	\$ 240,696,851
Plan net position	<u>(225,972,801)</u>
Employers' net pension liability	<u>\$ 14,724,050</u>
Ratio of plan net position to the employers' total pension liability	<u>93.88%</u>

Note 11. Volunteer Firefighter Awards Program

a. Program Description

The Town established a defined contribution service award program (referred to as a LOSAP under Section 457(e)(11) of the Internal Revenue Code), effective January 1, 1990, for the active volunteer firefighter members of the Bay Ridge, Central Queensbury, North Queensbury, South Queensbury, and West Glens Falls fire companies. The program was established pursuant to GML Article 11-A and provides municipally funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. Funds deposited into the program cannot be revoked by the fire district; however, the funds may be subject to the claims made by the Town's general unsecured creditors. The Town is the sponsor of the program and the program administrator.

Participation, vesting, and service credit: In a defined contribution LOSAP, each participant has an individual program account. An eligible program participant is defined by the program sponsor to be an active volunteer firefighter who is at least 18 years of age and has earned one year of service award program service credit. Each participant's individual program account is credited with a service award contribution as of the end of each year during which the volunteer met the requirements to earn one year of service award program service credit. The participant is paid his or her account balance upon reaching the entitlement age. The program's entitlement age is 62. The amount paid will vary depending upon the number of years of service credit earned by the volunteer and the investment income (less administrative and/or investment expenses not paid by the fire district) earned by the program assets and allocated to the participant's program account.

Benefits: Participants acquire a non-forfeitable right to be paid their program account balance after earning credit for five (5) years of service or upon reaching the program's entitlement age while an active volunteer. An active volunteer firefighter earns one year of service award program service credit each calendar year after the establishment of the program in which he or she accumulates 50 or more points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive service award program credit for five (5) years of active volunteer firefighting service rendered prior to the establishment of the program as an active volunteer firefighter of the Bay Ridge, Central Queensbury, North Queensbury, South Queensbury, or West Glens Falls fire companies.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 11. Volunteer Firefighter Awards Program (Continued)

a. Program Description (Continued)

A participant's benefit under the program is his or her program account balance paid to the participant as a lump sum upon reaching the entitlement age. The annual contribution paid by the fire district and credited to the account of a participant who earned 50 points during a calendar year is currently \$700. The maximum number of years of service credit a participant may earn under the program is 40 years. Currently, there are no other forms of payment of a volunteer's earned service award under the program.

Except in the case of pre-entitlement age death or total and permanent disablement, a participant's account balance will not be paid until a participant reaches the entitlement age. The program provides lump-sum death and disability benefits equal to the participant's program account balance as of the December 31 preceding the date of death or disablement. The program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are self-insured and paid from the program trust fund.

For a complete explanation of the program, see the program document, a copy of which is available from the Town Supervisor.

b. Fiduciary Investment and Control

After the end of each calendar year, each fire company prepares and certifies a list of names of all individuals who were active volunteer members of the fire company during the year, indicating which volunteers earned 50 points. The certified list is delivered to the Town Board for its review and approval. The fire company must maintain the point system records to verify each volunteer's points on forms provided and/or approved by the Town Board.

The Town Board has retained Penflex, Inc. to assist in the administration of the program. The services provided by Penflex, Inc. are described in an agreement between Penflex, Inc. and the Town.

Based on the certified calendar-year volunteer firefighter listings, Penflex, Inc. determines and certifies, in writing, to the Town Board the amount of the service award to be paid to the participant or their designated beneficiary. The person(s) authorized by the Town Board then authorizes, in writing, the custodian of the Town's Volunteer Firefighter Service Award Program trust fund to pay the service award. No service award benefit payment is made without the written certification from Penflex, Inc. and the written directive from the authorized representative of the Town.

Penflex, Inc. bills the Town for the services it provides. Penflex, Inc.'s invoices are authorized for payment by the Town in the same manner as any other invoice presented to the Town for payment. The Town pays Penflex, Inc.'s invoices from its Fire Protection Fund.

Program assets are required to be held in trust by Article 11-A, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The Town created a Service Award Program Trust Fund through the adoption of a Trust Document, a copy of which is available from the Town Supervisor. The Town Board is the Program Trustee.

Authority to invest the program assets is vested in the Program Trustee. Program assets are invested in accordance with a statutory prudent person rule and with the written investment policy statement adopted by the Town.

