

PRELIMINARY OFFICIAL STATEMENT

NEW/RENEWAL ISSUE

SERIAL BONDS & BOND ANTICIPATION NOTES

MOODY'S: “”

See “RATING” herein

*In the opinion of Orrick, Herrington & Sutcliffe, LLP, Bond Counsel to the Town, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance by the Town with certain covenants, interest on the Bonds and Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the Bonds and Notes is not a specific preference item for purposes of the federal alternative minimum tax on individuals, however for tax years beginning after December 31, 2022, interest on the Bonds and Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that interest on the Bonds and Notes is excluded from adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual of interest on the Bonds. See “TAX MATTERS” herein.*

*The Bonds and Notes will be designated “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.*

**\$8,645,000**  
**TOWN OF CORTLANDT**  
**WESTCHESTER COUNTY, NEW YORK**  
**GENERAL OBLIGATIONS**  
**CUSIP BASE: 220741**

**\$6,870,000 Public Improvement (Serial) Bonds, 2023**  
**(the “Bonds”)**

**Dated: October 5, 2023**

**Due: October 1, 2024-2053**

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>CSP</u>
2024	\$ 150,000	%	%		2034	\$ 215,000*	%	%		2044	\$215,000*	%	%	
2025	150,000				2035	220,000*				2045	220,000*			
2026	155,000				2036	230,000*				2046	230,000*			
2027	165,000				2037	240,000*				2047	240,000*			
2028	170,000				2038	250,000*				2048	250,000*			
2029	175,000				2039	260,000*				2049	260,000*			
2030	180,000				2040	270,000*				2050	270,000*			
2031	190,000				2041	280,000*				2051	280,000*			
2032	200,000*				2042	295,000*				2052	295,000*			
2033	205,000*				2043	305,000*				2053	305,000*			

\* The Bonds maturing in the years 2032-2043 are subject to redemption prior to maturity as described herein under the heading “Optional Redemption.”

**\$1,775,000 Bond Anticipation Notes, 2023 (Renewals)**  
**(the “Notes”)**

**(Collectively referred to herein as the “Bonds” and “Notes”)**

**Dated: October 5, 2023**

**Due: October 4, 2024**

The Bonds and Notes will constitute general obligations of the Town of Cortlandt, Westchester County, New York, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See “TAX LEVY LIMITATION LAW” and “NATURE OF OBLIGATION” herein.

The Bonds will be issued as registered bonds registered in the name of the purchaser, or, at the option of the purchaser, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 each or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. See “BOOK-ENTRY-ONLY SYSTEM” herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof, and the Town will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

Interest on the Bonds will be payable on April 1, 2024, October 1, 2024 and semi-annually thereafter on April 1 and October 1. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See “BOOK-ENTRY-ONLY SYSTEM” herein. A good faith deposit of \$137,400 will be required.

The Notes will not be subject to redemption prior to maturity. At the option of the purchaser(s), the Notes may be registered in the name of the purchaser(s) or may be registered to the DTC, New York, New York (“DTC”). If the Notes are issued to and registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds at a place to be designated by the purchaser(s). In such case, the Notes will be issued as registered in the name of the purchaser(s) in denominations of \$5,000, as may be determined by the purchaser(s).

Alternatively, if the Notes will be issued through DTC, the Notes will be registered in the name of Cede & Co. as nominee of DTC which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the Notes purchased if the purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of \$5,000 as may be determined by such successful bidder(s). If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and not the Town, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Bonds and Notes are offered when, as and if issued and received by the purchasers and subject to the receipt of the respective approving legal opinions as to the validity of the Bonds and Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, New York, New York. It is anticipated that the Bonds and Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or as may be agreed upon with the purchasers, on or about October 5, 2023.

**ELECTRONIC BIDS for the Bonds and Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.fiscaladvisorsauction.com](http://www.fiscaladvisorsauction.com) on September 21, 2023 by no later than 11:00 A.M., Prevailing Time, pursuant to the respective Notice of Sales. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the Town, each bid will constitute an irrevocable offer to purchase the Bonds and Notes pursuant to the terms provided in the Bonds and Notes Notices of Sale.**

September 14, 2023

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDERS, AS IS MORE FULLY DESCRIBED IN THE RESPECTIVE NOTICES OF SALES WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "APPENDIX – C – CONTINUING DISCLOSURE UNDERTAKING" HEREIN. THE TOWN WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX – D – MATERIAL EVENT NOTICES" HEREIN.

**TOWN OF CORTLANDT  
WESTCHESTER COUNTY, NEW YORK**



**TOWN OFFICIALS**

**TOWN BOARD**

RICHARD H. BECKER  
Town Supervisor

JAMES F. CREIGHTON  
FRANCIS X. FARRELL

CRISTIN JACOBY  
ROBERT E. MAYES

\* \* \* \* \*

**ADMINISTRATION**

PATRICIA ROBCKE  
Town Comptroller

STEPHEN J. FERREIRA  
Director of Environmental Services

LAROUÉ ROSE SHATZKIN  
Town Clerk

DEBRA A. CARTER  
Tax Receiver

THOMAS F. WOOD, ESQ.  
Town Attorney

**MUNICIPAL ADVISOR**



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Syracuse, New York 13202  
(315) 752-0051

**BOND COUNSEL**



51 West 52<sup>nd</sup> Street, 15<sup>th</sup> Floor  
New York, New York 10019

No person has been authorized by the Town to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Bonds and Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town.

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PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT**  
**OF THE**  
**TOWN OF CORTLANDT**  
**WESTCHESTER COUNTY, NEW YORK**  
**RELATING TO**  
**\$6,870,000 Public Improvement (Serial) Bonds, 2023**  
**and**  
**\$1,775,000 Bond Anticipation Notes, 2023 (Renewals)**

This Official Statement, which includes the cover page and appendices, has been prepared by the Town of Cortlandt, Westchester County, New York (the "Town," "County," and "State," respectively) in connection with the sale by the Town of \$6,870,000 Public Improvement (Serial) Bonds, 2023 (the "Bonds") and \$1,775,000 Bond Anticipation Notes, 2023 (Renewals) (the "Notes").

The factors affecting the Town's financial condition and the Bonds and Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Town's tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Bonds and Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and Notes and such proceedings.

**NATURE OF OBLIGATION**

Each Bond and Note, when duly issued and paid for will constitute a contract between the Town and the holder thereof.

Holders of any series of notes or bonds of the Town may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Bonds and Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes. See "TAX LEVY LIMITATION LAW," herein.

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds and Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Town's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the City’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the City’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit” are used and they are not tautological. That is what the words say and this is what the courts have held they mean . . . So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bonds holders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in Quirk, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bond and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

## **THE BONDS**

### **Description of the Bonds**

The Bonds are general obligations of the Town, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limitations. See “NATURE OF OBLIGATION” and “TAX LEVY LIMITATION LAW” herein.

The Bonds will be dated the date of delivery and will mature in the principal amounts and on the dates as set forth on the cover page. Interest on the Serial Bonds will be payable on April 1, 2024, October 1, 2024 and semi-annually thereafter on April 1 and October 1. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption." The "Record Date" of the Bonds will be the fifteenth day of the calendar month preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry only form, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds, as described herein. See "BOOK-ENTRY-ONLY SYSTEM" herein. The Bonds may not be converted into coupon bonds or be registered to bearer.

### Optional Redemption

The Bonds maturing on or before October 1, 2031 shall not be subject to redemption prior to maturity. The Bonds maturing on or after October 1, 2032 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the Town on October 1, 2031 or on any payment date thereafter at par (100.0%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the Town by lot in any customary manner of selection as determined by the Town Supervisor. Notice of such call for redemption shall be given by mailing such notice to the registered holders not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

### Purpose of Issue – The Bonds

The Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Town Law and the Local Finance Law, and other proceedings and determinations relating thereto, including bond resolutions adopted by the Town Board on various dates.

Date Authorized	Purpose	Authorized Amount	Amount Outstanding	Principal Paydown	Proceeds of the Bonds
12/13/2016	Cortlandt West Sewer District Improvements	\$ 3,000,000	\$ 2,800,000	\$ 40,000	\$ 2,760,000
12/13/2016	Cortlandt Central Sewer District Improvements	3,000,000	2,735,000	25,000	2,710,000
3/15/2016	Route 202 Interconnect Project	1,400,000	-	-	1,400,000
	Total				<u>\$ 6,870,000</u>

The proceeds of the Bonds along with \$65,000 in available current funds will permanently finance \$5,535,000 of the \$7,325,000 bond anticipation notes maturing on October 6, 2023 and provide \$1,400,000 in new money for the aforementioned purposes.

Note: The authorized amount of \$1,400,000 on March 15, 2016 is part of a \$4,000,000 authorization including the Route 202 Interconnect project, the Croton Park Road Water Main Replacement, Croton Park Road Water Tank (used \$2,200,000), and Gabriel Drive Water Main (used \$400,000). With the use of \$1,400,000 in new money for the Route 202 Interconnect Project the \$4,000,000 authorization will be exhausted.

## THE NOTES

### Description of the Notes

The Notes are general obligations of the Town, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the laws of the State of New York. All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See “TAX LEVY LIMITATION LAW” herein.

Under Article VIII of the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and the State is specifically precluded from restricting the power of the Town to levy taxes on real property for the payment of such indebtedness.

The Notes are dated October 5, 2023 and will mature on October 4, 2024. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity. The Notes will not be subject to redemption prior to maturity.

The Notes will be issued in either (i) at the option of the purchaser, as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as the securities depository for the Notes. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See “BOOK-ENTRY-ONLY SYSTEM” herein; or (ii) registered in the name of the purchaser with principal and interest payable in Federal Funds at the office of the Town.

### No Optional Redemption

The Notes will not be subject to redemption prior to maturity.

### Purpose of Issue – The Notes

The Notes are issued pursuant to the State Constitution and statutes of the State, including among others, the Town Law, the Local Finance Law, and other proceedings and determinations relating thereto, including bond resolution adopted by the Town Board on July 21, 2020 authorizing Improvements to the Dickerson Pond Sewer District at a maximum cost of \$1,900,000.

The proceeds of the Notes, along with \$15,000 available funds of the Town, will partially redeem and renew a \$1,790,000 portion of the \$7,325,000 bond anticipation notes maturing on October 6, 2023 for the aforementioned project.

### BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds and Notes, if requested. The Bonds and Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for the notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds.



DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds and Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and Notes on DTC’s records. The ownership interest of each actual purchaser of each Bond and Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds and Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds and Notes, except in the event that use of the book-entry system for the Bonds and Notes is discontinued.

To facilitate subsequent transfers, all Bonds and Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of bonds and notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the bonds and notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds and notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Principal and interest payments on the Bonds and Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the bonds and notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, Bond and Note certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond and note certificates will be printed and delivered.

The information in this section concerning DTC and DTC’s book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE TOWN CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS AND NOTES, (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES, OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE TOWN WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE BONDS AND NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS AND NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE TOWN MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

#### **Certificated Bonds**

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply: the Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the Town upon termination of the book-entry-only system. Interest on the Bonds will be payable on April 1, 2024, October 1, 2024 and semi-annually thereafter on April 1 and October 1.

Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner on each interest payment date at the address as shown on the registration books of the fiscal agent as of the fifteenth day of the calendar month preceding each such interest payment date. Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the respective Bond Determinations Certificate of the Town Supervisor authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the fifteenth day of the calendar month preceding an interest payment date and such interest payment date.

#### **Certificated Notes**

DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is discontinued, the following provisions will apply:

The Notes will be issued in registered form registered in the name of the Purchaser in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at the Town. The Notes will remain not subject to redemption prior to their stated final maturity date.

## THE TOWN

### General Information

The Town encompasses approximately 34 square miles and is located in the northwestern section of Westchester County. Manhattan is about 50 miles south of the Town. It is bordered by Putnam County to the north, the Town of Yorktown to the east, the Hudson River to the west and the Towns of New Castle and Ossining to the south. The Town includes the incorporated Villages of Croton-On-Hudson and Buchanan. The Town is a suburban community and is primarily residential in nature.

Source: Town officials.

### Local Development Activity

The Town is situated in the north western portion of Westchester County, which continues to rank among the most affluent counties in the United States. The Town, outside the Villages of Croton-on-Hudson and Buchanan, encompasses approximately 26 square miles and is primarily suburban residential in nature and comprises 7.8% of the County's land area. The Town's 2020 census population, including the two villages, is 42,545, a slight increase from 42,380, the last projection prior to the official 2020 census count. A largely rural town in the 1950's, Cortlandt developed into a residential suburb, with many residents commuting to New York City, White Plains and other employment centers. Retail sales, professional services and light industrial activities are located along its major highway corridors.

There were ten (10) new Planning Board applications in 2022, compared with six (6) in 2021. One new minor subdivision of 2-lots, the Connolly Subdivision was approved in 2022. The Planning Board is currently only reviewing one other subdivision, a proposed 3-lot subdivision in the northern part of Town. In 2022 (3) building permits were issued for single and 2-family dwellings compared to seven (7) in 2021 and fifteen (15) in 2020. This reflects the completion of the 147unit Valeria Townhouse project which had been under construction for the past several years and 56 rental units at Pondview Commons.

With respect to commercial development activity in 2022 construction was essentially completed at the Cortlandt Crossing shopping center with all outbuildings being constructed and all but one tenant space occupied. A significant new commercial project was submitted in 2022 as the Planning Board began its review of a 93 unit, 5-story Courtyard by Marriot hotel proposed on U.S. Route 6. The Cortlandt Town Center continued to work with the Town on back filling vacant storefronts. Ashley Furniture applied to the Building Department to occupy the former Office Max space at the Cortlandt Town Center. Smaller commercial approvals included a new gas station convenience store known as Sinclair on Route 6 and a site plan amendment for a bike shop on Rt. 9A. Additionally, construction commenced on another new gas station and convenience store known as Gasland, also located on Route 6.

Municipal infrastructure projects undertaken in 2022 included the completion of a synthetic ice-skating rink at the Town's Youth Center on Memorial Drive, a water main replacement project on Croton Avenue and the completion of the Broadway Sidewalk project from 8<sup>th</sup> St. to 11<sup>th</sup> St. in the hamlet of Verplanck. In addition, the Town completed over \$1,700,000 million dollars of road paving.

Source: Town officials.

### Population Trends

	<u>Town of Cortlandt</u>	<u>Westchester County</u>	<u>New York State</u>
1990	37,357	874,866	17,990,455
2000	38,467	923,459	18,976,457
2010	41,592	949,113	19,378,102
2020	42,545	1,004,457	20,201,249
2022 (estimate)	41,373	990,427	19,677,151

Source: U.S. Census Bureau.

## Employment

### Average Employed Civilian Labor Force 2000 – 2020

	<u>2000</u>	<u>2010</u>	<u>2022</u>	<u>% Change</u>	
				<u>2000-2010</u>	<u>2010-2020</u>
Town	20,300	21,500	22,200	5.9%	3.3%
County	462,300	479,100	496,400	3.6	3.6
State	9,140,500	9,630,300	9,617,000	5.4	(0.1)

Source: New York State Department of Labor.

## Selected Wealth and Income Indicators

Per capita income statistics are available for the Town, County and State. Listed below are select figures from the 2000 Census Reports, 2006-2010 and 2017-2021 American Community Survey 5-Year Estimates.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>
Town of:						
Cortlandt	\$ 33,432	\$ 42,815	\$ 56,425	\$ 89,053	\$ 106,688	\$ 149,650
County of:						
Westchester	36,726	47,814	61,830	79,881	100,863	134,974
State of:						
New York	23,389	23,461	43,208	51,691	67,405	92,731

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Continuing Disclosure Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2017-2021 American Community Survey 5-Year data.

## Unemployment Rate Statistics

Unemployment statistics for the Town, County and State are below. The information set forth below with respect to the County and State is included for information purposes only. It should not be inferred from the inclusion of such data in this Continuing Disclosure Statement that neither the County nor State are necessarily representative of the Town, or vice versa.

	<u>Annual Averages</u>						
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Town of Cortlandt	3.9%	4.1%	3.5%	3.4%	7.1%	4.2%	2.9%
Westchester County	4.4%	4.5%	3.9%	3.6%	8.0%	4.8%	3.1%
New York State	4.9%	4.6%	4.1%	3.8%	9.9%	6.9%	4.3%

	<u>2023 Monthly Figures</u>								
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>
Town of Cortlandt	3.1%	3.0%	2.7%	2.1%	2.6%	2.8%	3.0%	N/A	N/A
Westchester County	3.5%	3.3%	2.9%	2.3%	2.8%	3.0%	3.1%	N/A	N/A
New York State	4.6%	4.5%	4.0%	3.7%	3.8%	4.2%	4.1%	N/A	N/A

Note: Unemployment rates for August and September of 2023 are unavailable as of the date of this Official Statement.

Source: Department of Labor, State of New York. (Note: Figures not seasonally adjusted).

## Major Employers in the County

<u>Name</u>	<u>Type of Business</u>
IBM Corp.	Computer hardware and software
PepsiCo Inc.	Soft drinks and snack foods
Consolidated Edison Inc.	Utility Services
Westchester Medical Center	Hospital and health care services
MasterCard	Credit card services
ITT Corp.	Water and fluid management
Regeneron Pharmaceuticals Inc.	Pharmaceuticals
New York Medical College	Medical college and research
White Plains Hospital	Acute health care services, preventative medical care
New York Presbyterian	Hospital and health care services

Source: Westchester Business Journal.

## Form of Government

The Town was established on March 7, 1788 by the State as a separate political entity vested with independent taxing and debt authority. There are two incorporated villages situated within the Town's borders. The Town contains portions of five independently governed school districts which rely on their taxing powers granted by the State to raise revenues for school district purposes. The school districts use the Town's assessment roll as the basis for taxation of property within the Town.

Governmental operations of the Town are subject to the provisions of the State constitution and various statutes affecting local governments including the Town Law, General Municipal Law and the Local Finance Law. Real property assessment and tax collection procedures are determined by the County Tax Law, a basic feature of which requires that the Town guarantee and enforce the real property taxes levied by the County as well as school districts situated in the Town. The Real Property Tax Law, in part, also governs certain assessment and taxing procedures for the Town. Under Article 2 of the Town Law, the Town of Cortlandt is classified as a first-class town and has additionally elected suburban town status provided for in Article 3-A of this statute. The primary effect of each classification is to give greater flexibility to the way in which town government is organized and managed. A suburban town also enjoys certain advantages with respect to special improvement districts and reserve funds.

## Elected and Appointed Officials

**Elected Officials.** The Town Board is the legislative, appropriating, governing and policy determining body of the Town and consists of four board members, elected at large to serve a four-year term, plus the Supervisor. Board members may serve an unlimited number of terms. It is the responsibility of the Town Board to enact, by resolution, all legislation including ordinances and local laws. Annual operating budgets for the Town must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board on the recommendation of the Supervisor. The original issuance of all town indebtedness is subject to approval by the Town Board.

The Supervisor is the Chief Executive and Chief Financial Officer of the Town and is elected for a two-year term of office with the right to succeed himself. In addition, the Supervisor is a full member of and the presiding officer of the Town Board. Duties of the Supervisor include: the administration of the Town's daily functions, budget preparation and control, and debt issuance.

The Town Clerk who is elected to serve a four-year term, with the right of self-succession, acts as the custodian of the Town's records as well as the clerk to the Town Board. Duties of the Town Clerk office include recording and maintaining the minutes of the proceedings of the Town Board, issuing certain licenses and permits, and coordinating Town elections.

The Receiver of Taxes is appointed to serve a four-year term of office. It is the responsibility of the Receiver of Taxes to receive and collect all, county, town and school taxes, and all assessments levied or assessed in the Town.

**Appointed Officials.** The Town Comptroller is appointed by the Town Board to serve a two-year term. Duties and responsibilities of this position include maintaining the Town's accounting systems and records, preparing the annual report to be filed with the State Comptroller, cash management and auditing vendor claims for payment.

The Town Assessor is appointed by the Town Board, on the Supervisor's recommendation, to serve a six-year term. It is the Assessor's responsibility to appraise real property in the Town for the purpose of preparing and maintaining tax assessment rolls in the form prescribed by the State Office of Real Property Services (the "State Board"). The State Board provides an advisory service to assist with the assessment of certain forested lands, public utilities or unusually complex properties. Assessment review procedures include examination of the tentative assessment roll in the Assessor's presence, a public hearing before an independent board of assessment review and, finally, a judicial review in the State Supreme Court or small claims court for certain tax claim proceedings.

## **Services**

The Town is responsible for providing most of the government services its residents receive. Water, sewer, lighting, fire protection, ambulance, park, drainage and improvement services are furnished by various special districts which have been formed within the Town. Highway construction and the maintenance of roads is also a Town function. In addition, recreation is provided, and parks are maintained through the Town government. Other services performed at the Town level include property assessment, zoning administration and planning. The Town disbanded its police department and now contracts with the County for police protection. In addition, the State Police also patrol the Town.

The Town provides refuse collection services to residential properties and some commercial establishments. The Town is a member of the County Refuse District No. 1 which operates a mass-burn facility in the City of Peekskill.

## **Budgetary Procedure**

The head of each administrative unit of the Town is required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before October 20th. Estimates for each fire district situated within the Town must also be filed with the budget officer by this date (the Town has no authority to amend the budget submitted by a fire district). After reviewing these estimates, the budget officer prepares a tentative budget which includes her recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than the 30th of October. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing which must be held on or before November 10th. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are not inconsistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Board become the preliminary budget. A public hearing, a notice of which must be duly published in the Town's official newspaper, for the preliminary budget is required to be held no later than the 10th day of December. At such hearing, any person may express his opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than December 20th, at which time the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Budgetary control during the year is the responsibility of the Comptroller. However, any changes or modifications to the annual budget including the transfer of appropriations among line items must be approved by resolution of the Town Board.

## **Investment Policy**

The Town Board approved the current investment policy on December 16, 2016. Copies of the investment policy will be made available upon request of the Town Comptroller or the Town's Municipal Advisor.

Pursuant to Section 39 of the State's General Municipal Law, the Town has an investment policy applicable to the investment of all moneys and financial resources of the Town. The responsibility for the investment program has been delegated by the Board to the Chief Financial Officer who was required to establish written operating procedures consistent with the Town's investment policy guidelines. According to the investment policy of the Town, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return.

**Authorized Investments.** The Town has designated seven banks or trust companies located and authorized to conduct business in the State to receive deposits of money. The Town is permitted to invest in special time deposits or certificates of deposit.

In addition to bank deposits, the Town is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the Town include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the Town (investment subject to approval of the State Comptroller); obligations of certain public authorities or agencies; obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the Town, but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The Town may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions, among others: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York; securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State. Reverse repurchase agreements are not permitted under State law.

**Collateral Requirements.** All Town deposits in excess of the applicable insurance coverage provided by the Federal Deposit Insurance Act must be secured in accordance with the provisions of and subject to the limitations of Section 10 of the General Municipal Law of the State. Such collateral must consist of the “eligible securities,” “eligible surety bonds” or “eligible irrevocable letters of credit” as described in the Law.

Eligible securities pledged to secure deposits must be held by the depository or third-party bank or trust company pursuant to written security and custodial agreements. The Town’s security agreements provide that the aggregate market value of pledged securities must equal or exceed the principal amount of deposit, the agreed upon interest, if any, and any costs or expenses arising from the collection of such deposits in the event of a default. Securities not registered or inscribed in the name of the Town must be delivered, in a form suitable for transfer or with an assignment in blank, to the Town or its designated custodial bank. The custodial agreements used by the Town provide that pledged securities must be kept separate and apart from the general assets of the custodian and will not, under any circumstances, be commingled with or become part of the backing for any other deposit or liability. The custodial agreement must also provide that the custodian shall confirm the receipt, substitution or release of the collateral, the frequency of revaluation of eligible securities and the substitution of collateral when a change in the rating of a security may cause ineligibility.

An eligible irrevocable letter or credit may be issued, in favor of the Town, by a qualified bank other than the depository bank. Such letters may have a term not to exceed 90 days and must have an aggregate value equal to 140% of the deposit obligations and the agreed upon interest. Qualified banks include those with commercial paper or other unsecured or short-term debt ratings within one of the three highest categories assigned by at least one nationally recognized statistical rating organization or a bank that is in compliance with applicable Federal minimum risk-based capital requirements.

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State which has claims paying ability rated in the highest rating category for claims paying ability by at least two nationally recognized statistical rating organizations. The surety bond must be payable to the Town in an amount equal to 105% of the aggregate deposits and the agreed interest thereon.

## **Educational Facilities**

Public schools in the Town are under the administration of five school districts which are also responsible for the funding of such schools. They are Croton-Harmon, Hendrick Hudson, Lakeland, Putnam Valley and Yorktown. Additionally, Northern Westchester-Putnam BOCES is available to students in the Town. Several private schools also provide primary and secondary education. Higher education facilities include campus annexes of Mercy College in Dobbs Ferry and Pace University in Pleasantville.

## **Financial Institutions**

Numerous banking facilities are available in the Town and adjacent areas. Many of the State's major banks have branch offices located in the area. Apple Bank, Bank of America, Citibank, JPMorgan Chase, Key Bank, Orange Bank, and Wells Fargo have branches in the Town.

## Transportation

The Town is served by all major forms of transportation. Highway facilities include U.S. Routes 9, 6 and 202 and State Routes 9A, 9D and 129. Rail service is provided by the Metropolitan Transportation Authority. The Metro- North Hudson line travels north-south through the Town. The system includes one major station, Croton-Harmon, and two local stations, Cortlandt and Peekskill. The County Department of Transportation provides full time and express bus service to the Town. The County Airport, the New York airports (LaGuardia, Kennedy and Newark Airports) and Stewart International Airport in Newburgh are easily accessible to residents of the Town and provide domestic and international air service on a regular basis.

## Utilities

Water to the Town of Cortlandt is supplied by the Cortlandt Consolidated Water District, the Montrose Improvement District and the Northern Westchester Joint Water Works. Sewer collection is provided by the various sewer districts established by the Town. The County treats sewer at treatment plants located in Peekskill or Ossining. The Village of Buchanan operates its own sewer system.

At the request of the homeowners, the Town recently acquired a small sewage treatment plant as part of the Dickerson Pond Sewer Improvement District. This treatment plant currently services the nearby housing development called Valeria. The Town subcontracts for the operation of the plant and billings to customers.

Verizon provides local telephone service in the Town. Consolidated Edison Company (“Con Edison”) provides electricity and natural gas service to residents of the Town (see herein below). The Town has entered into an agreement with the Power Authority of the State of New York (PASNY) for the supply of electricity to its municipal facilities.

**Indian Point Nuclear Power Plants.** In 2001, the Entergy Corporation (“Entergy”) acquired three nuclear power plants located wholly within the Town known as Indian Point 1, Indian Point 2, and Indian Point 3. The Indian Point 1 and 2 plants were purchased from Con Edison while Indian Point 3 was purchased from the New York State Power Authority. Indian Point 1 was decommissioned in 1974 and has been in safe storage since that time.

The Indian Point 2 plant was owned and operated by Entergy Nuclear Indian Point 2, LLC, a wholly owned subsidiary of Entergy. The plant began commercial operation in August 1974 and utilized a pressurized water reactor with a maximum output capacity of 970 megawatts. The license for this plant expires on April 30, 2024. 100% of the electricity generated by Indian Point 2 was sold to Con Edison.

Indian Point 3 was owned and operated by Entergy Nuclear Indian Point 3, LLC, which is also a wholly owned subsidiary of Entergy. The plant began commercial operation in August 1976. Indian Point 3 also had a pressurized water reactor and a maximum capacity of 980 megawatts. All the electricity generated by Indian Point 3 was sold to the New York State Power Authority. The license for this plant expires on April 30, 2025.

On January 9, 2017, Governor Cuomo announced the closure of the Indian Point facilities by April 2021. Per the PILOT agreement, tax payments from plant owner Entergy were to remain in place through 2021 and ramp down gradually following closure. In addition, Entergy had agreed to offer employees jobs at other facilities, and the state is committed to working with affected workers to gain access to new jobs in the power and utility sector and to provide training in renewables, like solar and wind.

Indian Point Unit 2 was shut down in April 2020. Indian Point Unit 3 was shut down in April 2021.

The U.S. Nuclear Regulatory Commission approved the transfer of Indian Point’s licenses to Holtec International (hereinafter “Holtec”) in November 2020 and the New York State Public Service Commission approved the transfer on May 19, 2021. The agencies found that Holtec possesses the required technical and financial qualifications to own and decommission Indian Point safely and in accordance with regulatory requirements.

Decommissioning project team consists of a blend of decommissioning veterans from Holtec Decommissioning International, LLC and Comprehensive Decommissioning International, LLC with approximately 300 current Indian Point employees who will bring valuable plant-specific knowledge to the organization. Through National Labor Agreements with several unions, skilled craft labor from the local union halls near Indian Point and local subcontractors will also support the decommissioning project giving a boost to the local economy of southeastern New York.

For additional information, please see “Payment in Lieu of Taxes Agreements” herein.



## Recreational Facilities

There are numerous recreational and park districts throughout the Town, including the County's Croton Point Park, Georges Island Park and Croton Gorge Park, all of which are entirely within the Town, and Blue Mountain Reservation Park which is partially within the Town. In addition, the Town maintains and operates a number of parks and playgrounds, a municipal swimming pool, a park with a natural lake, tennis facilities and a community center.

## Norwest

The Town, the Towns of Yorktown and Ossining and the City of Peekskill jointly operate Norwest, a program which provides educational and daycare services for people with disabilities to residents of these communities. The joint venture operates under the terms of an agreement dated September 8, 1989. The governing boards of each municipality jointly act as the governing body for the joint venture. The governing body has established charges at rates intended to be self-sustaining to cover all operating costs and debt service. Operating deficiencies, if any, are made up by the participants. The activities of the joint venture are accounted for and reported by the Town.

## State Aid

The Town receives financial assistance from the State. In its General Fund adopted budget for the 2023 fiscal year, approximately 49.06% of the operating revenues (inclusive of mortgage tax and sales tax) of the Town are expected to be received from the State as State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. No assurance can be given that present State aid levels will be maintained this year or in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Town requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

### State Aid Revenues

The following table illustrates the percentage of total General Fund revenues of the Town for each of the below completed fiscal years and budgeted new figures comprised of State aid.

<u>Fiscal Year</u>	<u>Total State Aid</u> <sup>(1)</sup>	<u>Total Revenues</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2018	\$1,737,203	\$12,101,001	14.36%
2019	1,982,746	13,136,401	15.09
2020	1,927,670	12,896,149	14.95
2021	2,891,731	14,781,095	19.56
2022	2,663,992	16,280,521	16.36
2023 (Budgeted)	2,305,783	13,667,346	16.87

<sup>(1)</sup> Includes Mortgage Tax revenue but does not include Sales Tax revenue. Sales Tax revenue can be found in the section titled "Sales Tax Revenues" herein.

Source: Audited Financial Statements for the 2018-2022 fiscal years and the budget for the 2023 fiscal year. This table is not audited.

## Employees

The Town currently employs approximately 153 full-time employees including those employees who are represented by the following collective bargaining organizations.

<u>Employees</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
95	AFSCME	December 31, 2024
20	Teamsters	December 31, 2024

Source: Town officials.

## Status and Financing of Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS") (the "Retirement System"). The ERS is generally also known as the "Common Retirement Fund". The Retirement System are cost-sharing multiple public employer Retirement System. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System.

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For both ERS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw pension from 5 years to 10 years, which, as of April 9, 2022, has been changed back to five years (for both Tier V and Tier VI).
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.
- 

For both ERS, Tier 6 provides for:

- Increase contribution rates of between 3% and 6% based on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- A change in the period for final average salary calculation from 3 years to 5 years

The Town's payments to ERS since the 2017 fiscal year have been as follows:

<u>Year</u>	<u>ERS</u>
2018	\$ 1,648,207
2019	1,650,094
2020	1,654,835
2021	1,980,085
2022	1,662,008
2023 (Budgeted)	1,830,000

Source: Town officials.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The Town does not have any early retirement incentives outstanding.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the ERS in the 1990s, the locally required annual contribution declined to near zero. However, with the subsequent decline in the equity markets in the early 2000s, the pension system became underfunded. As a result, required contributions for ERS increased substantially from 1.5% in 2003 to 12.9% in 2005. Wide swings in the contribution rates can result in budgetary planning problems for many participating local governments.

A chart of average ERS rates (2019 to 2024) is shown below:

<u>Year</u>	<u>ERS</u>
2019	14.9
2020	14.6
2021	14.6
2022	16.2
2023	11.6
2024	13.1

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to ERS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

Stable Rate Pension Contribution Option. The 2013-14 Adopted State Budget included a provision that authorized local governments, including the Town, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS. For 2014 and 2015 the rate is 12.0% for ERS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The Town is not amortizing or smoothing any pension payments, nor does it intend to do so in the foreseeable future.

The investment of monies and assumptions underlying same, of the ERS covering the Town’s employees is not subject to the direction of the Town. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the ERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the Town which could affect other budgetary matters. Concerned investors should contact the ERS administrative staff for further information on the latest actuarial valuations of the ERS.

## Other Post-Employment Benefits

Healthcare Benefits. It should also be noted that the Town provides post-retirement healthcare benefits to various categories of former employees. These costs may rise substantially in the future. Accounting rule, GASB Statement No. 45 ("GASB 45") of the Governmental Accounting Standards Board ("GASB"), requires governmental entities, such as the Town, to account for post-retirement healthcare benefits with respect to vested pension benefits. GASB 75 replaced GASB 45 as described below.

OPEB. Other Post-Employment Benefits ("OPEB") refers to "other post-employment benefits," meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. For the fiscal year ended December 31, 2018, the Town implemented GASB 75. The implementation of this statement requires municipalities to report Other Post-Employment Benefits ("OPEB") liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

The Town contracted with Danziger & Markhoff LLP an actuarial firm, to calculate its actuarial valuation under GASB 75.

The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

	Balance beginning at January 1:	2021	2022
		\$ 91,790,866	\$ 99,123,778
<u>Changes for the year:</u>			
Service cost		2,448,039	2,588,185
Interest		1,748,386	2,203,945
Differences between expected and actual experience		9,800,331	7,402,520
Changes in benefit terms		-	665,117
Changes in assumptions or other inputs		(4,262,004)	(32,964,848)
Benefit payments		(2,401,840)	(2,341,308)
Net Changes		\$ 7,332,912	\$ (22,446,389)
	Balance ending at December 31:	2021	2022
		<u>\$ 99,123,778</u>	<u>\$ 76,677,389</u>

Note: The above table is not audited.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

Should the Town be required to fund the total OPEB liability, the Town's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the Town's finances and could force the Town to reduce services, raise taxes or both. At present, there is no current or planned requirement for the Town to fund its OPEB liability, partially or in full.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The Town funds this liability on a pay-as-you-go basis.

## **Other Information**

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose for which bonds and notes are to be issued, is the Town Law and the Local Finance Law.

No principal or interest upon any obligation of this Town is past due.

The fiscal year of the Town is January 1 through December 31.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness”, this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Town.

## **Financial Statements**

The Town retains an independent certified public accounting firm for a continuous independent audit of all financial transactions of the Town. The Audited Financial Statements for the Fiscal Year ended December 31, 2022 is attached hereto as “APPENDIX – E”. The financial affairs of the Town are also subject to annual audits by the State Comptroller.

The Town complies with the Uniform System of Accounts as prescribed for towns in New York State by the State Comptroller. This System differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Beginning with the fiscal year ending December 31, 2003, the Town was required to issue its audited financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management’s Discussion and Analysis. The Town is and has been in compliance with GASB Statement No. 34 for all years required.

## **New York State Comptroller Report of Examination**

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Town has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There are no recent State Comptroller’s audits of the Town, nor any currently in progress or pending release.

Note: Reference to websites implies no warranty of accuracy of information therein, nor inclusion herein by reference, and the website is not incorporated herein by reference.

## **The State Comptroller’s Fiscal Stress Monitoring System**

The New York State Comptroller has reported that New York State’s school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System (“FSMS”) to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “significant fiscal stress”, in “moderate fiscal stress,” as “susceptible to fiscal stress” or “no designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “no designation.” This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past three years for the Town are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2021	No Designation	0.0
2020	No Designation	3.3
2019	No Designation	3.3

Note: Reference to website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

Source: Website of the Office of the New York State Comptroller.

## TAX INFORMATION

### Taxable Valuations

#### Taxable Assessed Valuations

Year of Assessment Roll:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Year of Town Tax Roll:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessed Valuation	\$ 107,677,970	\$109,339,976	\$109,473,244	\$109,563,778	\$109,994,184
New York State					
Equalization Rate	1.65%	1.56%	1.53%	1.50%	1.34%
Total Taxable Full Valuation	\$ 6,525,937,576	\$ 7,008,972,821	\$ 7,155,113,987	\$ 7,304,251,867	\$ 8,208,521,194

### Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Town	\$ 220.15	\$ 222.20	\$ 222.63	\$ 222.44	\$ 224.14
County	192.92	200.19	198.57	192.60	193.16

### Tax Levy and Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Tax Levy <sup>(1)</sup>	\$ 22,469,433	\$ 22,475,875	\$ 22,427,832	\$ 22,461,467	\$ 22,797,594
Amount Collected <sup>(2)</sup>	22,257,380	22,344,382	22,344,933	22,364,496 <sup>(3)</sup>	22,294,410 <sup>(3)</sup>
% Collected	99.06%	99.41%	99.63%	99.57% <sup>(3)</sup>	97.79% <sup>(3)</sup>

<sup>(1)</sup> Includes tax levy for General Fund, Town Outside Villages Fund, Highway Fund and Special Districts.

<sup>(2)</sup> Collections 60 days into subsequent fiscal year.

<sup>(3)</sup> As of May 22, 2023.

See "Tax Collection Procedure" herein.

### Tax Collection Procedure

The assessment and collection of real property taxes is governed by the Real Property Tax Law of the State and the County Tax Code. Towns and cities in the County assess all real property within their boundaries and collect and enforce all real property taxes and assessments. The Town receives tax warrants for the collection of taxes from the County as well as the school districts and fire districts within its boundaries. The Town remits the full amount of the County, fire district and school district taxes according to the times prescribed by the County Tax Law. The Town is required to pay the full amount of each warrant presented by these various entities, whether or not these amounts are actually collected by the Town. The Town enforces delinquent taxes through in-rem foreclosure proceedings.

Town, County, and special district taxes or assessments for the period from January 1<sup>st</sup> to December 31<sup>st</sup> are due in a single payment on April 1<sup>st</sup>. Payment may be made without penalty until April 30<sup>th</sup>, after which the penalty is 2% during May, 5% during June and July, 7% during August and September, 10% during October, November and December and 12% for January through April of the following year. Thereafter the penalty is 12% plus 1% for each additional month or fraction thereof until the tax liens are filed with the County.

School taxes for the school year July 1<sup>st</sup> may be paid in two installments. The first such installment is due on September 1<sup>st</sup> and may be paid without penalty until September 30<sup>th</sup>, after which the penalty is 2% during October, 5% during November, 7% during December and January, 10% during February and March and 12% during April after which the penalty is 12% plus 1% for each month or fraction thereof until the filing of the tax liens with the County. The second installment of school taxes is payable on January 1<sup>st</sup> and may be paid without penalty until January 31<sup>st</sup>. Payments thereafter must pay a penalty in accordance with the schedule set forth herein for the first installment.

### Ten Largest Taxpayers – 2022 Assessment for 2023 Town Tax Roll

<u>Name</u> <sup>(1)</sup>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
City of New York	Water/Utility	\$ 5,512,930
Con Edison Co. of NY	Utility	5,444,359
Algonquin Gas Trans	Utility	1,961,194
Cortlandt Town Center	Retail Shops	1,285,435
Acadia Cortlandt LLC	Retail Shops	495,000
Continental Building Products	Industrial	410,000
Curry Properties LLC	Auto Sales	330,775
Springvale Apartments	Apartments	325,050
Scenic Ridge at Amberlands	Real Estate	305,000
Yorkcon Properties	Real Estate	271,150

- (1) Due to a payment in lieu of taxes agreement, Entergy Nuclear, a business unit of Entergy Corporation, has been excluded from the above table. See “Payment in Lieu of Taxes Agreements,” below.

The largest taxpayers listed above have a total taxable valuation of \$16,340,893, which represents 14.91% of the Town’s total taxable valuation for 2022.

As of the date of this Continuing Disclosure Statement, the Town does not have any pending or outstanding tax certioraris which the Town anticipates could have a material impact on the finances of the Town.

Source: Town assessment rolls.

### Payment in Lieu of Taxes Agreements

In accordance with amendments to the Real Property Tax Law (“RPTL”) enacted in 2001, the Town, County and the Hendrick Hudson School District exempted from taxation the nuclear-powered electric generating facilities owned by Entergy Nuclear Indian Point 2 LLC (“Indian Point 2, LLC”) and Entergy Nuclear Indian Point 3 LLC (“Indian Point 3, LLC”) located in the Town. The parties have entered into “Payment In Lieu Of Taxes Agreements (“Agreements”),” dated January 1, 2002, which obligate Indian Point 2, LLC and Indian Point 3, LLC to make payments in lieu of taxes (“PILOTS”) to the various taxing jurisdictions. The Agreements commenced on January 1, 2002 and expired on April 1, 2015. A subsequent agreement took effect on January 1, 2015 to remain in effect through December 31, 2024. However, on January 9, 2017, Governor Cuomo announced the closure of the Indian Point facilities by April 2021. The PILOT agreement was amended to extend through 2022 with payments decreasing by 10% in 2021 and another 28% in 2022.

In 2019, Entergy entered into a Membership Interest Purchase and Sale Agreement with Nuclear Asset Management Company, LLC and parent company, Holtec International. The Town is currently in negotiations with Holtec to enter into a successor PILOT, while having the option for a 1-year extension on the existing PILOT, into 2023. Additionally, the Town has applied for funding through the NYS Electric Generation Facility Cessation Mitigation Program in 2022 to offset the losses in PILOT revenue from the closure of Indian Point.

The PILOT payments to the Town and County are payable in a single installment due on or before April 30 of each year. Payments to the Hendrick Hudson School District are payable in two equal installments due on or before September 30 and January 31 of the following calendar year. Late payments will be assessed interest and penalties determined in the same manner for real property taxes.

In the event the nuclear plants are damaged or destroyed, in whole or part, the payments due under the Agreements shall not exceed the amount that would result from taxes levied on such damaged or destroyed property. Adjustments to PILOTS, if any, would be effective for the year immediately following the year of damage or destruction. No refunds shall be made for PILOTS paid during the year of damage or destruction. Any taxing jurisdiction which has signed the Agreements has the right to cancel either agreement if Indian Point 2, LLC or Indian Point 3, LLC as has been declared insolvent or bankrupt in an involuntary proceeding or seek protection in a bankruptcy proceeding. In such an event, the Town shall restore the properties to the tax rolls and the taxing jurisdiction canceling this agreement shall receive tax payments in the ensuing years. Any party may terminate the Agreement if any government action causes a permanent shutdown of either plant. The Town shall immediately place an assessment on the affected plant(s) and such property shall become subject to taxation in the manner provided by RPTL.

For the year ended December 31, 2021 the town received a total of \$766,195.87 in PILOT revenue in the General Fund, and \$557,667.35 in PILOT revenue through April 2022. Included in the Town’s PILOT revenues are two solar PILOT agreements, for a combined total of approximately \$5,000 annually.

For the year ended December 31, 2022 the town received a total of \$557,342.00 in PILOT revenue in the General Fund, and \$375,493.00 in PILOT revenue through May 2, 2023. Included in the Town’s PILOT revenues are two solar PILOT agreements, for a combined total of approximately \$5,000 annually.

### Real Property Tax Revenues

The following table illustrates the percentage of total General Fund revenues of the Town for each of the below fiscal years comprised of Real Property Taxes.

<u>Fiscal Year</u>	<u>Total Real Property Taxes</u>	<u>Total Revenues</u>	<u>Percentage of Total Revenues Consisting of Real Property Taxes</u>
2017	\$ 3,391,446	\$ 12,787,547	26.52%
2018	3,244,520	12,101,001	26.81
2019	3,365,673	13,136,401	25.62
2020	3,105,680	12,896,149	24.08
2021	3,184,466	14,781,095	21.54
2022	3,194,414	15,796,429	20.22
2023 (Budgeted)	2,972,808	13,677,349	21.75

Source: Audited Financial Statements for the 2017-2022 fiscal years and the budget for the 2023 fiscal year. This table is not audited.

### Sales Tax Revenues

The Town receives a share of the County sales tax. The County presently imposes a 1 ½% County-wide sales and use tax on all retail sales. Additionally, the State, effective May 1, 2005, imposes a 4% State sales tax and a 3/8% sales tax levied in the Metropolitan Transportation Authority District. The cities in the County have the power under State law to impose by local law and State legislative enactment their own sales and use taxes. At present, such taxes are imposed at a rate of 2½% in the Cities of White Plains, Mount Vernon, New Rochelle, and Yonkers. The Cities of Rye and Peekskill do not impose such a sales tax.