The Town has retained Glens Falls National Bank to provide investment management and custodial services, as well as to pay benefits to participants.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 11. Volunteer Firefighter Awards Program (Continued)

c. Program Financial Condition

Net assets available for benefits are as follows:

	<u>% of Total</u>	
Cash and money market	5%	\$ 165,466
Equities	84%	2,966,803
Fixed income	12%	415,864
		<u>3,548,133</u>
Interest receivable		<u>2,227</u>
		<u><u>\$ 3,550,360</u></u>
Total net assets available for benefits		
Changes in net assets available for benefits were as follows:		
Plan contributions		\$ 100,774
Investment income earned		96,805
Net appreciation in market value of securities		388,799
Investment fees		(17,529)
Administrative fees		(1,050)
Change in benefits payable		-
Benefits paid		<u>(228,811)</u>
Changes in net assets available for benefits		338,988
Net assets available for benefits, beginning of year		<u>3,211,372</u>
Net assets available for benefits, end of year		<u><u>\$ 3,550,360</u></u>
Contributions		
Amount of sponsor's required contributions		\$ 100,774
Amount of sponsor's actual contributions		100,774
Administration fees		
Fees paid to administrative/actuarial services provider		\$ 1,050
Fees paid for investment management		16,393

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 12. Volunteer Ambulance Worker Service Award Program

In connection with service contracts between the Town and local volunteer ambulance workers, the Town implemented a Volunteer Ambulance Worker Service Award Program on January 25, 1996, effective January 1, 1994. The program is a defined contribution retirement plan covering volunteer ambulance workers who have earned 50 service credits and are at least 18 years of age. The annual contribution is \$900 per calendar year (previously \$700) for each volunteer ambulance worker who earned 50 service credits during the year. Contributions to the plan for the year ended December 31, 2024 approximated \$15,700. Service award program assets of \$879,737 are held by Glens Falls National Bank pursuant to a Trust Agreement.

Note 13. Tax Abatements

Certain property values in the Town have been reduced as the result of payment-in-lieu-of-tax (PILOT) agreements entered into by Warren County and the Washington Industrial Development Agency for the purpose of general economic development. These agreements reduce the assessed value of the properties for all taxing agencies in Warren County, including the Town. As a result of the agreement, the Town receives a PILOT payment, which is equal to the reduced assessed value times the Town's levied tax rate.

There were no significant abatements in effect during the year ended December 31, 2024.

Note 14. Operating Transfers

During the course of normal operations, the Town records numerous transactions between funds, including expenditures for the provision of services, as well as transfers between funds to finance various projects or debt payments.

Transfers and interfund balances arising from these transactions as of December 31, 2024 were as follows:

	Interfund Receivable	Interfund Payable	Operating Transfer In	Operating Transfer Out
General	\$ 1,155,632	\$ -	\$ -	\$ 9,754,568
Highway	-	-	6,071,811	-
Capital Projects	-	1,066,960	2,492,824	-
Other governmental funds	-	88,672	687,848	-
Water District	-	-	524,012	150,000
Sewer District	-	-	128,073	-
	<u>\$ 1,155,632</u>	<u>\$ 1,155,632</u>	<u>\$ 9,904,568</u>	<u>\$ 9,904,568</u>

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 15. Contingencies, Risks, and Uncertainties

a. Lawsuits

From time to time, the Town is involved in certain suits and claims arising in the normal course of business, including claims for property damage, personal injury, personnel practices, disputes over contract awards and property condemnation proceedings, and suits contesting assessments. In the opinion of the Town, after considering all relevant facts, the ultimate losses not covered by insurance resulting from such litigation would be immaterial in relation to the financial statements taken as a whole.

b. Grant Programs

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

c. Environmental Concerns

The Town is engaged in many activities (e.g., water and sewer service, refuse collection, gasoline storage) in the normal course of operations that are potentially hazardous to the environment. As of December 31, 2024, the Town is not aware of any significant environmental problems that should be disclosed in the financial statements.

Note 16. Bond Anticipation Notes Payable

The Town's obligations for bond anticipation notes payable are as follows:

Description	Balance January 1, 2024	Repayments	Balance December 31, 2024	Interest Rate	Maturity Date
Sewer District Fund					
Quaker Road Sewer Main Replacement	\$ 266,500	\$ (133,250)	\$ 133,250	4.20%	June 2025
Water District Fund					
Ridge Road Water Improvements	\$ 1,038,245	\$ (520,000)	\$ 518,245	4.05%	May 2025

Note 17. Accounting Standards Issued But Not Yet Implemented

The Town has not implemented the following accounting pronouncements that are required for financial statements presented in accordance with U.S. GAAP:

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. If a government determines that criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The requirements of this statement are effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter.