In July 1991, the State Legislature authorized an additional 1% sales tax for the County to impose in localities other than cities which have their own sales tax. The additional 1% sales tax is to be apportioned between the County (33 1/3%), school districts in the County (16 2/3%) and towns, villages and cities in the County which have imposed sales taxes (50%).

In February of 2004, the State Legislature authorized an increase of ½% to the additional 1% 1991 sales tax. The County retains 70% of this amount, the municipalities 20% and the school districts 10



In April of 2019, the State Legislature authorized an increase of 1% to the County sales tax, raising the rate to 8.375% in County localities other than cities. The County will retain 70% of the 1% increase, the municipalities retain 20% and school districts retain 10%. The rate increase is effective as of August 1, 2019 and expires on November 30, 2023.

The following table illustrates the percentage of total General Fund revenues of the Town for each of the below completed fiscal years and budgeted new figures comprised of Sales Tax.

<u>Fiscal Year</u>	<u>Total Sales Tax</u>	<u>Total Revenues</u>	<u>Percentage of Total Revenues Consisting of Sales Tax</u>
2017	\$ 3,534,377	\$ 12,787,547	27.64%
2018	3,675,015	12,101,001	30.37
2019	4,390,539	13,136,401	33.42
2020	4,986,505	12,896,149	38.67
2021	5,263,600	14,781,095	35.61
2022	6,093,507	16,280,521	37.43
2023 (Budgeted)	4,400,000	13,667,349	32.19

Source: Audited Financial Statements for the 2017-2022 fiscal years and the budget for the 2023 fiscal year. This table is not audited.

### **TAX LEVY LIMITATION LAW**

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It was set to expire June 15, 2020 unless extended; it has since been made permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments are required for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A town may exceed the tax levy limitation for the coming fiscal year only if the governing body of such town first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law, to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality, prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

While the Tax Levy Limitation Law may constrict an issuer’s power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer’s pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer’s levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

The Town has not exceeded its state mandated tax cap since the inception of the Tax Levy Limitation Law in 2011.

## STATUS OF INDEBTEDNESS

### Constitutional Requirements

The New York State Constitution limits the power of the Town (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the Town and the Bonds and Notes include the following:

*Purpose and Pledge.* Subject to certain enumerated exceptions, the Town shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The Town may contract indebtedness only for a Town purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

*Payment and Maturity.* Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining debt service is utilized, no installment may be more than fifty per centum in excess of the smallest prior installment. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

*Debt Limit.* The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real estate of the Town and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the Town is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

### Statutory Procedure

In general, the State Legislature has, by the enactment of the Local Finance Law, authorized the powers and procedure for the Town to borrow and incur indebtedness, subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the Town Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Town authorizes the issuance of bonds by the adoption of a bond resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Customarily, the Town Board has delegated to the Supervisor, as chief fiscal officer of the Town, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the Town is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions the Town complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law) restrictions relating to the period of probable usefulness with respect thereto.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided, generally, that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

In general, the Local Finance Law contains provisions providing the Town with the power to issue certain other short-term general obligations indebtedness including revenue and tax anticipation notes and budget and capital notes (see "Details of Outstanding Indebtedness" herein).

### Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bonds	\$ 5,536,000	\$ 6,955,000	\$ 6,180,000	\$ 5,740,000	\$ 8,135,000
Bond Anticipation Notes	<u>2,150,000</u>	<u>2,000,000</u>	<u>11,600,000</u>	<u>10,900,000</u>	<u>7,325,000</u>
Total Debt Outstanding	<u>\$ 7,686,000</u>	<u>\$ 8,955,000</u>	<u>\$ 17,780,000</u>	<u>\$ 16,640,000</u>	<u>\$ 15,460,000</u>

### Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Town evidenced by bonds and notes as of September 14, 2023.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2023-2039	\$ 7,760,000
<u>Bond Anticipation Notes</u>	October 6, 2023	<u>7,325,000</u> <sup>(1)</sup>
	Total Indebtedness	<u>\$ 15,085,000</u>

<sup>(1)</sup> To be redeemed at maturity with the proceeds of the Bonds and Notes and \$80,000 available funds of the Town.

### Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of September 14, 2023:

Five-Year Average Full Valuation of Taxable Real Property.....	\$ 7,240,559,489
Debt Limit – 7% thereof.....	506,839,164

#### Inclusions:

Bonds.....	\$ 7,760,000
Bond Anticipation Notes.....	<u>7,325,000</u>
Total Inclusions.....	<u>\$ 15,085,000</u>

#### Exclusions:

Water Indebtedness <sup>(1)</sup> .....	\$ 2,842,851
Appropriations <sup>(2)</sup> .....	<u>175,000</u>
Total Exclusions.....	<u>\$3,017,851</u>

Total Net Indebtedness Subject to Debt Limit.....\$ 12,067,149

Net Debt-Contracting Margin.....\$ 494,772,015

The percent of debt contracting power exhausted is ..... 2.38%

<sup>(1)</sup> Water indebtedness exempt from Constitutional Debt Limit.

<sup>(2)</sup> Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

Note: The issuance of the Bonds and Notes will increase the net indebtedness of the Town \$1,320,000 however, have no impact to the Debt Limit as the new money is water indebtedness exempt from Constitutional Debt Limit

## **Bonded Debt Service**

A schedule of Bonded Debt Service may be found in “APPENDIX – B” to this Official Statement.

## **Cash Flow Borrowings**

The Town has not found it necessary to borrow revenue or tax anticipation notes nor budget or deficiency notes in the recent past and does not anticipate having to borrow such in the foreseeable future.

## **Other Obligations**

As of the date of this Official Statement, the Town currently has approximately \$932,100 lease agreements outstanding to finance refuse, plow and freightliner trucks. The final payment is scheduled to be made in the fiscal year ending 2028.

A schedule of the Town’s lease payments may be found in “APPENDIX-B1” to this Official Statement.

## **Authorized but Unissued Debt**

The Town currently has \$7,325,000 bond anticipation notes outstanding maturing October 6, 2023 for sewer district improvements, and users of the District are charged annually to pay debt service. The proceeds of the Bonds and Notes, along with \$80,000 available funds of the Town, will redeem the \$7,325,000 bond anticipation notes maturing on October 6, 2023, the proceeds of the Bonds along with \$65,000 available funds will permanently finance a \$5,535,000 portion of the \$7,325,000 while the proceeds of the Notes along with \$15,000 available funds will renew the remaining \$1,790,000. .

The Town has an additional \$2.3 million in authorized but unissued debt for water and sewer system improvements. The Town anticipates utilizing a \$2,000,000 portion of additional authorization for the Croton Park Road Water Main replacement with an estimated timeline of borrowing in the Fall of 2024. Of the remaining \$300,000, \$100,000 is for the Cortlandt Crossing West Sewer System Improvements and \$200,000 for the Cortlandt Crossing Central Sewer System Improvements.

Additionally, the Town recently passed a bond resolution for \$1.5 million for improvements at the Cortlandt Waterfront Park. The project will be completed in phases beginning in 2023. The exact timeline for borrowing is not determined at this time.

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## Estimated Overlapping Indebtedness

In addition to the Town, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Town. The estimated outstanding indebtedness of such political subdivisions is as follows:

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> <sup>(1)</sup>	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Net Indebtedness</u>
County of:						
Westchester	12/31/2021	\$ 1,513,739,932	\$ 582,192,426 <sup>(2)</sup>	\$ 931,547,506	3.82%	\$ 35,585,115
Villages:						
Croton-on-Hudson	5/31/2022	32,821,499	7,066,079 <sup>(2)</sup>	25,755,420	100.00%	25,755,420
Buchanan	5/31/2022	-	- <sup>(2)</sup>	-	100.00%	-
School Districts:						
Croton-Harmon	6/30/2022	18,118,189	8,316,249 <sup>(3)</sup>	9,801,940	96.45%	9,453,971
Hendrick Hudson	6/30/2022	29,821,691	9,632,406 <sup>(3)</sup>	20,189,285	93.50%	18,876,981
Lakeland	6/30/2022	17,873,923	12,047,024 <sup>(3)</sup>	5,826,899	45.04%	2,624,435
Putnam Valley	6/30/2022	22,923,335	15,198,171 <sup>(3)</sup>	7,725,164	10.53%	813,460
Yorktown	6/30/2022	12,745,000	7,901,900 <sup>(3)</sup>	4,843,100	1.93%	93,472
Total:						<u>\$ 93,202,854</u>

<sup>(1)</sup> Bonds and bond anticipation notes are as of the close of the respective fiscal years, and are not adjusted to include subsequent bond or note sales, if any.

<sup>(2)</sup> Pursuant to applicable constitutional and statutory provisions, this indebtedness is deductible from gross indebtedness for debt limit purposes.

<sup>(3)</sup> Estimated State Building aid.

Source: Comptroller's Special Report on Municipal Affairs for Local Finance Years Ended in 2021 and 2022.

## Debt Ratios

The following table sets forth certain ratios relating to the Town's indebtedness as of September 14, 2023:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 12,067,149	\$ 291.67	0.13%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	105,270,003	2,544.41	1.28

<sup>(a)</sup> The current estimated population of the Town is 41,373. (See "THE TOWN – Population" herein.)

<sup>(b)</sup> The Town's full value of taxable real estate for 2023 is \$8,208,521,194. (See "TAX INFORMATION – Taxable Assessed Valuations" herein.)

<sup>(c)</sup> See "Calculation of Net Direct Indebtedness" herein.

<sup>(d)</sup> Estimated net overlapping indebtedness is \$105,420,035. (See "Estimated Overlapping Indebtedness" herein.)

Note: The above ratios do not take into account State building aid the District will receive for past and current construction building projects.

## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

**General Municipal Law Contract Creditors' Provision.** Each Bond and Note when duly issued and paid for will constitute a contract between the Town and the holder thereof. Under current law, provision is made for contract creditors of the Town to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Town upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might

be construed to have application to the holders of the Bonds and Notes in the event of a default in the payment of the principal of and interest on the Bonds and Notes.

**Execution/Attachment of Municipal Property.** As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the Town may not be enforced by levy and execution against property owned by the Town.

**Authority to File for Municipal Bankruptcy.** The Federal Bankruptcy Code allows public bodies, such as the Town, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Bonds and Notes should the Town be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Bonds and Notes to receive interest and principal from the Town could be adversely affected by the restructuring of the Town's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the Town (including the Bonds and Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the Town under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

**State Debt Moratorium Law.** There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Town.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an “emergency financial control board” for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law (“Title 6-A”) effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such “additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder.” Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a “material change in circumstances” the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the *Flushing National Bank* case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Town has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision. There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: “If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness.” This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Default Litigation. In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “THE BONDS - Nature of Obligation” and “State Debt Moratorium Law” herein.

No Past Due Debt. No principal of or interest on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.



## **MARKET AND RISK FACTORS**

There are various forms of risk associated with investing in the Bonds and Notes. The following is a discussion of certain events that could affect the risk of investing in the Bonds and Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the Town as well as the market for the Bonds and Notes could be affected by a variety of factors, some of which are beyond the Town's control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Bonds and Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Town to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds and Notes could be adversely affected.

The Town is dependent in small part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Town. In some years, the Town has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "THE TOWN – State Aid").

There are a number of general factors which could have a detrimental effect on the ability of the Town to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Town. Unforeseen developments could also result in substantial increases in Town expenditures, thus placing strain on the Town's financial condition. These factors may have an effect on the market price of the Bonds and Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Bonds and Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Bonds and Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds and Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Bonds and Notes and other debt issued by the Town. Any such future legislation would have an adverse effect on the market value of the Bonds and Notes (See "TAX MATTERS" herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Town and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Town and hence upon the market price of the Bonds and Notes. See "TAX LEVY LIMITATION LAW" herein.

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Cybersecurity. The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial. The Town maintains a cyber liability policy up to \$1,000,000, with a self-insured retention of \$10,000 per claim.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds and Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Bonds and Notes is not a specific preference item for purposes of the federal alternative minimum tax on individuals, however for tax years beginning after December 31, 2022, interest on the Bonds and Notes is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX – F” and “APPENDIX – G”.

To the extent the issue price of any maturity of the Bonds and Notes is less than the amount to be paid at maturity of such Bonds and Notes (excluding amounts stated to be interest and payable at least annually over the term of such Bonds and Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Bonds and Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Bonds and Notes is the first price at which a substantial amount of such maturity of the Bonds and Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds and Notes accrues daily over the term to maturity of such Bonds and Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds and Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds and Notes. Owners of the Bonds and Notes should consult their own tax advisors with respect to the tax consequences of ownership of Bonds and Notes with original issue discount, including the treatment of owners who do not purchase such Bonds and Notes in the original offering to the public at the first price at which a substantial amount of such Bonds and Notes is sold to the public.

Bonds and Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds and Notes”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Bonds and Notes, like the Premium Bonds and Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Bonds and Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds and Notes. The Town has covenanted to comply with certain restrictions designed to ensure that interest on the Bonds and Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds and Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Bonds and Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds and Notes may adversely affect the value of, or the tax status of interest on, the Bonds and Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds and Notes.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Bonds and Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds and Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Bonds and Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds and Notes may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds and Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Bonds and Notes. Prospective purchasers of the Bonds and Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Bonds and Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Bonds and Notes ends with the issuance of the Bonds and Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the Town or the owners regarding the tax-exempt status of the Bonds and Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt Bonds and Notes is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Bonds and Notes for audit, or the course or result of such audit, or an audit of Bonds and Notes presenting similar tax issues may affect the market price for, or the marketability of, the Bonds and Notes, and may cause the District or the owners to incur significant expense.

Payments on the Bonds and Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Bonds and Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Bonds and Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Bonds and Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Bonds and Notes are subject to the respective approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. The proposed form of Bond Counsel's opinions are attached hereto at "APPENDIX – F" and "APPENDIX – G".

## **LITIGATION**

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. There are several tort claims pending against the Town. However, it is anticipated that insurance coverage will be sufficient to satisfy any resolution of the tort claims pending against the Town.

Any personal injury, property damage, and civil rights cases that are pending against the Town are covered by insurance and the Town is taking a strong defense position. However, even if such claims were to be decided against the Town, the Town does not believe that the consequence, individually or in the aggregate, would be such as to have a material adverse effect on the Town's financial condition or its ability to pay the principal of, or interest on, any of its bonds or notes when they become due, taking into consideration that the Town currently carries liability insurance coverage which covers all liability and defense costs after a self-insured payment.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Town if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from adverse decision will be funded in the year the payment is made. Town anticipates such amounts, if any, to be immaterial.

Contingencies. The Town participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

Risk Management. The Town purchases various insurance coverages to reduce its exposure to loss. The Town formerly maintained a general liability policy with limits of \$5 million per occurrence. There was a \$75,000 self-insured retention per claim. The Town maintained a public officials liability policy with limits up to \$5 million per claim. The Town also maintained an excess liability policy with coverage up to \$5 million. There was also a \$75,000 self-insured retention per claim. The lawsuits in question fall under this previous policy. The Town has a new insurance policy with different self-insured payment amounts and excess liability coverage of up to \$10,000,000 for general liability. In addition, the Town purchases conventional health insurance from NYSHIP. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Town, threatened against or affecting the Town to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay some, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Town taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Town.

## **CONTINUING DISCLOSURE**

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Town will enter into an Undertaking to Provide Notice of Material Events Certificate, a description of which is attached hereto as "APPENDIX – D".

### **Historical Compliance**

The Town is in compliance with all prior undertakings pursuant to the Rule for the past five years. However, a material event notice and failure to provide event filing information has been submitted to EMMA on September 9, 2021 relating to the incurrence of financial obligations which were not filed within 10 business days as required by the Town's outstanding undertaking agreements. A description of the financial obligations is included herein under "STATUS OF INDEBTEDNESS – Other Obligations."

## **MUNICIPAL ADVISOR**

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor"), serves as independent financial advisor to the Town on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and Notes. The advice on the plan of financing and the structuring of the Bonds and Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Town to the Municipal Advisor are contingent on the successful closing of the Notes.

## **CUSIP IDENTIFICATION NUMBERS**

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds and Notes. All expenses in relation to the printing of CUSIP numbers on the Bonds and Notes will be paid for by the County provided, however; the County assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

## RATING

The Notes are not rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the Town, as such rating action will result in a material event notification to be posted to EMMA which is required by the Town's Continuing Disclosure Undertakings, and may require supplementation of the Official Statement. (See "APPENDIX - C" herein.)

The Town has applied to Moody's Investors Service, Inc. ("Moody's") for a rating on the Bonds. It is expected that Moody's will release a rating on the Bonds on or about September 19, 2023. A rating reflects only the view of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, Phone: (212) 553-0377, Fax: (212) 233-6263.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the outstanding bonds may have an adverse effect on the market price of the outstanding bonds.

## MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds and Notes.

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Town management's beliefs as well as assumptions made by, and information currently available to, the Town's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Town's files with the repositories. When used in Town documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds and Notes.

Orrick, Herrington & Sutcliffe LLP, Bond Counsel, New York, New York, Bond Counsel to the Town, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Bonds and Notes, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Bonds and Notes, the Town will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the Town.

The Official Statement is submitted only in connection with the sale of the Bonds and Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

The Town hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at [www.fiscaladvisors.com](http://www.fiscaladvisors.com). Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Town nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the Town disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the Town also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Town's contact information is as follows: Patricia Robcke, Comptroller, 1 Heady Street, Cortlandt Manor, New York 10567. Phone: (914) 734-1070, email: [patty@townofcortlandt.com](mailto:patty@townofcortlandt.com).

Additional copies of the Notice of Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., telephone number (315) 752-0051, or at [www.fiscaladvisors.com](http://www.fiscaladvisors.com)

This Official Statement has been duly executed and delivered by the Town Supervisor of the Town of Cortlandt.

**TOWN OF CORTLANDT**

**Dated: September 14, 2023**

**RICHARD H. BECKER**  
**Town Supervisor**

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**GENERAL FUND**

**Balance Sheets**

Fiscal Years Ending	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<b><u>ASSETS</u></b>					
Cash and Equivalents	\$ 18,855,093	\$ 22,173,522	\$ 20,499,730	\$ 24,281,875	\$ 26,147,465
Investments	-	-	-	-	-
Taxes Receivable	37,667,834	39,434,909	44,482,761	40,841,636	40,867,186
Accounts Receivable	289,665	252,091	213,162	257,257	274,856
State and Federal Aid Receivables	-	72,644	72,644	72,644	72,644
Water Rents	-	-	-	-	-
Due from Other Governments	1,455,576	1,913,683	1,926,139	2,092,084	2,296,153
Due from Other Funds	401,290	16,577	37,349	439,190	127,839
Lease	-	-	-	-	1,006,761
Restricted Assets	-	-	-	-	-
Prepaid Expenditures	512,908	172,275	159,913	208,416	118,302
<b>TOTAL ASSETS</b>	<u>\$ 59,182,366</u>	<u>\$ 64,035,701</u>	<u>\$ 67,391,698</u>	<u>\$ 68,193,102</u>	<u>\$ 70,911,206</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Accounts Payable	\$ 205,970	\$ 391,408	\$ 234,854	\$ 460,948	\$ 733,082
Due to Other Funds	661,373	19,316,024	17,758,854	20,482,311	20,030,228
Due to School Districts	52,051,728	37,554,819	42,585,950	39,033,776	39,836,595
Due to Other Governments	-	-	1,821	2,158	1,186
Overpayments	-	-	-	-	-
Bond Anticipation Notes Payable	-	-	-	-	-
Other Liabilities	-	-	-	1,147,094	2,205,559
Deferred Lease revenue	-	-	-	-	958,411
Deferred Tax Revenues	1,041,456	1,430,795	1,409,547	1,002,763	629,716
<b>TOTAL LIABILITIES</b>	<u>\$ 53,960,527</u>	<u>\$ 58,693,046</u>	<u>\$ 61,991,026</u>	<u>\$ 62,129,050</u>	<u>\$ 64,394,777</u>
<b><u>FUND EQUITY</u></b>					
Nonspendable	\$ 512,908	\$ 172,275	\$ 159,913	\$ 208,416	\$ 118,302
Restricted	465,476	479,667	601,168	769,362	698,438
Assigned	1,012,572	939,123	898,916	1,033,412	958,230
Unassigned	3,230,883	3,751,590	3,740,675	4,052,862	4,741,459
<b>TOTAL FUND EQUITY</b>	<u>\$ 5,221,839</u>	<u>\$ 5,342,655</u>	<u>\$ 5,400,672</u>	<u>\$ 6,064,052</u>	<u>\$ 6,516,429</u>
<b>TOTAL LIABILITIES and FUND EQUITY</b>	<u>\$ 59,182,366</u>	<u>\$ 64,035,701</u>	<u>\$ 67,391,698</u>	<u>\$ 68,193,102</u>	<u>\$ 70,911,206</u>

Source: 2018-2022 Audited Financial Statements of the Town.  
This Appendix itself is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 3,391,446	\$ 3,244,520	\$ 3,365,673	\$ 3,105,680	\$ 3,184,466
Real Property Tax Items	2,320,172	2,036,891	2,105,811	2,078,092	1,953,249
Non-Property Tax Items	3,534,377	3,675,015	3,990,539	4,986,505	5,263,600
Departmental Income	367,084	441,714	539,015	225,350	333,820
Intergovernmental Charges	224,921	238,442	237,156	182,019	197,545
Use of Money & Property	102,548	126,773	349,906	132,307	107,040
Licenses and Permits	-	-	-	-	-
Fines and Forfeitures	281,699	325,092	362,051	128,440	88,278
Sale of Property and Compensation for Loss	-	-	-	3,500	-
Miscellaneous	317,736	181,280	148,035	62,199	142,777
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	2,066,450	1,737,203	1,982,746	1,927,670	2,891,731
Revenues from Federal Sources	181,114	94,071	55,469	64,387	618,589
Total Revenues	<u>\$ 12,787,547</u>	<u>\$ 12,101,001</u>	<u>\$ 13,136,401</u>	<u>\$ 12,896,149</u>	<u>\$ 14,781,095</u>
<u>EXPENDITURES</u>					
General Government Support	\$ 5,470,277	\$ 5,195,338	\$ 5,708,182	\$ 5,731,855	\$ 6,392,364
Public Safety	105,878	86,092	105,329	89,848	97,667
Health	32,500	32,500	35,000	35,000	35,000
Transportation	362,872	384,031	409,549	383,336	400,520
Economic Assistance and Opportunity	696,218	744,308	769,825	622,794	678,988
Culture and Recreation	2,165,362	2,102,314	2,189,569	1,735,216	2,070,900
Home and Community Services	11,700	11,700	11,700	17,700	18,900
Employee Benefits	3,110,588	3,295,589	3,291,921	3,370,816	3,453,967
Debt Service	-	20,810	9,121	9,182	69,121
Total Expenditures	<u>\$ 11,955,395</u>	<u>\$ 11,872,682</u>	<u>\$ 12,530,196</u>	<u>\$ 11,995,747</u>	<u>\$ 13,217,427</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 832,152</u>	<u>\$ 228,319</u>	<u>\$ 606,205</u>	<u>\$ 900,402</u>	<u>\$ 1,563,668</u>
Other Financing Sources (Uses):					
Operating Transfers In	60,000	460,000	295,000	60,000	460,000
Operating Transfers Out	(621,653)	(929,774)	(780,389)	(902,385)	(1,360,288)
Total Other Financing	<u>\$ (561,653)</u>	<u>\$ (469,774)</u>	<u>\$ (485,389)</u>	<u>\$ (842,385)</u>	<u>\$ (900,288)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>270,499</u>	<u>(241,455)</u>	<u>120,816</u>	<u>58,017</u>	<u>663,380</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	5,192,795	5,463,294	5,221,839	5,342,655	5,400,672
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 5,463,294</u>	<u>\$ 5,221,839</u>	<u>\$ 5,342,655</u>	<u>\$ 5,400,672</u>	<u>\$ 6,064,052</u>

Source: Audited financial reports of the Town.  
This Appendix is not itself audited.



GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending	2022			2023
	Adopted Budget	Final Budget	Actual	Adopted Budget
<b>REVENUES</b>				
Real Property Taxes	\$ 2,895,527	\$ 2,895,527	\$ 3,194,414	\$ 2,972,808
Other Tax Items	1,160,890	1,740,890	1,752,883	1,028,758
Non-Property Tax Items	-	5,325,270	6,093,507	-
Departmental Income	930,000	436,000	546,122	935,000
Intergovernmental Charges	100,000	240,800	247,089	100,000
Use of Money & Property	102,500	203,270	321,993	102,500
Licenses and Permits	60,000	-	-	60,000
Fines and Forfeitures	300,000	300,000	237,395	300,000
Sale of Property and Compensation for Loss	-	-	507,920	-
Miscellaneous	186,500	186,500	69,810	186,500
Interfund Revenues	501,000	-	-	501,000
Revenues from State Sources	6,287,389	2,044,649	2,663,992	6,705,783
Revenues from Federal Sources	-	630,863	645,396	-
Total Revenues	<u>\$ 12,523,806</u>	<u>\$ 14,003,769</u>	<u>\$ 16,280,521</u>	<u>\$ 12,892,349</u>
<b>EXPENDITURES</b>				
General Government Support	\$ 6,254,058	\$ 7,436,907	\$ 7,191,752	\$ 6,266,270
Public Safety	98,500	110,403	108,855	98,500
Health	35,000	35,000	35,000	35,000
Transportation	469,266	455,564	454,001	472,106
Economic Assistance and Opportunity	741,609	816,808	807,429	779,357
Culture and Recreation	1,531,271	2,267,214	2,142,674	1,599,302
Home and Community Services	13,700	13,700	12,012	13,700
Employee Benefits	3,683,000	3,571,402	3,548,280	3,788,000
Debt Service	447,402	69,163	54,163	615,114
Total Expenditures	<u>\$ 13,273,806</u>	<u>\$ 14,776,161</u>	<u>\$ 14,354,166</u>	<u>\$ 13,667,349</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (750,000)</u>	<u>\$ (772,392)</u>	<u>\$ 1,926,355</u>	<u>\$ (775,000)</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	702,000	287,000	-
Operating Transfers Out	-	(1,796,356)	(1,796,356)	-
Total Other Financing	<u>\$ -</u>	<u>\$ (1,094,356)</u>	<u>\$ (1,509,356)</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(750,000)</u>	<u>(1,866,748)</u>	<u>416,999</u>	<u>(775,000)</u>
<b>FUND BALANCE</b>				
Fund Balance - Beginning of Year	750,000	6,099,430	6,099,430	775,000
Prior Period Adjustments (net)	-	-	35,379	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 4,232,682</u>	<u>\$ 6,551,808</u>	<u>\$ -</u>

Source: 2022 Audited Financial Statements and budgets of the Town.  
This Appendix itself is not audited.

**BONDED DEBT SERVICE**

Fiscal Year Ending December 31st	Principal	Interest	Total
2023	\$ 640,000	\$ 281,576.94	\$ 921,576.94
2024	655,000	255,532.50	910,532.50
2025	570,000	232,020.00	802,020.00
2026	585,000	208,295.00	793,295.00
2027	605,000	183,807.50	788,807.50
2028	615,000	159,707.50	774,707.50
2029	645,000	135,745.00	780,745.00
2030	670,000	111,707.50	781,707.50
2031	480,000	93,045.00	573,045.00
2032	490,000	78,020.00	568,020.00
2033	505,000	62,532.50	567,532.50
2034	520,000	46,488.76	566,488.76
2035	540,000	29,880.00	569,880.00
2036	275,000	12,557.50	287,557.50
2037	110,000	7,937.50	117,937.50
2038	115,000	5,462.50	120,462.50
2039	115,000	2,731.26	117,731.26
TOTALS	\$ 8,135,000	\$ 1,907,046.96	\$10,042,046.96

Note: The schedule above does not include outstanding lease obligations of the Town.  
For information regarding outstanding lease obligations, see "Appendix - B1" herein.

**LEASE PAYMENT SCHEDULE**

Fiscal Year Ending December 31st	Purpose: Street Light Replacement Interest Rate: 1.43%			Purpose: Garbage Truck and Plow Truck Interest Rate: 2.31%		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 13,558.00	\$ 193.88	\$ 13,751.88	\$ 58,865.07	\$ 1,357.54	\$ 60,222.61
TOTALS	\$ 13,558.00	\$ 193.88	\$ 13,751.88	\$ 58,865.07	\$ 1,357.54	\$ 60,222.61

Fiscal Year Ending December 31st	Purpose: Plow Truck and Refuse Truck Interest Rate: 3.72%			Purpose: Bucket and Hook Truck Interest Rate: 2.498%		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 60,988.29	\$ 4,467.99	\$ 65,456.28	\$ 54,867.80	\$ 5,691.26	\$ 60,559.06
2024	61,150.16	2,274.79	63,424.95	56,238.40	4,320.66	60,559.06
2025	-	-	-	57,643.23	2,915.83	60,559.06
2026	-	-	-	59,083.16	1,475.90	60,559.06
2027	-	-	-	-	-	-
TOTALS	\$ 122,138.45	\$ 6,742.78	\$ 128,881.23	\$ 227,832.59	\$ 14,403.65	\$ 242,236.24

Fiscal Year Ending December 31st	Purpose: Freightliner Truck Interest Rate: 1.96%			Purpose: Refuse Truck Interest Rate		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 29,709.01	\$ 3,027.87	\$ 32,736.88	\$ 29,694.98	\$ 2,309.39	\$ 32,004.37
2024	30,291.31	2,445.58	32,736.89	30,256.21	1,748.15	32,004.36
2025	30,885.02	1,851.87	32,736.89	30,828.05	1,176.31	32,004.36
2026	31,490.36	1,246.52	32,736.88	31,410.70	593.66	32,004.36
2027	32,107.27	629.31	32,736.58	-	-	-
TOTALS	\$ 154,482.97	\$ 9,201.15	\$ 163,684.12	\$ 122,189.94	\$ 5,827.51	\$ 128,017.45

Fiscal Year Ending December 31st	Purpose: Refuse Truck Interest Rate: 4.07%			Purpose: Refuse Truck Interest Rate: 7.74%		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 30,482.01	\$ 8,243.48	\$ 38,725.49	\$ 47,235.04	\$ -	\$ 47,235.04
2024	31,722.63	7,002.86	38,725.49	30,199.69	17,035.35	47,235.04
2025	33,013.74	5,711.75	38,725.49	32,537.14	14,697.89	47,235.03
2026	34,357.40	4,368.09	38,725.49	35,055.52	12,176.52	47,232.04
2027	35,755.74	2,969.75	38,725.49	37,768.81	9,466.22	47,235.03
2028	37,211.00	1,514.49	38,725.49	40,692.12	6,542.92	47,235.04
2029	-	-	-	43,841.69	3,393.35	47,235.04
TOTALS	\$ 202,542.52	\$ 29,810.42	\$ 232,352.94	\$ 267,330.01	\$ 63,312.25	\$ 330,642.26

## CONTINUING DISCLOSURE UNDERTAKING

In accordance with the requirements of Rule 15c2-12 (the "Rule"), as the same may be amended or officially interpreted from time to time, promulgated by the Securities and Exchange Commission (the "Commission"), the Town has agreed to provide, or cause to be provided,

- (i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated September 21, 2023 of the Town relating to the Bonds under the headings "THE TOWN", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than "APPENDICES – C, D, E, F & G" and other than any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2023, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2023; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the Town of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Town of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;
- (ii) in a timely manner, not in excess of ten (10) business days after the occurrence of the event, to the MSRB or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Bonds:
  - (a) principal and interest payment delinquencies
  - (b) non-payment related defaults, if material
  - (c) unscheduled draws on debt service reserves reflecting financial difficulties
  - (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Bonds, unscheduled draws on credit enhancements reflecting financial difficulties
  - (e) substitution of credit or liquidity providers, or their failure to perform
  - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax- status of the Bonds
  - (g) modifications to rights of Bondholders, if material
  - (h) bond calls, if material and tender offers
  - (i) defeasances
  - (j) release, substitution, or sale of property securing repayment of the Bonds
  - (k) rating changes
  - (l) bankruptcy, insolvency, receivership or similar event of the Town
  - (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material

- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a financial obligation (as defined in the Rule) of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect Bond holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

Event (c) included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Bonds.

With respect to event (d) the Town does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

For the purposes of the event identified in (l) of this section, the event is considered to occur when any of the following occur: The appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

With respect to events (o) and (p), the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The Town may from time to time choose to provide notice of the occurrence of certain other events in addition to those listed above, if the Town determines that any such other event is material with respect to the Bonds; but the Town does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

- (iii) in a timely manner, to the MSRB or any other facility designated or authorized by the commissioner to receive Reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

The Annual Information and the Material Event Notices, if any, will be filed with the Municipal Securities Rulemaking Board and its Electronic Municipal Market Access system for municipal securities disclosures.

The Town reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the Town no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The Town acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Town's obligations under its continuing disclosure undertaking and any failure by the Town to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds to recover monetary damages.

The Town reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Town; provided that, the Town agrees that any such modification will be done in a manner consistent with the Rule.

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the Underwriter at closing.

### MATERIAL EVENT NOTICES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, the Town has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the Town
- (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined in the Rule) of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect Note holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Notes.

With respect to event (d) the Town does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town.

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The Town may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the Town determines that any such other event is material with respect to the Notes; but the Town does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The Town reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the Town no longer remains an obligated person with respect to the Note within the meaning of the Rule. The Issuer acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Town’s obligations under its material event notices undertaking and any failure by the Town to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Note to recover monetary damages.

The Town reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Town; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule.

An "Undertaking to Provide Notice of Material Events" to this effect shall be provided to the purchaser at closing.

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**TOWN OF CORTLANDT  
WESTCHESTER COUNTY, NEW YORK**

**FINANCIAL REPORT**

**For the Year Ended December 31, 2022**

**Such Audited Financial Statement and opinion were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.**



# The Town of Cortlandt



## ANNUAL COMPREHENSIVE FINANCIAL REPORT FISCAL YEAR ENDED DECEMBER 31, 2022





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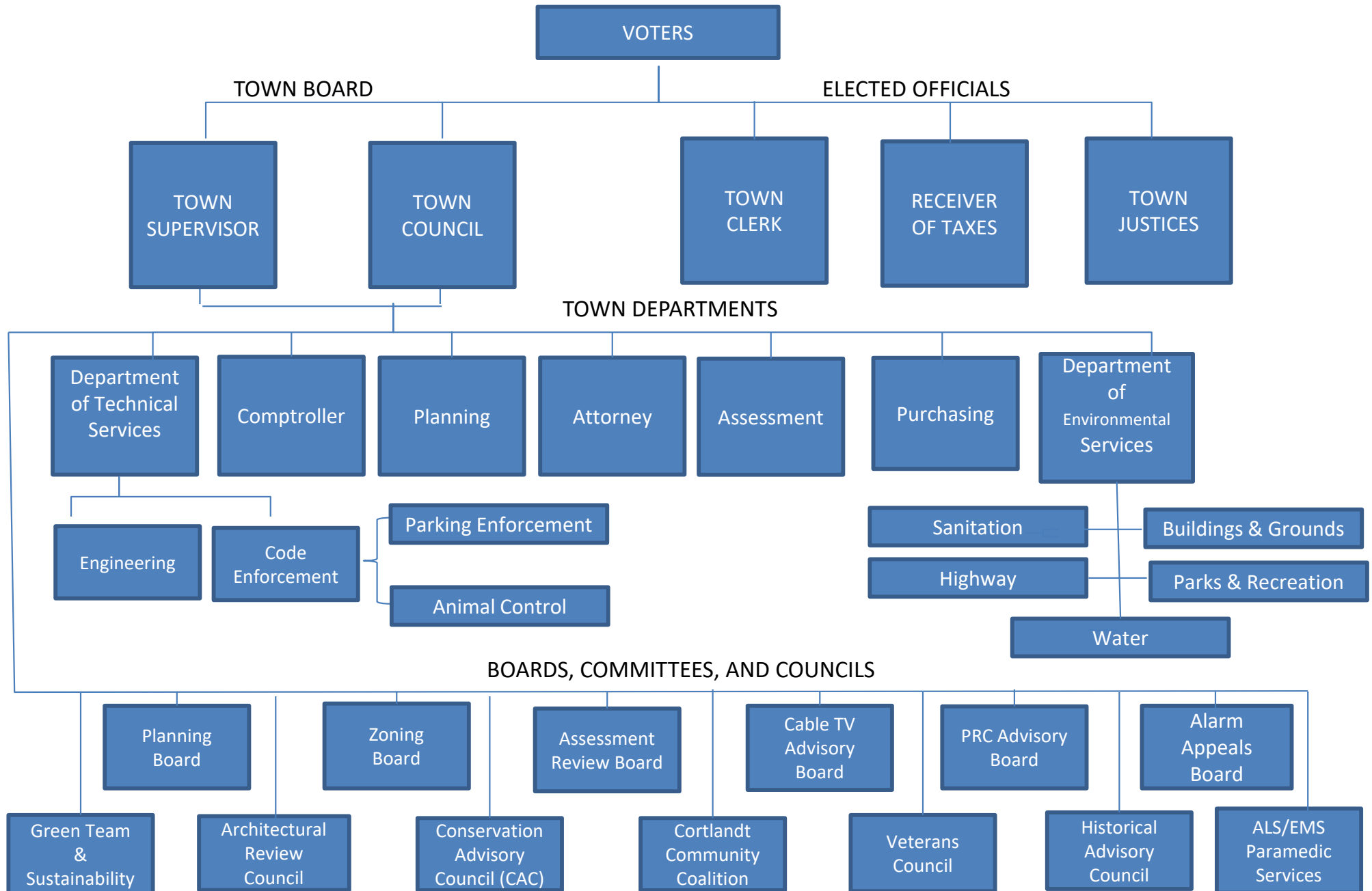
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<b>STATISTICAL SECTION</b>	
This part of the Town's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reveals about the Town's overall financial health.	
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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

TOWN OF CORTLANDT,  
NEW YORK  
PRINCIPAL OFFICIALS

SUPERVISOR:	Richard H. Becker
TOWN BOARD:	James F. Creighton Francis X. Farrell Cristin Jacoby Robert E. Mayes
TOWN CLERK:	Laroue Rose Shatzkin
RECEIVER OF TAXES:	Debra A. Carter
COMPTROLLER:	Patricia Robcke

# STRUCTURE OF CORTLANDT GOVERNMENT





# **TOWN OF CORTLANDT**

## **COMPTROLLER'S OFFICE**

**Richard H. Becker, MD**  
**Town Supervisor**

**Town Hall**  
**1 Heady Street, Cortlandt Manor, NY 10567**  
**914-734-1070**  
**FAX 914-734-1077**

**Patricia Robcke**  
**Town Comptroller**

**Town Board**  
**James F. Creighton**  
**Francis X. Farrell**  
**Cristin Jacoby**  
**Robert E. Mayes**

June 29, 2023

Honorable Supervisor and Town Board  
Town of Cortlandt, New York

The Annual Comprehensive Financial Report (ACFR) for the Town of Cortlandt, New York (the Town) for the fiscal year ended December 31, 2022 is herewith submitted. The New York State Comptroller's Office requires the Town to submit an annual report of the financial records and transactions presented in conformity with accounting principles generally accepted in the United States of America (GAAP). The Town has elected to have these statements audited in accordance with GAAP by a firm of licensed certified public accountants. This ACFR is issued pursuant to this requirement.

The report was prepared by the Town Comptroller's Office, which is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed to both protect the Town's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by EFPR Group, CPAs, PLLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town, for the fiscal year ended December 31, 2022, are free from material misstatement. The independent audit involved the examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the Town's basic financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2022 financial statements to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.



## **Profile of the Town**

The Town was established in 1788 by New York State as a separate political entity vested with independent taxing and debt authority. There are two incorporated villages situated within the Town's borders; the Village of Croton-on-Hudson and the Village of Buchanan. The Town has portions of five independently governed school districts, which rely on the taxing powers granted by New York State to raise revenues for school district purposes. The school districts use the Town's assessment roll as the basis for taxation of property within the Town.

The Town Board is the legislative, appropriating, governing and policy determining body of the Town and consists of four councilpersons, elected at large to serve a four-year term, plus the Supervisor. Councilpersons may serve an unlimited number of terms. It is the responsibility of the Town Board to enact, by resolution, all legislation including ordinances and local laws. Annual budgets for the Town must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board on the recommendation of the Supervisor.

The Supervisor is the chief executive and financial officer of the Town and is elected for a two-year term of office. In addition, the Supervisor is a full member of and the presiding officer of the Town Board. Duties of the Supervisor include; the administration of the Town's daily functions, budget preparation and control, and debt issuance. The Town provides a wide range of governmental services to its residents. Highway construction and maintenance of roads is a Town function. Recreation is provided and parks are maintained through the Town government. Water, sewer, lighting and fire protection services are furnished by various special districts, which have been formed within the Town. Other services performed at the Town level include: property assessment, code enforcement, zoning administration, planning and refuse collection.

The annual budget serves as the foundation for the Town's financial planning and control. All departments are required to file detailed estimates of revenues (other than real property taxes) and expenditures for the next fiscal year with the budget officer on or before October 20<sup>th</sup>. Estimates for each fire district and for the library situated within the town must also be filed with the budget officer by this date (the Town has no authority to amend the budget submitted by the fire districts or the library). After reviewing these estimates, the budget officer prepares a tentative budget, which includes her recommendations. A budget message explaining the main features of the budget is also prepared at this time. The tentative budget is filed with the Town Clerk not later than October 30<sup>th</sup>. Subsequently, the Town Clerk presents the tentative budget to the Town Board at the regular or special hearing, which must be held on or before November 10<sup>th</sup>. The Town Board reviews the tentative budget and makes such changes as it deems necessary and that are consistent with the provisions of the law. Following this review process, the tentative budget and such modifications, if any, as approved by the Town Board become the preliminary budget. A public hearing, notice of which must be duly published in the Town's official newspaper, on the preliminary budget is required to be held no later than December 10<sup>th</sup>. At the hearing, any person may express his or her opinion concerning the preliminary budget; however, there is no requirement or provision that the preliminary budget or any portion thereof be voted on by members of the public. After the public hearing, the Town Board may further change and revise the preliminary budget. The Town Board, by resolution, adopts the preliminary budget as submitted or amended no later than December 20<sup>th</sup>, at which time the preliminary budget becomes the annual budget of the Town for the ensuing fiscal year. Budgetary control during the year is the responsibility of the Supervisor. However, any

changes or modifications to the annual budget, including the transfer of appropriations among functions, must be approved by resolution of the Town Board. Budget to actual comparisons are provided in this report for each individual fund for which an annual budget has been adopted. For the general, highway and special districts funds, these comparisons are presented as part of the basic financial statements. For other governmental funds (debt service fund) with annual budgets, the comparisons are presented in the nonmajor governmental fund subsection of this report.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town operates.

## **Local Economy**

The Town is situated in the north western portion of Westchester County, which continues to rank among the most affluent counties in the United States. The Town, outside the Villages of Croton-on-Hudson and Buchanan, encompasses approximately 26 square miles and is primarily suburban residential in nature and comprises 7.8% of the County's land area. The Town's 2022 estimated census population, including the two villages, is 41,373, a slight decrease from 42,545, per the official 2020 census count. A largely rural town in the 1950's, Cortlandt developed into a residential suburb, with many residents commuting to New York City, White Plains and other employment centers. Retail sales, professional services and light industrial activities are located along its major highway corridors.

There were ten (10) new Planning Board applications in 2022, compared with six (6) in 2021. One new minor subdivision of 2-lots, the Connolly Subdivision was approved in 2022. The Planning Board is currently only reviewing one other subdivision, a proposed 3-lot subdivision in the northern part of Town. In 2022 (3) building permits were issued for single and 2-family dwellings compared to seven (7) in 2021 and fifteen (15) in 2020. This reflects the completion of the 147unit Valeria Townhouse project which had been under construction for the past several years.

With respect to commercial development activity in 2022 construction was essentially completed at the Cortlandt Crossing shopping center with all outbuildings being constructed and all but one tenant space occupied. A significant new commercial project was submitted in 2022 as the Planning Board began its review of a 93 unit, 5-story Courtyard by Marriot hotel proposed on U.S. Route 6. The Cortlandt Town Center continued to work with the Town on back filling vacant storefronts. Ashley Furniture applied to the Building Department to occupy the former Office Max space at the Cortlandt Town Center. Smaller commercial approvals included a new gas station convenience store known as Sinclair on Route 6 and a site plan amendment for a bike shop on Rt. 9A. Additionally, construction commenced on another new gas station and convenience store known as Gasland, also located on Route 6.

Municipal infrastructure projects undertaken in 2022 included the completion of a synthetic ice-skating rink at the Town's Youth Center on Memorial Drive, a water main replacement project on Croton Avenue and the completion of the Broadway Sidewalk project from 8th St. to 11th St. in the hamlet of Verplanck. In addition, the Town completed \$1.9 million dollars of road paving.