Town of Queensbury, New York

Notes to Financial Statements
December 31, 2024

Note 17. Accounting Standards Issued But Not Yet Implemented (Continued)

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is 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 fiscal years beginning after June 15, 2025 and all reporting periods thereafter.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. It also establishes disclosure requirements for capital assets held for sale, including disclosures relating to debt for which the capital assets held for sale are pledged as collateral. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

Management has not estimated the extent of the potential impact of these statements on the Town's financial statements but does plan to implement these standards in the required year.

Town of Queensbury, New York

Required Supplementary Information Schedule of Other Postemployment Benefits Liability

	2024	2023	2022	2021	2020	2019	2018
Governmental activities							
Beginning of year	\$ 25,722,575	\$ 30,269,694	\$ 42,400,595	\$ 41,587,141	\$ 40,082,519	\$ 33,972,020	\$ 35,737,559
Changes for the year							
Service cost	1,040,647	1,158,044	1,262,813	2,209,360	2,189,463	2,050,094	1,598,647
Interest	1,031,902	833,521	1,106,126	822,297	829,177	1,028,842	1,211,528
Changes in assumptions	(1,248,787)	(4,184,214)	(13,368,982)	(4,405,803)	1,627,940	7,357,692	-
Difference between expected and actual experience	-	(1,246,955)	-	3,284,515	(2,054,616)	(3,235,388)	(3,538,271)
Benefit payments	(1,157,719)	(1,107,515)	(1,130,858)	(1,096,915)	(1,087,342)	(1,090,741)	(1,037,443)
Net changes	(333,957)	(4,547,119)	(12,130,901)	813,454	1,504,622	6,110,499	(1,765,539)
End of year	\$ 25,388,618	\$ 25,722,575	\$ 30,269,694	\$ 42,400,595	\$ 41,587,141	\$ 40,082,519	\$ 33,972,020
Covered payroll	\$ 6,678,273	\$ 6,394,939	\$ 5,787,540	\$ 5,564,942	\$ 5,460,642	\$ 5,166,445	\$ 5,284,843
OPEB liability as a percentage of covered payroll	380%	402%	523%	762%	762%	776%	643%
Business-type activities							
Beginning of year	\$ 8,220,838	\$ 9,644,984	\$ 13,507,360	\$ 13,248,221	\$ 12,768,901	\$ 10,822,309	\$ 11,384,749
Changes for the year							
Service cost	313,833	362,697	402,069	703,826	697,487	653,089	509,273
Interest	311,196	261,057	352,181	261,957	264,146	327,753	385,951
Changes in assumptions	(376,602)	(1,310,486)	(4,256,571)	(1,403,537)	518,606	2,343,906	-
Difference between expected and actual experience	-	(390,544)	-	1,046,333	(654,529)	(1,030,683)	(1,127,170)
Benefit payments	(349,139)	(346,870)	(360,055)	(349,440)	(346,390)	(347,473)	(330,494)
Net changes	(100,712)	(1,424,146)	(3,862,376)	259,139	479,320	1,946,592	(562,440)
End of year	\$ 8,120,126	\$ 8,220,838	\$ 9,644,984	\$ 13,507,360	\$ 13,248,221	\$ 12,768,901	\$ 10,822,309
Covered payroll	\$ 2,014,000	\$ 2,003,392	\$ 1,843,710	\$ 1,772,798	\$ 1,739,572	\$ 1,645,851	\$ 1,683,568
OPEB liability as a percentage of covered payroll	403%	410%	523%	762%	762%	776%	643%

Data not available prior to the 2018 implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Town of Queensbury, New York

Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the net pension liability (asset)	0.0248112%	0.0243135%	0.0219856%	0.0218303%	0.0220248%	0.0218992%	0.0222732%	0.0232837%	0.0228080%	0.0220104%
Town's proportionate share of the net pension liability (asset)	\$ 3,653,207	\$ 5,213,794	\$ (1,797,230)	\$ 21,737	\$ 5,832,283	\$ 1,551,622	\$ 718,856	\$ 2,187,790	\$ 3,660,747	\$ 743,565
Town's covered-employee payroll	\$ 8,692,273	\$ 8,398,331	\$ 7,631,250	\$ 7,377,740	\$ 6,801,893	\$ 6,506,483	\$ 6,282,951	\$ 6,165,797	\$ 6,143,642	\$ 6,221,965
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	42.03%	62.08%	-23.55%	0.29%	85.74%	23.85%	11.44%	35.48%	59.59%	11.95%
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%
Summary of significant assumptions										
Inflation	2.90%	2.90%	2.70%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.70%
Salary increases	4.40%	4.40%	4.40%	4.20%	3.80%	3.80%	3.80%	3.80%	3.80%	4.90%
Cost-of-living adjustments	1.50%	1.50%	1.40%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Investment rate of return	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Discount rate	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014	MP-2014