## **Relevant Financial Policies**

The Town prepares its budgets, capital improvement plans and forecasts with various financial policies in mind, including cash management and investment, capital assets, debt management, revenues and expenditures, fund balance and procurement/purchasing. The Town does not foresee any issues with its ability to comply with the current policies in the implementation of its near and long-term initiatives.

## **Long-term Financial Planning**

The Town adopts a five-year capital improvement program annually. Projects can encompass water, highway, parks and recreation, and other public works projects. Some projects are funded through matching dollars, either from Community Development Block Grant or NYS grants, while others the Town finances through debt. Each year, the Town Board reviews the plan and determines which projects to fund based on a priority of needs and public safety. The Town anticipates completing various water projects in the next two years to replace old infrastructure to improve water distribution within the Cortlandt Consolidated Water District. Bonds will be issued in the future to cover the water district improvements. Additionally, the Town replaced the bathhouse and snack stand at the Charles Cook Pool complex and expects to issue bonds up to \$3.5 million in the near future.

## **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its ACFR for the fiscal year ended December 31, 2021. This was the 30th consecutive year that the Town received this award. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Preparation of this report could not be accomplished without the efficient and dedicated services of the members of the Comptroller's Department, Town Assessor, Receiver of Taxes, Town Clerk, and Planning Department, as well as our independent auditor, EFPR Group, CPAs, PLLC who assisted in its preparation. I would also like to thank the Town Supervisor and the members of the Town Board for their interest and support in the financial operations of the Town.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Pat Robcke". The signature is written in a cursive, flowing style.

Patricia Robcke, Comptroller



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Cortlandt  
New York**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO

## INDEPENDENT AUDITORS' REPORT

The Honorable Supervisor and Town Board of  
the Town of Cortlandt, New York

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Cortlandt, New York (the Town), as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Town Outside Villages, Highway and Special District Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Northern Westchester Joint Water Works, an investment in joint venture in which the Town has 30% equity interest, which is reported on the statement of net position at \$4,444,347. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to amounts included in the investment in joint venture is based solely on the report of the other auditors.

#### 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. The financial statements of the Northern Westchester Joint Water Work were not audited in accordance with Government Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Emphasis of Matter

As discussed in note 1(i) to the financial statements, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87 - "Leases", during the year ended December 31, 2022. Our opinions are not modified with respect to this matter.

## Responsibilities of Management for the Financial Statements

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

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

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 the management's discussion and analysis and the additional information as listed in the table of contents on pages 72 through 75 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 GASB 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 accompanying combining individual and fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining individual and fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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



### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 29, 2023 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Town's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York  
June 29, 2023

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis  
December 31, 2022

**Introduction**

The following discussion and analysis of the Town of Cortlandt, New York's Annual Comprehensive Financial Report (ACFR) provides an overview of the financial activities of the Town of Cortlandt, New York for the fiscal year ended December 31, 2022. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

**Financial Highlights**

Key financial highlights for fiscal year 2022 are as follows:

- On the Government-Wide financial statements, the liabilities and deferred inflows of the primary government, exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$3,718,736. This reflects an improvement in financial position of \$3,533,273, including an adjustment for the cumulative effect of change in accounting principle of \$35,378. *Unrestricted net position* may be used to meet the Town's ongoing obligations to citizens and creditors, however, unrestricted net position in the current year reflects a negative \$70,427,757. Primarily contributing to the negative unrestricted net position is the Other Postemployment Benefits Other Than Pensions Liability (OPEB) of \$76,677,389, which New York State law currently prohibits funding.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$14,440,920, an increase of \$1,314,442, including an adjustment for the cumulative effect of accounting principle of \$35,378. Exclusive of the capital projects fund, the combined ending fund balances were \$19,658,324, of which the total unassigned fund balances were \$4,741,459 at December 31, 2022.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$4,741,459 or 29.36% of total general fund expenditures and other financing uses.
- The Town has funded various capital projects with short term bond anticipation notes (BANs) in the amount of \$7,325,000, to be bonded at a later date. The Town paid down \$3,575,000 in BANs in 2022. A total of \$2,845,000 were redeemed from bond proceeds.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town's ACFR. The basic financial statements include three components: 1) Government-Wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information as listed in the table of contents.

***Government-Wide Financial Statements***

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

The *statement of net position* presents information on all of the Town's assets and deferred outflows of resources, less liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator as to whether or not the financial position of the Town is improving.

The *statement of activities* presents information reflecting how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenue and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

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

The Government-Wide financial statements can be found immediately following this discussion and analysis.

***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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with the finance-related and legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

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 fiscal 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 revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, town outside villages fund, highway fund, special districts fund and capital projects fund, which are considered to be major funds. Data for the other two governmental funds, the special purpose fund and debt service fund, are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Town adopts an annual appropriated budget for its general fund, town outside villages fund, highway fund and special districts fund. A budgetary comparison statement has been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

Proprietary Funds

There are two types of proprietary funds, enterprise and internal service. *Enterprise funds* are used to report the same functions, which would be presented in the business-type activities in the Government-Wide financial statements. The Town does not have any enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among various functions. The Town uses an internal service fund to account for workers' compensation benefits and for the length of service award program provided to the Town's volunteer ambulance workers. These services benefit the Town and have been included within the governmental activities in the Government-Wide financial statements.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

*Fiduciary Funds*

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the Government-Wide financial statements because the resources of those funds are not available to support the Town programs. The Town maintains only one type of fiduciary fund that is known as the custodial fund. Resources are held in this fund by the Town purely in a custodial capacity. The activity in this fund is limited to the taxes collected for other governments.

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

***Notes to the Financial Statements***

The notes 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 are located following the basic financial statements section of this report.

**Other Information**

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Town's other post-employment benefits, pension information, the combining statements for the nonmajor governmental funds and schedules of budget to actual comparisons.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$3,718,736 at the close of the current fiscal year. This reflects an improvement in financial position of \$3,533,273, including an adjustment for the cumulative effect of change in accounting principle of \$35,378.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

**Governmental Activities  
Net Position  
December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
Current assets	\$ 94,306,346	91,598,510
Investment in joint venture	4,444,347	4,305,177
Net pension asset, proportionate share	3,421,019	-
Capital assets, net	<u>76,909,341</u>	<u>73,697,585</u>
Total assets	<u>179,081,053</u>	<u>169,601,272</u>
Deferred outflows of resources	<u>31,635,912</u>	<u>31,850,433</u>
Current liabilities	75,625,968	74,783,549
Long-term liabilities	<u>92,199,281</u>	<u>112,916,306</u>
Total liabilities	<u>167,825,249</u>	<u>187,699,855</u>
Deferred inflows of resources	<u>46,610,452</u>	<u>21,003,859</u>
Net position:		
Net investment in capital assets	60,079,980	55,567,024
Restricted	6,629,041	7,993,726
Unrestricted	<u>(70,427,757)</u>	<u>(70,812,759)</u>
Total net position	<u>\$ (3,718,736)</u>	<u>(7,252,009)</u>

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

The Town's net position is restricted for various purposes (capital projects, debt service, special revenue funds, etc.) The restricted net position of \$6,629,041, represent resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

	2022	2021
Debt service	\$ 2,357,406	2,205,546
Future capital projects	98,437	169,362
Tax stabilaization	600,000	600,000
Special revenue funds:		
Special districts	3,571,574	4,891,328
Special purposes	1,624	127,490
Total	<u>\$ 6,629,041</u>	<u>7,993,726</u>

**Governmental Activities**

Investments in capital assets, less any outstanding debt used to acquire those assets, account for \$60,079,980 of total net position. The Town uses these assets to provide services to citizens. Consequently, the assets cannot be used 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 capital assets cannot be used to liquidate these liabilities.

The remaining balance of net position, representing unrestricted net position, to be used to meet the Town's ongoing obligations to citizens and creditors, is a negative \$70,427,757. This does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including compensated absences of \$1,798,342, bonds payable of \$8,623,979, capital financing obligations of \$906,841, and other postemployment benefits liability equaling \$76,677,389, that are greater than currently available resources. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates of potential long-term liabilities. Payments for these liabilities will be budgeted in the year that actual payment will be made. Including the above listed liabilities, total noncurrent liabilities decreased by \$20,717,025. The Town's proportionate share of net pension assets was \$3,421,019, representing a positive increase of \$3,460,509.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

**Changes in Net Position**  
**Years ended December 31, 2022 and 2021**

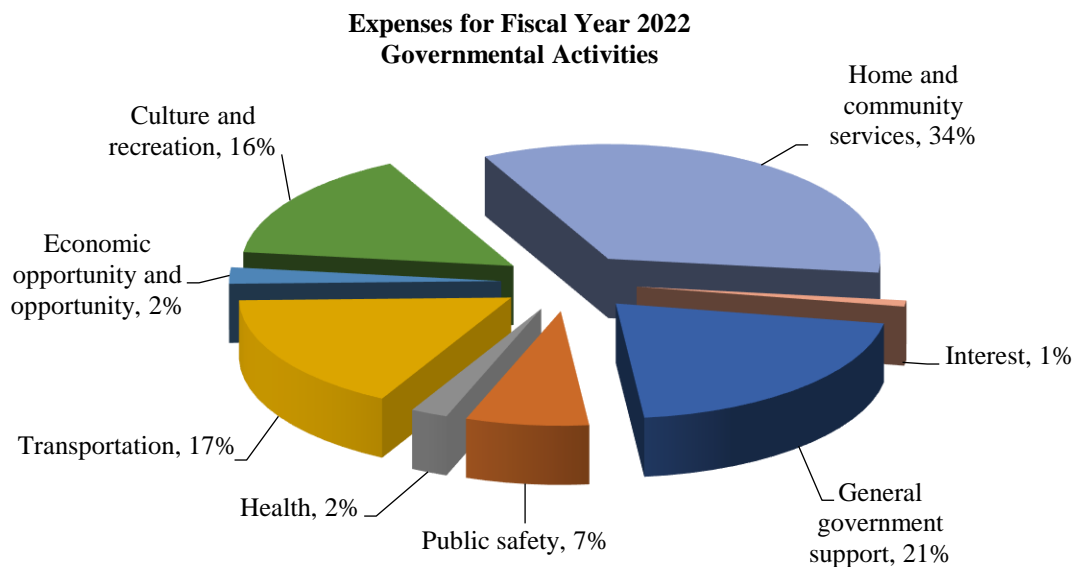
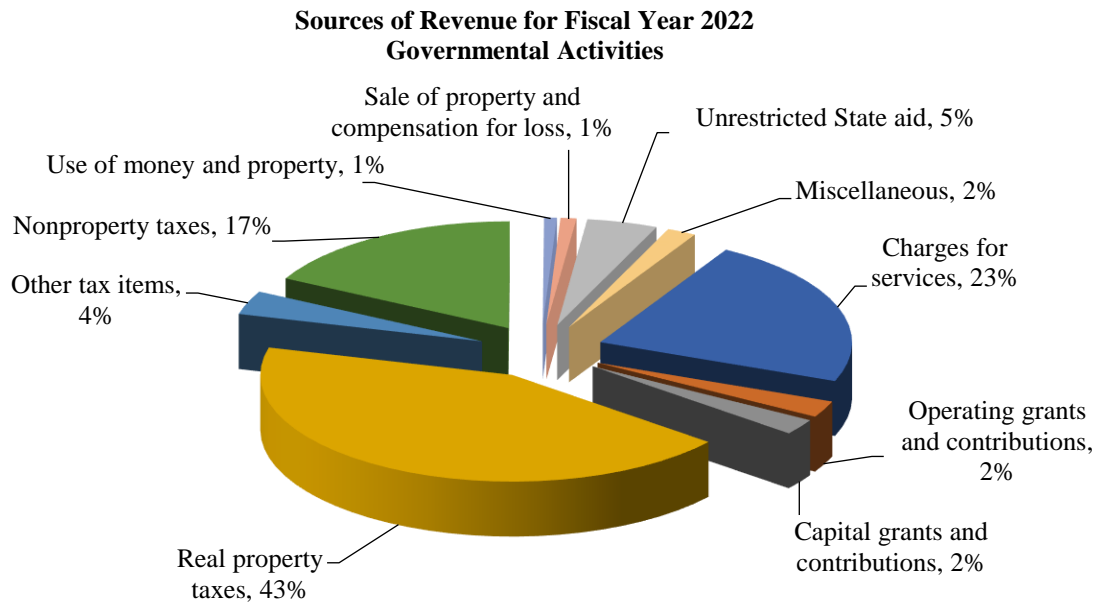
<u>Primary Government</u>	<u>2022</u>	<u>2021</u>
Program revenue:		
Charges for services	\$ 11,065,877	10,520,071
Operating grants and contributions	1,232,025	1,219,560
Capital grants and contributions	1,164,263	1,354,500
General revenue:		
Real property taxes	21,214,261	21,180,871
Other tax items	1,752,883	1,953,249
Nonproperty taxes	8,513,507	7,563,600
Use of money and property	399,754	66,303
Sale of property and compensation for loss	498,370	31,034
Unrestricted State aid	2,225,917	2,501,196
Miscellaneous	918,033	437,402
Total revenue	<u>48,984,890</u>	<u>46,827,786</u>
Program expenses:		
General government support	9,349,059	10,030,682
Public safety	3,328,346	3,284,014
Health	1,001,132	853,105
Transportation	7,627,994	8,481,763
Economic assistance and opportunity	1,047,934	1,090,207
Culture and recreation	7,087,021	7,447,274
Home and community services	15,652,468	14,988,448
Interest	393,041	408,953
Total expenses	<u>45,486,995</u>	<u>46,584,446</u>
Change in net position	3,497,895	243,340
Net position at beginning of year, as previously stated	(7,252,009)	(7,495,349)
Cummulative effect of change in accounting principle	<u>35,378</u>	<u>-</u>
Net position at end of year	<u>\$ (3,718,736)</u>	<u>(7,252,009)</u>



**TOWN OF CORTLANDT, NEW YORK**  
**Management's Discussion and Analysis, Continued**

Governmental activities increased the Town's net position by \$3,533,273, including an adjustment for the cumulative effect of change in accounting principle of \$35,378, for the fiscal year ended December 31, 2022.

Total expenses decreased by \$1,097,451. Revenues increased by \$2,157,104.



TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

Revenue earned by the primary government totaled \$48,984,890, an increase of \$2,157,104. Nonproperty tax revenue or sales tax increased by \$949,907, over the prior year. Sale of property and compensation for loss also increased by \$467,336, from the prior year due to a Town-wide in-rem property auction. Other increases in revenue from the prior year occurred in charges for services \$545,806, real property taxes \$33,390, operating grants and contributions \$12,465, and use of money and property \$333,451. Miscellaneous revenues increased by \$480,631, of which \$329,565 was due to insurance recoveries. Decreases in revenue from the prior year occurred in revenue from capital grants and contributions \$190,237, other tax items \$200,366, and unrestricted state aid \$275,279.

Expenses incurred by governmental activities of the Town totaled \$45,486,995, a decrease of \$1,097,451. The largest components of these expenses are in the areas of home and community services (34%), general government support (21%), transportation (17%), culture and recreation (16%), and public safety (7%).

Total expenses per the statement of activities decreased in 2022 by \$1,097,451. Increases occurred in public safety \$44,332, health \$148,027, and home and community services \$664,020. Savings were seen in general government support \$681,623, transportation \$853,769, economic assistance and opportunity \$42,273, and culture and recreation \$360,253.

**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 Accounting Standards Board, (GASB) Statement No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions," defines five classifications for fund balance: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

Nonspendable - consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale and principal of endowments.

Restricted - consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

Committed - consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Assigned - consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

Unassigned - represents the residual classification for the government's general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

These classifications are designed to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

***Governmental Funds***

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town Board.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$14,440,920, an increase of \$1,314,442, including an adjustment for cumulative effect of change in accounting principle of \$35,378, from the prior year. This is presented under GASB Statement No. 54, fund balance classifications. The nonspendable fund balance component is \$267,620, consisting of amounts representing prepaid expenditures. Total assigned fund balance is \$11,591,777, of which \$1,433,200 has been designated for subsequent year's expenditures and represents the amount estimated for use in the 2023 budget. An additional \$400,000 has been assigned for future retirement contributions to New York State, and another \$1,175,239, is assigned for purchases on order. The remaining assigned fund balance, \$8,583,338, represents amounts intended for use in the town outside villages fund, highway fund, water fund, and other special districts. General fund unassigned fund balance is \$4,741,459. In 2022 the Town issued short term BANs of \$7,325,000 for various sewer districts. This resulted in a temporary negative fund balance of \$5,217,404 in the capital projects fund. Fund balance will be replenished when the Town goes out to bond for these projects in the future.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

The remainder of the fund balance, \$3,057,468 is restricted to indicate that it is not available for new spending because it has already been committed to (1) capital projects, current and future, \$98,438; (2) a reserve for parklands, \$1,624; (3) a reserve for debt service, \$2,357,406; and (4) a reserve for future loss of payment in lieu of taxes (PILOT) revenue due to the closure of Indian Point nuclear power plant equal to \$600,000 in 2022.

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, the total fund balance of the general fund was \$6,516,429. Of this amount, \$775,000 was assigned to be used in the 2023 fiscal year. As a measure of the general fund liquidity, it is useful to compare both the unassigned fund balance and the total fund balance to the general fund expenditures and transfers out. The unassigned fund balance of \$4,741,459 represents 29.35% of the general fund expenditures and transfers out, while total fund balance of \$6,516,429 represents 40.34% of the general fund expenditures and transfers out. This amount of fund balance is maintained because of the Town's responsibility to guarantee the real property tax levy of other taxing jurisdictions (school districts, fire districts, and Westchester County).

The fund balance in the **General Fund** increased by \$416,999, during the current fiscal year. This is down \$246,381 from the 2021 increase of \$663,380. One component of the General Fund for reporting purposes, is Nor-West Regional Special Services which provides therapeutic recreation for developmentally disabled adults and children residing in Northern Westchester County. Due to a slow recovery in programs and enrollment after COVID-19 this program had a loss of \$2,268. Net of the Nor-West fund, the General Fund fund balance increased by \$419,267. Total departmental income in the General Fund increased \$212,302, real property taxes increased by \$9,948, use of money and property increased by \$214,953 and fines and forfeitures increased by \$149,117. Non-property tax items increased by \$829,907. Expenditure increases occurred in general government support, public safety, transportation, economic assistance and opportunity, culture and recreation and employee benefits. Total General Fund Expenditures increased by \$1,136,739.

The fund balance for the **Town Outside Villages Fund** increased by \$74,614, during the current fiscal year. Total revenue increased by \$785,988 due to an increase in non-property tax items of \$570,000 and an increase in departmental income of \$262,625, as program enrollments increased after a slow recovery from the prior years' COVID-19 shut downs. While total revenue exceeded expenditures, total expenditures increased from the prior year by \$835,969, and came in under budget by \$384,227.

In the **Highway Fund**, the fund balance increased by \$568,127 during 2022. This is up \$380,990 from the 2021 increase of \$187,137. This change is primarily due to increased state aid of \$109,976 and an increase in federal aid of \$330,102, of which \$300,000 was from American Rescue Plan Act (ARPA) funds. Non-property tax items decreased by \$450,000. The total increase in expenditures was \$192,890. While interfund transfers out decreased by \$865,052, transfers-in also decreased by \$492,235. Total revenue in the highway fund was over the budget by \$302,151. Transportation, employee benefits and debt service came in under budget in expenditures by a total of \$811,590.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

The combined **Special Districts Fund** fund balance decreased by \$1,326,504, during 2022, primarily due to an decrease of \$1,558,048 in the consolidated water district.

The **Capital Projects Fund** had an increase in fund balance of \$1,519,834 due to paying down \$3,575,000 on short-term borrowing of which \$2,845,000 were redeemed from bond proceeds for the Charles Cook Pool Bathhouse. The borrowings were attributable primarily to the Cortlandt Crossing West and Central Sewer Districts, Dickerson Pond Sewer District, and the new Bathhouse at Charles Cook Pool. Bond anticipation notes were secured for these capital projects in 2022. Capital fund balance will be replenished when the Town bonds for these projects in the future.

**General Fund Budgetary Highlights**

Actual revenue exceeded budgetary expectations by \$2,276,752. Real property taxes came in \$298,887 over budget. Non-property tax items, or sales tax, came in over budget by \$768,237. Additionally, State aid was above expectations by \$619,343. State aid is mostly comprised of mortgage tax which came in over budget by \$636,468. Due to an in-rem property auction in 2022, Sale of property and compensation for loss also came in over budget by \$507,920.

Actual expenditures and other financing uses were \$2,698,747 less than the final budget. The difference between the original appropriations budget and the final amended budget was \$2,714,183. This change was mostly attributable to the rollover of purchases on order at December 31, 2022, increased revenue from sales tax, mortgage tax and from the ARPA, along with the use of conservation funds to preserve land, and appropriation of fund balance for various capital projects.

**Investment in Joint Venture**

The Town of Cortlandt participates in the Northern Westchester Joint Water Works. The purpose of the joint venture is to construct, maintain and operate a water filtration and transmission system for its members. The Town has an equity interest in the joint venture of 30% or \$4,444,347.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

**Capital Assets**

The Town's investment in capital assets for its governmental activities as of December 31, 2022, amounted to \$76,909,341 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, infrastructure and construction-in-progress. The Town has added the value of its infrastructure assets constructed and acquired between the years 1980 and 2003, in accordance with accounting requirements set by the GASB Statement No. 34.

**Capital Assets  
(Net of Accumulated Depreciation)**

	<u>2022</u>	<u>2021</u>
Land	\$ 22,052,375	21,224,544
Buildings and improvements	11,063,863	10,868,412
Machinery and equipment	6,350,646	6,205,226
Infrastructure	34,539,152	3,532,919
Construction-in-progress	<u>2,903,305</u>	<u>31,826,484</u>
Total	<u>\$ 76,909,341</u>	<u>73,657,585</u>

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

- New synthetic ice-skating rink at Memorial Drive
- Croton Avenue water main replacement and road resurfacing
- New Sea Plane Hangar at the Cortlandt Riverwalk Park
- Quarry infrastructure design and feasibility studies
- Annsville Creek sewer design and feasibility studies
- Sidewalk extensions and crosswalks on Broadway Boulevard
- Improvements at Sprout Brook ballfields

Additional information on the Town's capital assets can be found in note 3(d) of this report.

**Long-term Debt**

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$8,135,000. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

In 2022, the Town paid \$450,000 in principal on outstanding obligations.

TOWN OF CORTLANDT, NEW YORK  
Management's Discussion and Analysis, Continued

In 2022, the Town entered into finance/purchase agreements as payor for the acquisition of heavy equipment for its refuse district for \$241,268, which was capitalized. The net present value of the minimum capital financing payments at December 31, 2022 for all financed assets is \$906,841.

Through sound financial management, manageable debt levels, and proactive planning for the future loss of revenues due to the closure of Indian Point nuclear power plant, the Town has maintained its rating for its general obligation bonds, currently rated Aa1 by Moody's Investors Service.

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

**Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Comptroller, Town of Cortlandt, 1 Heady Street, Cortlandt Manor, New York 10567.

TOWN OF CORTLANDT, NEW YORK  
Statement of Net Position  
December 31, 2022

Assets:	
Cash and equivalents	\$ 43,643,645
Investments, at fair value	837,088
Receivables:	
Taxes, net	40,867,186
Accounts	925,704
State and Federal aid	1,132,123
Water rents	2,457,109
Lease	1,006,761
Due from other governments	3,169,110
Prepaid expenses	267,620
Net pension asset, proportionate share	3,421,019
Investment in joint venture	4,444,347
Capital assets:	
Not being depreciated	24,955,680
Being depreciated, net	<u>51,953,661</u>
Total assets	<u>179,081,053</u>
Deferred outflows of resources:	
Pension	7,466,360
Other postemployment benefit obligations	23,986,804
Loss on refunding	26,459
Length of service award program	<u>156,289</u>
Total deferred outflows of resources	<u>31,635,912</u>
Liabilities:	
Accounts payable	4,760,735
Due to custodial fund	19,343,253
Due to school districts	39,836,595
Due to other governments	1,186
Deposits	1,982,767
Bond anticipation notes payable	7,325,000
Unearned revenue	2,245,059
Accrued interest payable	131,373
Noncurrent liabilities:	
Due within one year	1,941,005
Due in more than one year	<u>90,258,276</u>
Total liabilities	<u>167,825,249</u>
Deferred inflows of resources:	
Lease	958,411
Pension	11,714,538
Other postemployment benefit obligations	33,856,957
Length of service award program	<u>80,546</u>
Total deferred inflows of resources	<u>46,610,452</u>
Net position:	
Net investment in capital assets	60,079,980
Restricted for:	
Debt service	2,357,406
Future capital projects	98,437
Tax stabilization	600,000
Special districts:	
Fire	54,554
Water	2,000,782
Lighting	123,350
Sewer	372,172
Ambulance	936,204
Parks	51,067
Drainage	29,097
Improvement	4,348
Parklands	1,624
Unrestricted	<u>(70,427,757)</u>
Total net position	<u>\$ (3,718,736)</u>

See accompanying notes to financial statements.



TOWN OF CORTLANDT, NEW YORK  
Statement of Activities  
Year ended December 31, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			Net revenue (expense) and changes in net position
		<u>Charges for services</u>	<u>Operating grants</u>	<u>Capital grants</u>	
Governmental activities:					
General government support	\$ 9,349,059	537,647	138,131	-	(8,673,281)
Public safety	3,328,346	919,097	-	-	(2,409,249)
Health	1,001,132	-	-	-	(1,001,132)
Transportation	7,627,994	-	688,991	939,913	(5,999,090)
Economic assistance and opportunity	1,047,934	67,815	57,996	-	(922,123)
Culture and recreation	7,087,021	1,106,454	306,480	175,000	(5,499,087)
Home and community services	15,652,468	8,434,864	40,427	49,350	(7,127,827)
Interest	393,041	-	-	-	(393,041)
Total governmental activities	<u>\$ 45,486,995</u>	<u>11,065,877</u>	<u>1,232,025</u>	<u>1,164,263</u>	<u>(32,024,830)</u>
General revenue:					
Real property taxes					21,214,261
Other tax items:					
Payments in lieu of taxes					557,667
Interest and penalties on real property taxes					592,417
Franchise fees					602,799
Nonproperty tax items - nonproperty					
tax distribution from County					8,513,507
Use of money and property					399,754
Sale of property and compensation for loss					498,370
Unrestricted State aid					2,225,917
Miscellaneous					918,033
Total general revenue					<u>35,522,725</u>
Change in net position					3,497,895
Net position at beginning on year, as previously stated					(7,252,009)
Cumulative effect of change in accounting principle (note 6)					35,378
Net position at beginning of year, as restated					<u>(7,216,631)</u>
Net position at end of year					<u>\$ (3,718,736)</u>

See accompanying notes to financial statements.

## TOWN OF CORTLANDT, NEW YORK

## Balance Sheet - Governmental Funds

December 31, 2022

	<u>General</u>	<u>Town Outside Villages</u>	<u>Highway</u>	<u>Special Districts</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Governmental Funds</u>
<b>Assets:</b>							
Cash and equivalents	\$26,147,465	3,164,305	3,054,107	4,303,511	3,355,758	1,984,391	42,009,537
Taxes receivable, net of allowance for uncollectible amounts	40,867,186	-	-	-	-	-	40,867,186
Other receivables:							
Accounts	274,856	51,209	346,114	216,525	-	-	888,704
State and Federal aid	72,644	61,712	676,789	-	320,978	-	1,132,123
Water rents	-	-	-	2,457,109	-	-	2,457,109
Lease	1,006,761	-	-	-	-	-	1,006,761
Due from other governments	2,296,153	13,719	-	859,238	-	-	3,169,110
Due from other funds	<u>127,839</u>	<u>700,000</u>	<u>35,468</u>	<u>2,239,013</u>	<u>2,645,794</u>	<u>2,357,667</u>	<u>8,105,781</u>
Total other receivables	<u>3,778,253</u>	<u>826,640</u>	<u>1,058,371</u>	<u>5,771,885</u>	<u>2,966,772</u>	<u>2,357,667</u>	<u>16,759,588</u>
Prepaid expenditures	<u>118,302</u>	<u>94,998</u>	<u>36,361</u>	<u>17,959</u>	<u>-</u>	<u>-</u>	<u>267,620</u>
Total assets	<u>\$70,911,206</u>	<u>4,085,943</u>	<u>4,148,839</u>	<u>10,093,355</u>	<u>6,322,530</u>	<u>4,342,058</u>	<u>99,903,931</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances:</b>							
<b>Liabilities:</b>							
Accounts payable	733,082	348,839	201,080	1,598,330	1,857,267	261	4,738,859
Due to other funds	20,030,228	685,030	843,901	3,532,208	2,357,667	-	27,449,034
Due to school districts	39,836,595	-	-	-	-	-	39,836,595
Due to other governments	1,186	-	-	-	-	-	1,186
Deposits	-	-	-	-	-	1,982,767	1,982,767
Bond anticipation notes payable	-	-	-	-	7,325,000	-	7,325,000
Unearned revenue	<u>2,205,559</u>	<u>-</u>	<u>-</u>	<u>335,884</u>	<u>-</u>	<u>-</u>	<u>2,541,443</u>
Total liabilities	<u>62,806,650</u>	<u>1,033,869</u>	<u>1,044,981</u>	<u>5,466,422</u>	<u>11,539,934</u>	<u>1,983,028</u>	<u>83,874,884</u>
<b>Deferred inflows of resources:</b>							
Deferred tax revenue	629,716	-	-	-	-	-	629,716
Lease	<u>958,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>958,411</u>
Total deferred inflows of resources	<u>1,588,127</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,588,127</u>
<b>Fund balances:</b>							
Nonspendable	118,302	94,998	36,361	17,959	-	-	267,620
Restricted	698,438	-	-	-	-	2,359,030	3,057,468
Assigned	958,230	2,957,076	3,067,497	4,608,974	-	-	11,591,777
Unassigned (deficit)	<u>4,741,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,217,404)</u>	<u>-</u>	<u>(475,945)</u>
Total fund balances (deficit)	<u>6,516,429</u>	<u>3,052,074</u>	<u>3,103,858</u>	<u>4,626,933</u>	<u>(5,217,404)</u>	<u>2,359,030</u>	<u>14,440,920</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$70,911,206</u>	<u>4,085,943</u>	<u>4,148,839</u>	<u>10,093,355</u>	<u>6,322,530</u>	<u>4,342,058</u>	<u>99,903,931</u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Position - Governmental Activities  
December 31, 2022

Total governmental fund balance	\$ 14,440,920
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	76,909,341
Investment in joint venture is an asset reported in the statement of net position but not in the governmental funds balance sheet.	4,444,347
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	629,716
Departmental income	296,384
Internal service funds are used by management to charge the costs of insurance to the governmental funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	(1,339,146)
Governmental funds do not report the effect of assets/liabilities related to net pension assets/liabilities whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension	(4,248,178)
Governmental funds do not report the effect of liabilities related to other postemployment benefit obligations whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on other postemployment benefit obligations	(9,870,153)
Governmental funds do not report the effect of assets or liabilities related to refunding of debt whereas these amounts are deferred and amortized in the statement of activities.	
Deferred loss on debt refunding	26,459
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(131,373)
Bonds payable	(8,623,979)
Capital financing obligations	(906,841)
Compensated absences	(1,798,342)
Claims payable - general liability	(291,521)
Net pension asset, proportionate share	3,421,019
Other postemployment benefits	(76,677,389)
Net position of governmental activities	<u>\$ (3,718,736)</u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Statement of Revenue, Expenditures and Changes in Fund Balances  
Governmental Funds  
Year ended December 31, 2022

	General	Town Outside Villages	Highway	Special Districts	Capital Projects	Nonmajor Governmental	Total Governmental Funds
Revenue:							
Real property taxes	\$ 3,194,414	9,357,943	6,361,665	2,673,286	-	-	21,587,308
Other tax items	1,752,883	-	-	-	-	-	1,752,883
Non-property tax items	6,093,507	2,420,000	-	-	-	-	8,513,507
Departmental income	546,122	1,457,235	-	7,759,041	-	100,000	9,862,398
Intergovernmental charges	247,089	-	25,212	25,189	-	-	297,490
Use of money and property	321,993	14,700	11,166	18,360	-	13,845	380,064
Fines and forfeitures	237,395	-	-	-	-	-	237,395
Sale of property and compensation for loss	507,920	-	-	-	-	-	507,920
State aid	2,663,992	40,427	688,989	-	165,324	-	3,558,732
Federal aid	645,396	-	368,727	-	49,350	-	1,063,473
Miscellaneous	69,810	9,019	350,867	25,000	-	52,890	507,586
Total revenue	<u>16,280,521</u>	<u>13,299,324</u>	<u>7,806,626</u>	<u>10,500,876</u>	<u>214,674</u>	<u>166,735</u>	<u>48,268,756</u>
Expenditures:							
General government support	7,191,752	154,465	-	47,548	-	-	7,393,765
Public safety	108,855	2,299,411	-	644,374	-	-	3,052,640
Health	35,000	20,934	-	936,691	-	-	992,625
Transportation	454,001	-	5,480,334	80,672	-	-	6,015,007
Economic assistance and opportunity	807,429	-	-	-	-	-	807,429
Culture and recreation	2,142,674	2,978,075	-	-	-	-	5,120,749
Home and community services	12,012	4,446,303	-	7,686,011	-	-	12,144,326
Employee benefits	3,548,280	3,022,042	1,469,258	666,508	-	-	8,706,088
Debt service:							
Principal	8,977	200,637	150,327	43,830	-	450,000	853,771
Interest	45,186	16,343	18,686	111,908	-	189,295	381,418
Capital outlay	-	-	-	-	4,694,401	-	4,694,401
Total expenditures	<u>14,354,166</u>	<u>13,138,210</u>	<u>7,118,605</u>	<u>10,217,542</u>	<u>4,694,401</u>	<u>639,295</u>	<u>50,162,219</u>
Excess (deficiency) revenue over expenditures	<u>1,926,355</u>	<u>161,114</u>	<u>688,021</u>	<u>283,334</u>	<u>(4,479,727)</u>	<u>(472,560)</u>	<u>(1,893,463)</u>
Other financing sources (uses):							
Premium on issuance of debt	-	-	-	-	-	86,259	86,259
Issuance of bonds and installment purchase debt	-	-	-	-	3,086,268	-	3,086,268
Transfers in	287,000	-	14,500	620,000	2,913,293	639,295	4,474,088
Transfers out	<u>(1,796,356)</u>	<u>(86,500)</u>	<u>(134,394)</u>	<u>(2,229,838)</u>	<u>-</u>	<u>(227,000)</u>	<u>(4,474,088)</u>
Total other financing sources (uses)	<u>(1,509,356)</u>	<u>(86,500)</u>	<u>(119,894)</u>	<u>(1,609,838)</u>	<u>5,999,561</u>	<u>498,554</u>	<u>3,172,527</u>
Net change in fund balances	416,999	74,614	568,127	(1,326,504)	1,519,834	25,994	1,279,064
Fund balances (deficit) at beginning of year, as previously stated	6,064,052	2,977,460	2,535,731	5,953,437	(6,737,238)	2,333,036	13,126,478
Cumulative effect of change in accounting principle (note 6)	35,378	-	-	-	-	-	35,378
Fund balances (deficit) at beginning of year, as restated	<u>6,099,430</u>	<u>2,977,460</u>	<u>2,535,731</u>	<u>5,953,437</u>	<u>(6,737,238)</u>	<u>2,333,036</u>	<u>13,161,856</u>
Fund balances (deficit) at end of year	<u>\$ 6,516,429</u>	<u>3,052,074</u>	<u>3,103,858</u>	<u>4,626,933</u>	<u>(5,217,404)</u>	<u>2,359,030</u>	<u>14,440,920</u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances -  
Governmental Funds to the Statement of Activities - Governmental Activities  
Year ended December 31, 2022

Net change in fund balance \$ 1,279,064

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

Governmental funds report capital outlays and amounts paid to joint ventures as expenditures. However, in the statement of activities, these costs are allocated over their estimated useful lives and reported as depreciation expense or additional revenue.

Addition of assets	\$ 5,728,212	
Donated property	410,447	
Loss on disposal	(9,550)	
Depreciation expense	(2,917,353)	
Investment in joint venture	<u>139,170</u>	3,350,926

Revenue in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.

Real property taxes		(373,047)
Departmental income		(35,046)

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal paid on bonds		450,000
New debt issuance		(2,845,000)
Premium on issued debt		(86,259)
Amortization of deferred loss on refunding		(3,528)
Amortization of premium		48,484

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

Accrued interest	(56,579)	
Compensated absences	80,838	
Capital financing	162,503	
Net pension asset/liability	3,460,509	
Deferred pension outflows	(1,898,775)	
Deferred pension inflows	(118,271)	
OPEB deferred outflows/inflows	(22,782,659)	
Claims payable general liability	(6,310)	
Other postemployment benefit liability	<u>22,446,389</u>	1,287,645

Internal service funds are used by management to charge the cost of risk to individual funds. The net revenue of the internal service funds are reported with governmental activities.

424,656

Change in net position of governmental activities

\$ 3,497,895

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual  
General Fund  
Year ended December 31, 2022

	Original budget	Final budget	Actual	Variance with final budget positive (negative)
Revenue:				
Real property taxes	\$ 2,895,527	2,895,527	3,194,414	298,887
Other tax items	1,740,890	1,740,890	1,752,883	11,993
Non-property tax items	4,537,748	5,325,270	6,093,507	768,237
Departmental income	436,000	436,000	546,122	110,122
Intergovernmental charges	240,800	240,800	247,089	6,289
Use of money and property	202,650	203,270	321,993	118,723
Fines and forfeitures	300,000	300,000	237,395	(62,605)
Sale of property and compensation for loss	-	-	507,920	507,920
State aid	2,011,219	2,044,649	2,663,992	619,343
Federal aid	50,000	630,863	645,396	14,533
Miscellaneous	186,500	186,500	69,810	(116,690)
Total revenue	<u>12,601,334</u>	<u>14,003,769</u>	<u>16,280,521</u>	<u>2,276,752</u>
Expenditures:				
General government support	6,254,058	7,436,907	7,191,752	245,155
Public safety	98,500	110,403	108,855	1,548
Health	35,000	35,000	35,000	-
Transportation	469,266	455,564	454,001	1,563
Economic assistance and opportunity	741,609	816,808	807,429	9,379
Culture and recreation	2,115,799	2,267,214	2,142,674	124,540
Home and community services	13,700	13,700	12,012	1,688
Employee benefits	3,683,000	3,571,402	3,548,280	23,122
Debt service - principal	8,954	8,977	8,977	-
Debt service - interest	60,168	60,186	45,186	15,000
Total expenditures	<u>13,480,054</u>	<u>14,776,161</u>	<u>14,354,166</u>	<u>421,995</u>
Excess (deficiency) revenue over expenditures	<u>(878,720)</u>	<u>(772,392)</u>	<u>1,926,355</u>	<u>2,698,747</u>
Other financing sources (uses):				
Transfers in	475,000	702,000	287,000	(415,000)
Transfers out	<u>(378,280)</u>	<u>(1,796,356)</u>	<u>(1,796,356)</u>	<u>-</u>
Total other financing sources (uses)	<u>96,720</u>	<u>(1,094,356)</u>	<u>(1,509,356)</u>	<u>(415,000)</u>
Net change in fund balances	(782,000)	(1,866,748)	416,999	2,283,747
Fund balances at beginning of year, as restated	<u>6,099,430</u>	<u>6,099,430</u>	<u>6,099,430</u>	<u>-</u>
Fund balances at end of year	<u>\$ 5,317,430</u>	<u>4,232,682</u>	<u>6,516,429</u>	<u>2,283,747</u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual  
Town Outside Villages Fund  
Year ended December 31, 2022

	Original <u>budget</u>	Final <u>budget</u>	<u>Actual</u>	Variance with final budget positive <u>(negative)</u>
Revenue:				
Real property taxes	\$ 9,357,249	9,357,249	9,357,943	694
Non-property tax items	1,720,000	1,720,000	2,420,000	700,000
Departmental income	1,353,253	1,353,253	1,457,235	103,982
Use of money and property	3,500	3,500	14,700	11,200
State aid	-	-	40,427	40,427
Miscellaneous	<u>35,500</u>	<u>35,500</u>	<u>9,019</u>	<u>(26,481)</u>
Total revenue	<u>12,469,502</u>	<u>12,469,502</u>	<u>13,299,324</u>	<u>829,822</u>
Expenditures:				
General government support	352,540	154,465	154,465	-
Public safety	1,947,986	2,303,096	2,299,411	3,685
Health	20,415	20,934	20,934	-
Culture and recreation	2,848,921	3,068,373	2,978,075	90,298
Home and community services	4,336,401	4,736,189	4,446,303	289,886
Employee benefits	3,135,000	3,022,400	3,022,042	358
Debt service - principal	163,589	200,637	200,637	-
Debt service - interest	<u>14,650</u>	<u>16,343</u>	<u>16,343</u>	<u>-</u>
Total expenditures	<u>12,819,502</u>	<u>13,522,437</u>	<u>13,138,210</u>	<u>384,227</u>
Excess (deficiency) revenue over expenditures	<u>(350,000)</u>	<u>(1,052,935)</u>	<u>161,114</u>	<u>1,214,049</u>
Other financing uses - transfers out	<u>-</u>	<u>(86,500)</u>	<u>(86,500)</u>	<u>-</u>
Net change in fund balances	(350,000)	(1,139,435)	74,614	1,214,049
Fund balances at beginning of year	<u>2,977,460</u>	<u>2,977,460</u>	<u>2,977,460</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,627,460</u>	<u>1,838,025</u>	<u>3,052,074</u>	<u>1,214,049</u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual  
Highway Fund  
Year ended December 31, 2022

	Original <u>budget</u>	Final <u>budget</u>	<u>Actual</u>	Variance with final budget positive <u>(negative)</u>
Revenue:				
Real property taxes	\$ 6,361,665	6,361,665	6,361,665	-
Non-property tax items	500,000	500,000	-	(500,000)
Intergovernmental charges	21,000	21,000	25,212	4,212
Use of money and property	3,000	3,000	11,166	8,166
State aid	383,000	579,000	688,989	109,989
Federal aid	-	-	368,727	368,727
Miscellaneous	<u>39,810</u>	<u>39,810</u>	<u>350,867</u>	<u>311,057</u>
Total revenue	<u>7,308,475</u>	<u>7,504,475</u>	<u>7,806,626</u>	<u>302,151</u>
Expenditures:				
Transportation	5,753,269	6,206,385	5,480,334	726,051
Employee benefits	1,542,300	1,542,297	1,469,258	73,039
Debt service - principal	151,993	150,327	150,327	-
Debt service - interest	<u>29,518</u>	<u>31,186</u>	<u>18,686</u>	<u>12,500</u>
Total expenditures	<u>7,477,080</u>	<u>7,930,195</u>	<u>7,118,605</u>	<u>811,590</u>
Excess (deficiency) revenue over expenditures	<u>(168,605)</u>	<u>(425,720)</u>	<u>688,021</u>	<u>1,113,741</u>
Other financing sources (uses):				
Transfers in	18,000	18,000	14,500	(3,500)
Transfers out	<u>(64,395)</u>	<u>(134,396)</u>	<u>(134,394)</u>	<u>2</u>
Total other financing sources (uses)	<u>(46,395)</u>	<u>(116,396)</u>	<u>(119,894)</u>	<u>(3,498)</u>
Net change in fund balances	(215,000)	(542,116)	568,127	1,110,243
Fund balances at beginning of year	<u>2,535,731</u>	<u>2,535,731</u>	<u>2,535,731</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,320,731</u>	<u>1,993,615</u>	<u>3,103,858</u>	<u>1,110,243</u>

See accompanying notes to financial statements.