Town of Queensbury, New York

Required Supplementary Information Schedule of Pension Contributions

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,288,702	\$ 1,010,916	\$ 835,808	\$ 1,122,788	\$ 960,219	\$ 909,430	\$ 896,415	\$ 905,097	\$ 941,050	\$ 1,054,148
Contributions in relation to the contractually required contribution	\$ 1,288,702	\$ 1,010,916	\$ 835,808	\$ 1,122,788	\$ 960,219	\$ 909,430	\$ 896,415	\$ 905,097	\$ 941,050	\$ 1,054,148
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 8,692,273	\$ 8,398,331	\$ 7,631,250	\$ 7,377,740	\$ 6,801,893	\$ 6,506,483	\$ 6,282,951	\$ 6,165,797	\$ 6,143,642	\$ 6,221,965
Contribution as a percentage of covered-employee payroll	15%	12%	11%	15%	14%	14%	14%	15%	15%	17%

Town of Queensbury, New York

Required Supplementary Information Budgetary Comparison Statement - General Fund

	Year Ended December 31, 2024			Variance With
	Budgeted Amounts		Actual	Revised -
	Adopted	Revised	Amounts	Positive
				(Negative)
REVENUES				
Real property taxes	\$ 3,374,855	\$ 3,374,855	\$ 3,377,274	\$ 2,419
Real property tax items	104,000	104,000	119,034	15,034
Non-property taxes	12,600,000	12,600,000	12,950,954	350,954
Departmental income	509,000	511,000	669,135	158,135
Use of money and property	175,000	175,000	685,474	510,474
Licenses and permits	232,000	232,000	298,350	66,350
Fines and forfeitures	400,000	400,000	351,390	(48,610)
Sale of property and compensation for loss	-	-	7,535	7,535
Miscellaneous	-	-	2,995	2,995
Interfund revenues	195,000	195,000	192,963	(2,037)
State aid	1,035,000	1,039,541	619,368	(420,173)
Federal aid	-	373,788	373,788	-
Total revenues	18,624,855	19,005,184	19,648,260	643,076
EXPENDITURES				
General government support	4,730,900	5,012,525	4,316,702	695,823
Public safety	751,195	757,325	641,989	115,336
Health	2,000	2,000	2,000	-
Transportation	698,870	744,855	480,185	264,670
Economic opportunity and development	114,000	114,000	393,033	(279,033)
Culture and recreation	1,500,740	1,630,146	1,437,837	192,309
Home and community service	986,500	1,004,550	927,073	77,477
Employee benefits	3,340,500	3,340,500	2,892,463	448,037
Debt service	237,500	237,500	237,039	461
Capital expenditures	137,300	137,300	270,412	(133,112)
Total expenditures	12,499,505	12,980,701	11,598,733	1,515,080
OTHER FUNDING USES				
Interfund transfers out	(6,350,350)	(10,629,568)	(9,754,568)	875,000
Appropriated fund balance (budget) and net change in fund balance (actual)	\$ (225,000)	\$ (4,605,085)	(1,705,041)	\$ 3,033,156
FUND BALANCE, beginning of year			14,696,908	
FUND BALANCE, end of year			\$ 12,991,867	

Town of Queensbury, New York

Required Supplementary Information Budgetary Comparison Statement - Highway Fund

	Year Ended December 31, 2024			Variance With
	Budgeted Amounts		Actual	Revised -
	Adopted	Revised	Amounts	Positive
				(Negative)
REVENUES				
Use of money and property	\$ -	\$ -	\$ 121,768	\$ 121,768
Sale of property and compensation for loss	-	-	39,387	39,387
Miscellaneous	-	-	315	315
State aid	500,000	833,371	799,067	(34,304)
Total revenues	500,000	833,371	960,537	127,166
EXPENDITURES				
General government support	30,400	30,400	10,445	19,955
Transportation	2,727,100	3,086,332	2,906,704	179,628
Employee benefits	1,588,750	1,563,800	1,416,522	147,278
Capital	1,314,950	4,112,144	2,124,750	1,987,394
Total expenditures	5,661,200	8,792,676	6,458,421	2,334,255
OTHER FUNDING SOURCES				
Interfund transfers in	5,161,200	6,071,811	6,071,811	-
Appropriated fund balance (budget) and net change in fund balance (actual)	\$ -	\$ (1,887,494)	573,927	\$ 2,461,421
FUND BALANCE, beginning of year			2,990,895	
FUND BALANCE, end of year			\$ 3,564,822	