TOWN OF CORTLANDT, NEW YORK  
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual  
Special Districts Fund  
Year ended December 31, 2022

	Original <u>budget</u>	Final <u>budget</u>	<u>Actual</u>	Variance with final budget positive <u>(negative)</u>
Revenue:				
Real property taxes	\$ 2,672,263	2,672,263	2,673,286	1,023
Departmental income	7,276,938	7,789,688	7,759,041	(30,647)
Intergovernmental charges	25,605	25,605	25,189	(416)
Use of money and property	2,500	2,500	18,360	15,860
Miscellaneous	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
Total revenue	<u>9,977,306</u>	<u>10,490,056</u>	<u>10,500,876</u>	<u>10,820</u>
Expenditures:				
General government support	150,160	47,548	47,548	-
Public safety	645,848	651,948	644,374	7,574
Health	1,009,000	1,015,378	936,691	78,687
Transportation	70,713	80,678	80,672	6
Home and community services	6,710,131	8,210,511	7,686,011	524,500
Employee benefits	757,500	666,508	666,508	-
Debt service - principal	43,714	43,834	43,830	4
Debt service - interest	<u>111,819</u>	<u>112,809</u>	<u>111,908</u>	<u>901</u>
Total expenditures	<u>9,498,885</u>	<u>10,829,214</u>	<u>10,217,542</u>	<u>611,672</u>
Excess (deficiency) revenue over expenditures	<u>478,421</u>	<u>(339,158)</u>	<u>283,334</u>	<u>622,492</u>
Other financing sources (uses):				
Transfers in	711,000	711,000	620,000	(91,000)
Transfers out	<u>(1,278,121)</u>	<u>(2,454,338)</u>	<u>(2,229,838)</u>	<u>224,500</u>
Total other financing sources (uses)	<u>(567,121)</u>	<u>(1,743,338)</u>	<u>(1,609,838)</u>	<u>133,500</u>
Net change in fund balances	(88,700)	(2,082,496)	(1,326,504)	755,992
Fund balances at beginning of year	<u>5,953,437</u>	<u>5,953,437</u>	<u>5,953,437</u>	<u>-</u>
Fund balances at end of year	<u>\$ 5,864,737</u>	<u>3,870,941</u>	<u>4,626,933</u>	<u>755,992</u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Proprietary Fund - Internal Service Fund  
Statement of Net Position  
December 31, 2022

	Internal Service <u>Fund</u>
Assets:	
Cash and equivalents	\$ 1,634,108
Investments, at fair value:	
Short-term investments	28,880
Common stock	336,760
Mutual funds	<u>471,448</u>
Total investments, at fair value	837,088
Accounts receivable	<u>37,000</u>
Total assets	<u>2,508,196</u>
Deferred outflows of resources - LOSAP	<u>156,289</u>
Liabilities:	
Current liabilities:	
Accounts payable	21,876
Current portion of claims payable	<u>500,000</u>
Total current liabilities	521,876
Noncurrent liabilities:	
Claims payable, less current portion	2,281,635
Pension liability	<u>1,119,574</u>
Total noncurrent liabilities	<u>3,401,209</u>
Total liabilities	<u>3,923,085</u>
Deferred inflows of resources - LOSAP	<u>80,546</u>
Net position - unrestricted	<u><u>\$ (1,339,146)</u></u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Proprietary Fund - Internal Service Fund  
Statement of Revenue, Expenses and Changes in Net Position  
Year ended December 31, 2022

	Internal Service <u>Fund</u>
Operating revenue - charges for services	\$ 703,640
Operating expenses:	
Employee benefits	155,675
Administrative costs	<u>3,829</u>
Total operating expenses	<u>159,504</u>
Gain from operations	544,136
Nonoperating revenue - interest income	<u>(119,480)</u>
Change in net position	424,656
Net position:	
Beginning of year	<u>(1,763,802)</u>
End of year	<u><u>\$ (1,339,146)</u></u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Proprietary Fund - Internal Service Fund  
Statement of Cash Flows  
Year ended December 31, 2022

	Internal Service <u>Fund</u>
Cash flows from operating activities:	
Received from charges for services	\$ 703,640
Cash payments for benefits	<u>(516,057)</u>
Net cash provided by operating activities	<u>187,583</u>
Cash flows from investing activities:	
Interest income	(119,480)
Sales of investments	<u>159,471</u>
Net cash provided by investing activities	<u>39,991</u>
Change in cash and equivalents	227,574
Cash and equivalents at beginning of year	<u>1,406,534</u>
Cash and equivalents at end of year	<u><u>\$ 1,634,108</u></u>
Reconciliation of operating gain to net cash provided by operating activities:	
Operating gain	544,136
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Changes in:	
Deferred outflows of resources	68,048
Accounts payable	10,867
Pension liability	(29,016)
Claims payable	(397,874)
Deferred inflows of resources	<u>(8,578)</u>
Net cash provided by operating activities	<u><u>\$ 187,583</u></u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2022

	Custodial <u>Fund</u>
Assets - due from other funds	<u>\$19,343,253</u>
Liabilities - due to school districts	<u><u>\$19,343,253</u></u>

See accompanying notes to financial statements.

TOWN OF CORTLANDT, NEW YORK  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
Year ended December 31, 2022

	Custodial Fund
Additions - property tax collections for other governments	<u>\$164,744,057</u>
Deductions - payment of property taxes to other governments	<u>164,744,057</u>
Change in fiduciary net position	-
Fiduciary net position at beginning of year	<u>-</u>
Fiduciary net position at end of year	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

# TOWN OF CORTLANDT, NEW YORK

## Notes to Financial Statements

December 31, 2022

### (1) Summary of Significant Accounting Policies

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

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units and the Uniform System of Accounts as prescribed by the State. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

#### (a) Financial Reporting Entity

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

#### (b) Government-Wide Financial Statements

The Government-Wide financial statements (i.e., the statement of net position and the statement of activities) report information on all non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The statement of net position presents the financial position of the Town at the end of its fiscal year. The statement of activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Government-Wide Financial Statements, Continued

particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenue. The Town does not allocate indirect expenses to functions in the statement of activities.

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

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary funds principal on-going operation. The principal operating revenue of the internal service fund is charges to customers for services. Operating expenses for the internal service fund include benefit and pension costs. All revenue and expenses not meeting the definition are reported as nonoperating revenue and expenses.

(c) Fund Financial Statements

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

Fund Categories

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



TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Fund Financial Statements, Continued

Fund Categories, Continued

(1) Governmental Funds, Continued

General Fund - The general fund constitutes the primary fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

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

Town Outside Villages Fund - The town outside villages fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town. The major revenue of this fund are real property taxes, non-property taxes and departmental income.

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

Special Districts Fund - The special districts fund is provided to account for the operation and maintenance of the Town's fire protection, water, lighting, sewer, ambulance, park, drainage and improvement districts. The major revenue of this fund are real property taxes and departmental income.

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

The Town also reports the following nonmajor governmental funds:

Special Revenue Fund - Special Purpose Fund - The special purpose fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

Debt Service Fund - The debt service fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Fund Financial Statements, Continued

Fund Categories, Continued

(2) Proprietary Funds - Proprietary funds include internal service funds. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town has established its workers' compensation benefits fund and Length of Service Awards Program fund as internal service funds. The Length of Service Awards Program fund is provided to account for the Town's ambulance service awards programs.

(3) Fiduciary Funds (not included in Government-Wide financial statements) - The Fiduciary Fund is used to account for assets held by the Town in a custodial capacity on behalf of others.

(d) Focus, Basis of Accounting and Financial Statement Presentation

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

The Government-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the pension trust and internal service funds. The custodial fund uses the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Focus, Basis of Accounting and Financial Statement Presentation, Continued

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

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

Deposits, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The Town's investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of the State or its political subdivisions.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 105% of all deposits not covered by FDIC insurance. The Town has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by FDIC insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by FDIC insurance, were not exposed to custodial credit risk at December 31, 2022.

The Town was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate risk or credit risk.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

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

Deposits, Investments and Risk Disclosure, Continued

Investments - Investments of the Length of Service Awards Program fund are stated at fair value. The amounts are invested in various portfolios by the trustee of the fund, who has been designated by the State Comptroller. These investments are unrated. The Town has no formal policy relating to interest rate or credit risk for these investments.

Fair Value Measurement - GAAP establish a framework for measuring fair value. That framework provides 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 the fair value hierarchy under GAAP are as follows:

- Level 1 - Valuations are based on quoted prices in active markets for identical asset or liabilities that the component units have the ability to access.
- Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable directly, or indirectly.
- Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Fair Value of Financial Statements - The fair value of financial instruments classified as current assets or liabilities, including cash, investments, accounts receivable, and accounts payable and accrued expenses approximate carrying value, principally because of the short maturity of those items. Bonds payable are carried at cost, which approximates the fair value based on current rates at which the Town could borrow funds with similar maturities.

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

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

Taxes Receivable, Continued

The Town functions in both a fiduciary and guarantor relationship with the County of Westchester (the County) and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25<sup>th</sup> and the balance of forty percent on October 15<sup>th</sup>. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5<sup>th</sup>. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligations to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenue is recognized as earned or as specific program expenses/expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2022, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

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

Investment in Joint Venture - The Town, together with the Towns of Yorktown and Somers and the Montrose Improvement District, participate in the Northern Westchester Joint Water Works (the joint venture). The purpose of the joint venture is to construct, maintain and operate a water works supply, treatment, and transmission system for its members. The Town was required to fund its share of the construction costs and will retain an equivalent equity interest in the physical plant and its operations. For additional disclosures see note 3(c).

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the Government-Wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items acquired since 1980. The Town was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Useful Life in Years</u>
Buildings and improvements	20-40
Machinery and equipment	5-10
Infrastructure	20-50

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

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

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

Unearned revenue in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenue of \$2,205,559 of American Rescue Plan Act grant funds received in advance of the period to be benefitted, \$296,384 for debt service requirements due from other governments, \$30,000 for a donation received in advance in the special districts fund - consolidated water district, and \$9,500 for fees received in advance in the special districts fund - Country Woods sewer district. Such amounts have been deemed to be measurable but not “available” pursuant to GAAP.

Deferred Outflows/Inflows of Resources - Deferred outflows of resources represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflows of resources represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reported deferred inflows of resources of \$629,716 for real property taxes in the general fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The Town also reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations and postemployment benefit obligations on the statement of net position. These amounts are detailed in the discussion of the Town’s pension plans and other postemployment benefits in note (3)(f).

Long-Term Liabilities - In the Government-Wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expended as incurred.

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

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

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the Government-Wide statement of net position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

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

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the statement of net position includes, net investment in capital assets, restricted for capital projects, debt service, special districts and special purpose. The balance is classified as unrestricted.

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

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).
- Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State.



TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

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

Fund Balances, Continued

- Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town Board removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Board.
- Assigned fund balance, in the general fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Supervisor for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of the assignment. An assignment cannot result in a deficit in the unassigned fund balance in the general fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.
- Unassigned fund balance, in the general fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the general fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(f) Encumbrances

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

(g) Use of Estimates

The preparation of the financial statements in accordance with 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 and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

(h) Subsequent Events

Management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

(i) Impact of Recently Issued Accounting Pronouncements

During the year ended December 31, 2022, the Town adopted provisions of GASB Statement No. 87 - "Leases". The primary objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. See notes 3(a)(2) and 6 of the financial statements for impact on the financial statements. GASB has issued the following pronouncements which will be implemented in the years required. The effect of the implementation of these pronouncements are not known at this time.

Statement No. 94 - "Public-Private and Public-Public Partnerships and Availability Payment Arrangements," which will be effective for the year ended December 31, 2023.

Statement No. 96 - "Subscription-Based Information Technology Arrangements," which will be effective for the year ended December 31, 2023.

Statement No. 99 - "Omnibus 2022." Effective for various periods through fiscal years beginning after June 15, 2023.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(2) Stewardship, Compliance and Accountability

(a) Budgetary Data

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

- (1) Prior to October 20<sup>th</sup>, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- (2) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30<sup>th</sup>.
- (3) On or before November 10<sup>th</sup>, the Town Clerk shall present the tentative budget to the Town Board.
- (4) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- (5) On or before December 10<sup>th</sup>, the Town Board shall hold a public hearing on the preliminary budget.
- (6) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- (7) The preliminary budget as submitted or amended shall be adopted by resolution not later than December 20<sup>th</sup>.
- (8) Formal budgetary integration is employed during the year as a management control device for general, town outside villages, highway, special districts and debt service funds.
- (9) Budgets for general, town outside villages, highway, special districts and debt service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The capital projects fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary and Special Purpose funds.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(2) Stewardship, Compliance and Accountability, Continued

(a) Budgetary Data, Continued

- (10) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriation also require a majority vote by the Board.
- (11) Appropriations in general, town outside villages, highway, special districts and debt service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.
- (12) Budgeted amounts are as originally adopted, or as amended by the Town Board.

(b) Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor of New York State signed Chapter 97 of the Laws of 2011 (Tax Levy Limitation Law). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020. Chapter 59 of the Laws of 2019 made the Tax Levy Limitation Law permanent.

The following is a brief summary of certain relevant provisions of the tax levy limitation law. The summary is not complete and the full text of the tax levy limitation law should be read in order to understand the details and implementations thereof.

The tax levy limitation law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The tax levy limitation law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "allowable levy growth factor," which is the lesser of one and two-one hundredths or the sum of one plus the inflation factor; provided, however that in no case shall the levy growth factor be less than one. The inflation factor is the quotient of: (i) the average of the 20 national consumer price indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the national consumer price indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the national consumer price indexes determined by the United States with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The tax levy limitation law sets forth certain exclusions to the real property tax levy limitation of the Town, including

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(2) Stewardship, Compliance and Accountability, Continued

(b) Property Tax Limitation, Continued

exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

(c) Fund Deficits

The following funds reflect deficits as of December 31, 2022:

Capital projects	\$ 5,217,404
Internal service	\$ 1,339,146
Special districts:	
Continental Village Fire Protection	\$ 2,174
Cortlandt Boulevard East Sewer	\$ 839
Dickerson Pond Sewer	\$ 106,948

The deficits in individual capital projects arise, in-part, because of the application of GAAP to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an “other financing source.” Liabilities for bond anticipation notes are accounted for in the capital project fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

The deficit in the internal service fund primarily represents long-term liabilities the Town funds on a pay-as-you-go basis.

(3) Detailed Notes on All Funds

(a) Receivables

(1) Taxes Receivable

Taxes receivable at December 31, 2022 consisted of the following:

Town and county taxes - current	\$ 635,153
School districts taxes - current	39,836,555
Taxes receivable - overdue	1,920,814
Property acquired for taxes	<u>387,094</u>
	42,779,616
Allowance for uncollectible taxes	<u>(1,912,430)</u>
	\$ <u>40,867,186</u>

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(a) Receivables, Continued

(1) Taxes Receivable, Continued

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2023. Taxes receivable are also partially offset at the fund level by deferred tax revenue of \$629,716, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

(2) Lease Receivable

The Town entered into an agreement with the New York State Police that began in January, 2020 and had an initial term of five years. The lease also offers two, five-year extensions, which are considered reasonably certain to be exercised.

As of December 31, 2022, the present value of the lease receivable, measured using a discount rate of 3% was \$1,006,761.

The following is the amortized schedule for the lease receivable:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 69,954	29,022	98,976
2024	73,086	26,886	99,972
2025	75,288	24,684	99,972
2026	77,557	22,415	99,972
2027	79,895	20,077	99,972
2028-2032	437,110	62,750	499,860
2033-2034	<u>193,871</u>	<u>6,073</u>	<u>199,944</u>
	\$ <u>1,006,761</u>	<u>191,907</u>	<u>1,198,668</u>

The following is the amortized of the corresponding deferred inflows of resources:

<u>Year ending December 31,</u>	
2023	\$ 79,868
2024	79,868
2025	79,868
2026	79,868
2027	79,868
2028-2032	399,338
2033-2034	<u>159,733</u>
	\$ <u>958,411</u>

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(b) Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2022 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 127,839	20,030,228
Town outside villages	700,000	685,030
Highway	35,468	843,901
Special districts	2,239,013	3,532,208
Capital projects	2,645,794	2,357,667
Nonmajor governmental	2,357,667	-
Custodial	<u>19,343,253</u>	<u>-</u>
	\$ <u>27,449,034</u>	<u>27,449,034</u>

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

(c) Investment in Joint Venture

The Town participates in the Northern Westchester Joint Water Works. The purpose of the joint venture was to construct, maintain and operate a water works supply, treatment, and transmission system for its members. The Town has an equity interest in the joint venture of 30%.

The following is a summary of audited financial information included in the financial statements of the joint venture. Copies of the financial statements can be requested from the Northern Westchester Joint Water Works located at 2065 East Main Street, Cortlandt Manor, New York 10567.

Total assets	\$ 27,657,398
Deferred outflows of resources	3,798,308
Total liabilities	9,245,586
Deferred inflows of resources	7,395,629
Total equity (net position)	14,814,491
Total operating revenue	11,991,693
Total operating expenses	11,582,840
Total nonoperating revenue	55,049
Change in net position	463,902

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(d) Capital Assets

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

	Balance January 1, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>2022</u>
Capital assets, not being depreciated:				
Land	\$ 21,224,544	833,331	(5,500)	22,052,375
Construction-in-progress	<u>3,532,919</u>	<u>1,561,696</u>	<u>(2,191,310)</u>	<u>2,903,305</u>
Total capital assets, not being depreciated	<u>24,757,463</u>	<u>2,395,027</u>	<u>(2,196,810)</u>	<u>24,955,680</u>
Capital assets, being depreciated:				
Buildings and improvements	23,887,668	760,477	-	24,648,145
Machinery and equipment	18,673,005	1,077,598	(40,499)	19,710,104
Infrastructure	<u>82,743,233</u>	<u>4,096,867</u>	<u>-</u>	<u>86,840,100</u>
Total capital assets, being depreciated	<u>125,303,906</u>	<u>5,934,942</u>	<u>(40,499)</u>	<u>131,198,349</u>
Less accumulated depreciation for:				
Buildings and improvements	12,979,256	605,026	-	13,584,282
Machinery and equipment	12,467,779	928,128	(36,449)	13,359,458
Infrastructure	<u>50,916,749</u>	<u>1,384,199</u>	<u>-</u>	<u>52,300,948</u>
Total accumulated depreciation	<u>76,363,784</u>	<u>2,917,353</u>	<u>(36,449)</u>	<u>79,244,688</u>
Total capital assets, being depreciated, net	<u>48,940,122</u>	<u>3,017,589</u>	<u>(4,050)</u>	<u>51,953,661</u>
Capital assets, net	\$ <u>73,697,585</u>	<u>5,412,616</u>	<u>(2,200,860)</u>	<u>76,909,341</u>

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

General government support	\$ 144,864
Public safety	51,747
Health	20,245
Transportation	593,327
Culture and recreation	563,488
Home and community services	<u>1,543,682</u>
Total depreciation expense	\$ <u>2,917,353</u>



TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(e) Short-Term Capital Borrowings

The schedule below details the changes in short-term capital borrowings.

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2022	New Issues	Redemptions	Balance December 31, 2022
Road reconstruction and resurfacing	2020	10/7/22	1.50%	\$ 500,000	-	(500,000)	-
Cortlandt West Sewer System Improvement	2020	10/6/23	4.25%	2,840,000	-	(40,000)	2,800,000
Cortlandt Central Sewer System Improvement	2020	10/6/23	4.25%	2,760,000	-	(25,000)	2,735,000
Dickerson Pond Sewer District Improvement	2020	10/6/23	4.25%	1,800,000	-	(10,000)	1,790,000
Cook Pool Bath House	2020	10/7/22	1.50%	<u>3,000,000</u>	<u>-</u>	<u>(3,000,000)</u>	<u>-</u>
				\$ <u>10,900,000</u>	<u>-</u>	<u>(3,575,000)</u>	<u>7,325,000</u>

Liabilities for bond anticipation notes are generally accounted for in the capital projects fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$163,500 were recorded in the general, highway and special districts funds. Interest expense of \$198,775 was recorded on the Government-Wide financial statements. The Town also received a premium on the new issue of \$52,775.

(f) Long-Term Liabilities

The following table summarizes changes in the Town's long-term liabilities for the year ended December 31, 2022:

	Balance January 1, 2022	New issues/ additions	Maturities and/or payments	Balance December 31, 2022	Due within one year
Bonds payable:					
Capital construction	\$ 5,740,000	2,845,000	(450,000)	8,135,000	640,000
Premiums	<u>451,204</u>	<u>86,259</u>	<u>(48,484)</u>	<u>488,979</u>	<u>53,461</u>
Total bonds payable	<u>6,191,204</u>	<u>2,931,259</u>	<u>(498,484)</u>	<u>8,623,979</u>	<u>693,461</u>
Other noncurrent liabilities:					
Compensated absences	1,879,180	1,803,088	(1,883,926)	1,798,342	180,000
Net pension liability	39,490	-	(39,490)	-	-
Claims payable	3,464,720	152,888	(544,447)	3,073,161	791,521
Capital financing and installment purchases	1,069,344	241,268	(403,771)	906,841	276,023
Total OPEB liability	99,123,778	12,859,767	(35,306,156)	76,677,389	-
Length of service award program	<u>1,148,590</u>	<u>48,768</u>	<u>(77,789)</u>	<u>1,119,569</u>	<u>-</u>
Total other noncurrent liabilities	<u>106,725,102</u>	<u>15,105,779</u>	<u>(38,255,579)</u>	<u>83,575,302</u>	<u>1,247,544</u>
Total long-term liabilities	<u>\$ 112,916,306</u>	<u>18,037,038</u>	<u>(38,754,063)</u>	<u>92,199,281</u>	<u>1,941,005</u>

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

Each governmental funds' liability for compensated absences, net pension liability, other postemployment benefits and claims is liquidated by the general, town outside villages, highway and special districts funds. The liability for bonds is liquidated by the debt service fund, which is funded by transfers from other funds.

(1) Bonds Payable

Bonds payable at December 31, 2022 are comprised of the following individual issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2022</u>
Public Improvements	2016	\$ 2,625,000	May, 2036	2.0 - 2.6%	1,945,000
Public Improvements	2019	2,000,000	October, 2039	2.0 - 5.0%	1,730,000
Public Improvements Refunding	2020	2,205,000	June, 2030	4.0 - 5.0%	1,615,000
Public Improvements	2022	2,845,000	October, 2035	4.0%	<u>2,845,000</u>
					<u>\$ 8,135,000</u>

Interest expenditures of \$189,295 were recorded in the fund financial statements in the debt service fund. Interest expense of \$168,852 was recorded in the Government-Wide financial statements for governmental activities.

(2) Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2022 including interest payments of \$10,042,847 are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 640,000	281,577	921,577
2024	655,000	255,533	910,533
2025	570,000	232,020	802,020
2026	585,000	208,295	793,295
2027	605,000	183,807	788,807
2028-2032	2,900,000	579,025	3,479,025
2033-2037	1,950,000	159,396	2,109,396
2038-2039	<u>230,000</u>	<u>8,194</u>	<u>238,194</u>
	<u>\$ 8,135,000</u>	<u>1,907,847</u>	<u>10,042,847</u>

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(2) Payments to Maturity, Continued

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

(3) Compensated Absences

In accordance with existing collective bargaining agreements, most employees are entitled to accumulate up to 150 days of sick leave. If hired after 1991 then sick time has no cash value upon termination (Up to 10 days of unused sick time may be liquidated annually.) Most Teamsters employees can accumulate up to 20 days of sick time, which can be compensated at 100% at retirement. American Federation of State, County and Municipal Employees (AFSCME) employees may accumulate up to 261 days if hired prior to 1995 but only 150 days if hired 1995 or later. Sick time for those hired prior to 1991 may be liquidated up to 75% max. Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to the limitations as provided in the respective collective bargaining agreements. The value of the compensated absences has been reflected in the Government-Wide financial statements.

(4) Capital Financing and Installment Purchase Agreements

The Town has entered into financing agreements as payor for financing the acquisition of heavy equipment for its refuse district and highway fund. These financing agreements qualify as capital financing for accounting purposes and, therefore, have been recorded at present value of their future minimum financing payments as of the inception date.

The assets acquired through the capital financing agreements financing are as follows at December 31, 2022:

	<u>Governmental Activities</u>
Assets:	
Machinery and equipment	\$ 2,458,099
Less: accumulated depreciation	<u>(666,684)</u>
Total	<u>\$ 1,791,415</u>

The Town also entered into an installment purchase agreement with the New York Power Authority for the upgrade of all street lighting to energy efficient LED bulbs. The total cost of this project was \$253,720, and it has been financed over a five year term. No capital assets were acquired as no individual items met the capitalization threshold.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(4) Capital Financing and Installment Purchase Agreements, Continued

The future minimum financing and installment purchase obligations and the net present value of these minimum payments as of December 31, 2022 are as follows:

<u>Year ending December 31,</u>	<u>Governmental Activities</u>
2023	\$ 276,023
2024	209,659
2025	152,370
2026	156,342
2027	67,863
Thereafter	<u>44,584</u>
Total minimum lease payment	\$ <u>906,841</u>

(5) Pension Plan

New York State and Local Retirement System

The Town participates in the New York State and Local Employees' Retirement System (ERS) which is referred to as the New York State and Local Retirement System (System). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net assets of the System is held in the New York State Common Retirement Fund (Fund), which was established to hold all net assets and record changes in plan net assets. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(5) Pension Plan, Continued

New York State and Local Retirement System, Continued

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2021 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
3A14	12.9%
4A15	12.9
5A15	11.0
6A15	8.1

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

2022	\$ 1,462,655
2021	1,980,085
2020	1,654,835

At December 31, 2022, the Town reported an asset of \$3,421,019 for its proportionate share of the net pension asset of ERS. The net pension asset was measured as of March 31, 2022, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of April 1, 2021. The Town's portion of the net pension asset was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At December 31, 2022, the Town's portion was 0.0418945% for ERS. This is an increase in proportionate share of 0.0021904 from December 31, 2021.

For the year ended December 31, 2022, the Town recognized pension expense in the Government-Wide financial statements of \$218,762 for ERS. Pension expenditures of \$1,662,008 for ERS were recorded in the fund financial statements and were charged to the following funds:

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(5) Pension Plan, Continued

New York State and Local Retirement System, Continued

	<u>ERS</u>
General fund	\$ 705,603
General - Nor West	31,080
Town outside villages	597,317
Highway	221,690
Special districts	<u>106,318</u>
Total	\$ <u>1,662,008</u>

At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 259,079	336,040
Changes of assumptions	5,709,297	96,338
Net difference between projected and actual earnings on pension plan investments	-	11,202,405
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	302,950	79,755
Town's contributions subsequent to the measurement date	<u>1,195,034</u>	<u>-</u>
Total	\$ <u>7,466,360</u>	<u>11,714,538</u>

The \$1,195,034 reported as deferred outflows of resources related to ERS resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	<u>ERS</u>
2023	\$ (812,827)
2024	(1,219,318)
2025	(2,860,465)
2026	(550,602)

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(5) Pension Plan, Continued

New York State and Local Retirement System, Continued

The total pension asset for the March 31, 2022 measurement date was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension asset to March 31, 2022. The total pension asset for the March 31, 2022 measurement date were determined by using an actuarial valuation as of April 1, 2021. Significant actuarial assumptions used in the April 1, 2021 valuation were as follows:

Actuarial cost method	Entry age normal
Inflation	2.7%
Salary increases	4.4%
Investment rate of return	5.9% (net of investment expenses, including inflation)
Cost of living adjustments	1.4% annually

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

The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(5) Pension Plan, Continued

New York State and Local Retirement System, Continued

<u>Asset type</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return*</u>
Domestic equity	32%	3.30%
International equity	15%	5.85%
Private equity	10%	6.50%
Real estate	9%	5.00%
Opportunistic/ARS	3%	4.10%
Credit	4%	3.78%
Real assets	3%	5.80%
Fixed income	23%	0.00%
Cash	<u>1%</u>	(1.00%)
	<u>100%</u>	

\*The real rate of return is net of the long-term inflation assumption of 2.5%.

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

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

	<u>1% Decrease (4.9%)</u>	<u>Current Assumption (5.9%)</u>	<u>1% Increase (6.9%)</u>
Town's proportionate share of the ERS net pension asset (liability)	\$ <u>(8,805,666)</u>	<u>3,421,019</u>	<u>13,648,052</u>



TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(5) Pension Plan, Continued

New York State and Local Retirement System, Continued

The components of the collective net pension liability as of the March 31, 2021 measurement date were as follows (in thousands):

Total pension liability	\$ 223,874,888
Fiduciary net position	<u>(232,049,473)</u>
Employers' net pension liability (asset)	\$ <u>(8,174,585)</u>
Fiduciary net position as a percentage of total pension liability (asset)	<u>103.65%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Accrued retirement contributions as of December 31, 2022 represent the projected employer contribution for the period of April 1, 2022 through December 31, 2022 based on paid ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions paid to ERS for the year ended December 31, 2022 were \$1,462,655.

(6) Voluntary Defined Contribution Plan

The Town also offers a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

(7) Internal Service Fund - Length of Service Awards Program Fund

The Town, pursuant to Article 11-A of the General Municipal Law of the State of New York and legislative resolution, has established a Length of Service Awards Program (Program) for volunteer ambulance workers. This Program is a single employer defined benefit plan established as a grantor/rabbi trust and, as such, the assets are subject to the claims of the Town's general creditors. The Program is accounted for in the Town's financial statements within the internal service fund.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(7) Internal Service Fund - Length of Service Awards Program Fund, Continued

Active volunteer ambulance workers, upon attainment of age 18, and upon earning 50 or more points in a calendar year after 2003 under the provisions of the Program point system, are eligible to become participants in the Program. Points are granted for the performance of certain activities in accordance with a system established by the Town on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of ambulance service rendered prior to the establishment of the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning 50 program points), shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 40 years. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Town's Board, are authorized to invest the funds in authorized investment-vehicles. Administrative costs are paid by the Town from the pension trust fund. Separate financial statements are not issued by the Program.

At the December 31, 2021 measurement date (most recent available), the following participants were covered by benefit terms.

<u>Group</u>	
Active participants	8
Inactive participants currently receiving benefits	8
Inactive participants entitled to but not yet receiving benefits	<u>15</u>
Total	<u>31</u>

Contributions - New York State General Municipal Law §219-o(1) requires the Town Board to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Town Board.

Trust Assets - Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Town. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73.

Measurement of Total Pension Liability - The total pension liability at the December 31, 2021 measurement date was determined using an actuarial valuation as of that date.

# TOWN OF CORTLANDT, NEW YORK

## Notes to Financial Statements, Continued

### (3) Detailed Notes on All Funds, Continued

#### (f) Long-Term Liabilities, Continued

##### (7) Internal Service Fund - Length of Service Awards Program Fund, Continued

Actuarial Assumptions - The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	None assumed

Mortality rates were based on the RP 2014 Mortality Table (60/40 male/female blend) projected for mortality improvement to the year 2025 with scale MP2020.

Discount Rate - The discount rate used to measure the total pension liability was 2.24%.

This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2020. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch or AA by Standard & Poor's Rating Services.

##### Changes in the Total Pension Liability

Balance as of December 31, 2020 measurement date	\$ 1,148,590
Service cost	26,295
Interest	22,473
Changes of assumptions or other inputs	(52,301)
Differences between expected and actual experience	(4,569)
Benefit payments	<u>(20,914)</u>
Net change	<u>(29,016)</u>
Balance as of December 31, 2021 measurement date	\$ <u>1,119,574</u>

Sensitivity of the Total Pension Liability to Changes in the Discount Rate - The following presents the total pension liability of the Town as of the December 31, 2021 measurement date, calculated using the discount rate of 2.24%, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1% lower (1.24%) or 1% higher (3.24%) than the current rate:

	1% Decrease (1.24%)	Current Discount Rate (2.24%)	1% Increase (3.24%)
Total pension liability	\$ <u>1,303,606</u>	<u>1,119,574</u>	<u>974,473</u>

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(7) Internal Service Fund - Length of Service Awards Program Fund, Continued

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

For the year ended December 31, 2022, the Town recognized pension expense of \$61,605.

Components of Pension Expense

Service cost	\$ 26,295
Interest on total pension liability	22,473
Changes of assumptions or other inputs	27,459
Differences between expected and actual experience	(17,959)
Pension plan administrative expenses	<u>3,337</u>
Total pension expenses	\$ <u>61,605</u>

At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	33,801
Changes of assumptions or other inputs	125,137	46,745
Benefit payments and administrative expenses subsequent to the measurement date	<u>31,152</u>	<u>-</u>
Total	\$ <u>156,289</u>	<u>80,546</u>

Deferred outflows of resources related to pensions resulting from Town transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ending December 31, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

Year ending December 31,

2023	\$ 26,899
2024	34,087
2025	(10,856)
2026	(5,539)

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(8) Claims Payable

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

An analysis of the activity of unpaid claim liabilities is as follows:

	<u>Year ended December 31, 2022</u>		
	<u>Workers'</u> <u>compensation</u>	<u>General</u> <u>liability</u>	<u>Total</u>
Balance at beginning of year	\$ 3,179,509	285,211	3,464,720
Provision for claims and claims adjustment expenses	94,068	58,815	152,883
Claims and claims adjustment expenses paid	<u>(491,942)</u>	<u>(52,505)</u>	<u>(544,447)</u>
Balance at end of year	\$ <u>2,781,635</u>	<u>291,521</u>	<u>3,073,156</u>
Due within one year	\$ <u>500,000</u>	<u>291,521</u>	<u>791,521</u>

	<u>Year ended December 31, 2021</u>		
	<u>Workers'</u> <u>compensation</u>	<u>General</u> <u>liability</u>	<u>Total</u>
Balance at beginning of year	\$ 2,717,763	282,468	3,000,231
Provision for claims and claims adjustment expenses	856,663	103,105	959,768
Claims and claims adjustment expenses paid	<u>(394,917)</u>	<u>(100,362)</u>	<u>(495,279)</u>
Balance at end of year	\$ <u>3,179,509</u>	<u>285,211</u>	<u>3,464,720</u>
Due within one year	\$ <u>500,000</u>	<u>285,211</u>	<u>785,211</u>

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(9) Other Postemployment Benefits

In addition to providing pension benefits, the primary government provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the primary government may vary according to length of service.

Substantially all of the primary government's employees may become eligible for those benefits if they reach normal retirement age while working for the primary government. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the fund financial statements. There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4.

Employees covered by benefit terms

At December 31, 2022, the following employees were covered by the benefit terms:

Current retirees	148
Active employees	<u>147</u>
Total	<u>295</u>

Total OPEB Liability

The Town's total OPEB liability of \$76,677,389 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2022, using the entry age normal cost method.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases including wage inflation	3.00%
Discount rate	4.31%
Healthcare cost trend rates	8.0%, decreasing to an ultimate rate of 5.0%

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

Mortality rates were based on PUB 2010 mortality table with MP-2021 projection.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(9) Other Postemployment Benefits, Continued

Changes in the Total OPEB Liability

Total OPEB liability as of January 1, 2022	\$ 99,123,778
Changes for the year:	
Service cost	2,588,185
Interest on total OPEB liability	2,203,945
Changes in benefit terms	665,117
Differences between actual and expected experience	7,402,520
Changes in assumptions	(32,964,848)
Benefit payments	<u>(2,341,208)</u>
Total changes	<u>(22,446,389)</u>
Total OPEB liability as of December 31, 2022	\$ <u>76,677,389</u>

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.31%) or 1-percentage point higher (5.31%) than the current discount rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB liability	\$ <u>89,730,243</u>	<u>76,677,389</u>	<u>66,296,047</u>

Sensitivity of the total OPEB liability to changes in the healthcare costs trend rates

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

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ <u>65,850,585</u>	<u>76,677,389</u>	<u>90,472,274</u>

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

For the year ended December 31, 2022, the Town recognized OPEB expense of \$2,677,578. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(f) Long-Term Liabilities, Continued

(9) Other Postemployment Benefit Obligations Payable, Continued

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 12,922,253	4,440,791
Changes of assumptions	<u>11,064,551</u>	<u>29,416,166</u>
Total	\$ <u>23,986,804</u>	<u>33,856,957</u>

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

Year ending December 31,

2023	\$(2,779,669)
2024	(2,779,669)
2025	(2,779,671)
2026	(2,322,337)
2027	791,193

(g) Significant Commitments - Encumbrances

As discussed in note 2(a), Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2022, the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 73,230
Town Outside Villages	112,208
Highway	525,335
Special Districts	<u>464,466</u>
	\$ <u>1,175,239</u>



TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(h) Interfund Transfers

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

<u>Transfers out</u>	<u>Transfers In</u>					<u>Total</u>
	<u>General fund</u>	<u>Highway fund</u>	<u>Special districts fund</u>	<u>Capital projects fund</u>	<u>Nonmajor governmental funds</u>	
General fund	\$ -	-	-	1,468,076	328,280	1,796,356
Town outside villages fund	-	-	-	86,500	-	86,500
Highway fund	-	-	-	97,500	36,894	134,394
Special districts fund	60,000	14,500	620,000	1,261,217	274,121	2,229,838
Nonmajor governmental	<u>227,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,000</u>
	<u>\$ 287,000</u>	<u>14,500</u>	<u>620,000</u>	<u>2,913,293</u>	<u>639,295</u>	<u>4,474,088</u>

Transfers are used to (1) move amounts earmarked in the operating funds to fulfill commitments for capital projects fund expenditures and (2) move amount earmarked in the operating funds to fulfill commitments for general, highway, special districts and nonmajor governmental funds.

(i) Net Position

The components of net position are detailed below:

- Net investment in capital assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.
- Restricted for capital projects - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.
- Restricted for debt service - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.
- Restricted for future capital projects - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6c of General Municipal Law.
- Restricted for special districts - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(i) Net Position, Continued

- Restricted for parklands - the component of net position that has been established pursuant to Section 277 of Town Law. This amount represents funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.
- Unrestricted - all other amounts that do not meet the definition of “restricted” or “net investment in capital assets”.

(j) Fund Balances

Certain elements of fund balance are described above. Those additional elements, which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below.

	General fund	Town outside villages fund	Highway fund	Special districts fund	Capital projects fund	Nonmajor governmental fund	Totals
Nonspendable - prepaid expenditures	\$ 118,302	94,998	36,361	17,959	-	-	267,620
Restricted:							
Future capital projects	98,438	-	-	-	-	-	98,438
Tax stabilization	600,000	-	-	-	-	-	600,000
Debt service	-	-	-	-	-	2,357,406	2,357,406
Parklands	-	-	-	-	-	1,624	1,624
Total restricted	698,438	-	-	-	-	2,359,030	3,057,468
Assigned:							
Purchases on order:							
General government support	56,941	-	-	-	-	-	56,941
Public safety	580	2,215	-	-	-	-	2,795
Health	-	-	-	7,688	-	-	7,688
Transportation	844	-	525,335	-	-	-	526,179
Economic assistance and opportunity	9,178	-	-	-	-	-	9,178
Culture and recreation	5,687	12,532	-	-	-	-	18,219
Home and community	-	97,461	-	456,778	-	-	554,239
Total purchases on order	73,230	112,208	525,335	464,466	-	-	1,175,239
Subsequent year's expenditures	775,000	350,000	215,000	93,200	-	-	1,433,200
Retirement contributions	110,000	140,000	100,000	50,000	-	-	400,000
Major funds	-	2,354,868	2,227,162	4,001,308	-	-	8,583,338
Total assigned	958,230	2,957,076	3,067,497	4,608,974	-	-	11,591,777
Unassigned (deficit)	4,741,459	-	-	-	(5,217,404)	-	(475,945)
Total fund balances (deficit)	\$ 6,516,429	3,052,074	3,103,858	4,626,933	(5,217,404)	2,359,030	14,440,920

Prepaid expenditures has been established to account for payments made in advance. The amount is classified as nonspendable to indicate that funds are not “available” for appropriation or expenditure even though they are a component of current assets.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(3) Detailed Notes on All Funds, Continued

(j) Fund Balances, Continued

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent year's expenditures represent that at December 31, 2022, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Retirement contributions represent funds that have been set aside to be used for retirement costs.

Unassigned fund balance in the general fund represents amounts not classified as nonspendable, restricted, committed or assigned. The unassigned balance in the capital projects fund represents negative fund balance due to issuance of the bond anticipation note, which will be resolved with permanent financing.

(4) Summary Disclosure of Significant Contingencies

(a) Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. There are several tort claims pending against the Town. However, it is anticipated that insurance coverage will be sufficient to satisfy any resolution of the tort claims pending against the Town.

In the personal injury, property damage, and civil rights cases that are pending against the Town, the issue of liability, in the Town's opinion (and/or that of outside counsel who handle the majority of the claims), is questionable, and the Town is taking a strong defense position. However, even if such claims were to be decided against the Town, the Town does not believe that the consequence, individually or in the aggregate, would be such as to have a material adverse effect on the Town's financial condition or its ability to pay the principal of, or interest on, any of its bonds or notes when they become due, taking into consideration that the Town currently carries liability insurance coverage up to \$5 million, which covers all liability and defense costs after a self-insured payment of the first \$75,000.

There are currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Town, if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from adverse decision will be funded in the year the payment is made.

(b) Contingencies

The Town participates in various State and Federal grant programs. These programs may be subject to program compliance audits. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

TOWN OF CORTLANDT, NEW YORK  
Notes to Financial Statements, Continued

(4) Summary Disclosure of Significant Contingencies, Continued

(c) Risk Management

The Town purchases various insurance coverages to reduce its exposure to loss. The Town maintains a general liability policy with limits of \$10 million per occurrence. There is a \$100,000 self-insured retention per claim. The Town maintains a public officials liability policy with limits up to \$10 million per claim and in the aggregate. The Town also maintains an excess liability policy with coverage up to \$10 million. There is also a \$100,000 self-insured retention per claim. In addition, the Town purchases conventional health insurance from various providers. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The Town is self-insured for workers' compensation benefits. The Town retains the risk for claims up to \$700,000 per occurrence. Insurance coverage has been secured for losses in excess of \$700,000 per year. Employers' liability maximum limit of indemnity is \$1.0 million per occurrence.

Employers' liability aggregate maximum limit of liability with respect to all occurrences taking place within the liability period is \$1.0 million. The governmental funds are charged premiums by the internal service fund for workers' compensation claims.

(5) Tax Abatements

As of December 31, 2022, the Town has performed a review of all Payment in Lieu of Taxes (PILOT) agreements, and found that no PILOT agreements result in tax abatements during the year ended December 31, 2022.

(6) Cumulative Effect of Change in Accounting Principle

During the year ended December 31, 2022, the Town implemented GASB Statement No. 87 - "Leases". Implementation of GASB Statement No. 87 required restatement of prior year General Fund Fund Balance and Government-Wide net position to reflect the impact of a lease receivable and related deferred inflow of resources to be recorded in relation to a lease between the Town, as lessor, and the New York State Police, as lessee. The effect of this restatement was:

General Fund:

Fund balance, as previously stated	\$ 6,064,052
GASB 87 implementation	<u>35,378</u>
Fund balance, as restated	\$ <u>6,099,430</u>

Government-Wide:

Net position, as previously stated	(7,252,009)
GASB 87 implementation	<u>35,378</u>
Net position, as restated	\$ <u>(7,216,631)</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

The following schedules are presented as required supplementary information required by the Government Accounting Standards Board

- Schedule of Changes in the Town's Total Pension Liability - Length of Service Award Program
- Schedule of Changes in the Town's Total OPEB Liability and Related Ratios
- Schedule of Town's Proportionate Share of the Net Pension Asset/Liability
- Schedule of Employer's Pension Contributions

TOWN OF CORTLANDT, NEW YORK  
Required Supplementary Information  
Schedule of Changes in the Town's Total Pension Liability  
Length of Service Award Program  
December 31, 2022

Measurement Date as of December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability:						
Service cost	\$ 26,295	26,482	29,443	37,539	33,508	35,643
Interest	22,473	30,528	31,271	29,712	32,301	28,579
Changes of assumptions or other inputs	(52,301)	205,901	46,292	(59,056)	65,601	(69,763)
Differences between expected and actual experience	(4,569)	(13,818)	(5,784)	(43,461)	(28,007)	5,273
Benefit payments	<u>(20,914)</u>	<u>(20,914)</u>	<u>(20,914)</u>	<u>(54,716)</u>	<u>(20,914)</u>	<u>(19,170)</u>
Net change in total pension liability	(29,016)	228,179	80,308	(89,982)	82,489	(19,438)
Total pension liability - beginning	<u>1,148,590</u>	<u>920,411</u>	<u>840,103</u>	<u>930,085</u>	<u>847,596</u>	<u>867,034</u>
Total pension liability - ending	<u>\$1,119,574</u>	<u>1,148,590</u>	<u>920,411</u>	<u>840,103</u>	<u>930,085</u>	<u>847,596</u>
Covered payroll*	N/A	N/A	N/A	N/A	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A

\* This program was established to cover volunteer ambulance workers and therefore they are not employees of the Town.

Notes to Required Supplementary Information

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town should present information for those years for which information is available.

Changes of assumptions or other inputs - The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

December 31, 2021	2.24%
December 31, 2020	1.93%
December 31, 2019	3.26%
December 31, 2018	3.64%
December 31, 2017	3.16%
December 31, 2016	3.71%

Effective December 31, 2020 the mortality rates were based on the RP-2014 Mortality Table (60/40 male/female blend) projected for mortality improvement to the year 2025 with scale MP2020. Prior to this, the same rates were projected for mortality improvement to the year 2020 with scale MP 2017.

There are no assets accumulated in a trust that meets the criteria in GASB Statement No. 73, paragraph 4.

TOWN OF CORTLANDT, NEW YORK  
Required Supplementary Information  
Schedule of Changes in the Town's Total OPEB Liability and Related Ratios  
December 31, 2022

Measurement