Town of Queensbury, New York

Required Supplementary Information Budgetary Comparison Statement - Fire Protection Fund

	Year Ended December 31, 2024			Variance With
	Budgeted Amounts		Actual	Revised -
	Adopted	Revised	Amounts	Positive
				(Negative)
REVENUES				
Real property taxes and tax items	\$ 5,732,000	\$ 5,732,000	\$ 5,747,805	\$ 15,805
Departmental income	1,450,000	1,450,000	2,360,098	910,098
Use of money and property	4,000	4,000	834,696	830,696
Other	-	5,000	-	(5,000)
Total revenues	7,186,000	7,191,000	8,942,599	1,751,599
EXPENDITURES				
Public safety	6,931,000	6,936,000	6,451,965	484,035
Employee benefits	255,000	255,000	489,630	(234,630)
Total expenditures	7,186,000	7,191,000	6,941,595	249,405
Appropriated fund balance (budget) and net change in fund balance (actual)	\$ -	\$ -	2,001,004	\$ 2,001,004
FUND BALANCE, <i>beginning of year</i>			7,220,619	
FUND BALANCE, <i>end of year</i>			\$ 9,221,623	

Town of Queensbury, New York

Supplementary Information Combining Balance Sheet - Non-Major Governmental Funds

	December 31, 2024				
	Special Grant	Cemetery	Lighting District	Aquatic District	Total
ASSETS					
Cash and cash equivalents	\$ 188,568	\$ 444,025	\$ 441,957	\$ 269,942	\$ 1,344,492
Receivables from other governments	10,839	-	-	-	10,839
Other receivables, net of uncollectibles	56,852	24,281	-	-	81,133
Prepaid expenses	-	31,563	-	-	31,563
Cash and investments, restricted	-	700,057	-	-	700,057
Total assets	\$ 256,259	\$ 1,199,926	\$ 441,957	\$ 269,942	\$ 2,168,084
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 19,615	\$ 31,366	\$ -	\$ 50,981
Accrued liabilities	-	14,424	-	-	14,424
Due to other funds	88,672	-	-	-	88,672
Total liabilities	88,672	34,039	31,366	-	154,077
Fund balances					
Nonspendable	-	31,563	-	-	31,563
Restricted for other purposes	-	700,057	-	-	700,057
Assigned, unappropriated	167,587	434,267	410,591	269,942	1,282,387
Total fund balances	167,587	1,165,887	410,591	269,942	2,014,007
Total liabilities and fund balances	\$ 256,259	\$ 1,199,926	\$ 441,957	\$ 269,942	\$ 2,168,084

Town of Queensbury, New York

Supplementary Information Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds

	Year Ended December 31, 2024					
	Special Grant	Capital Projects	Cemetery	Lighting District	Aquatic District	Total
REVENUES						
Real property taxes	\$ -	\$ -	\$ -	\$ 152,001	\$ 66,588	\$ 218,589
Departmental income	-	-	623,070	-	25,000	648,070
Use of money and property	131	-	290	331	182	934
Sale of property and compensation for loss	-	-	7,091	-	-	7,091
Miscellaneous	488	-	742	-	-	1,230
State aid	-	-	34,086	-	-	34,086
Total revenues	619	-	665,279	152,332	91,770	910,000
EXPENDITURES						
Health	-	-	-	-	39,993	39,993
Transportation	-	-	-	126,224	-	126,224
Employee benefits	-	-	297,188	-	-	297,188
Home and community service	550	-	861,384	-	-	861,934
Capital outlay						
Home and community service	-	-	23,962	-	-	23,962
Total expenditures	550	-	1,182,534	126,224	39,993	1,349,301
OTHER FINANCING SOURCES						
Interfund transfers in	-	-	687,848	-	-	687,848
Net change in fund balances	69	-	170,593	26,108	51,777	248,547
FUND BALANCES, beginning of year, as previously reported	167,518	2,947,288	995,294	384,483	218,165	4,712,748
Change in fund classification between major and non-major	-	(2,947,288)	-	-	-	(2,947,288)
FUND BALANCES, beginning of year, as restated	167,518	-	995,294	384,483	218,165	1,765,460
FUND BALANCES, end of year	\$ 167,587	\$ -	\$ 1,165,887	\$ 410,591	\$ 269,942	\$ 2,014,007



**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance With
Government Auditing Standards**

Independent Auditor's Report

Supervisor and Town Board
Town of Queensbury, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Queensbury, 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, and have issued our report thereon dated July 31, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

BST & Co. CPAs, LLP

Latham, New York
July 31, 2025

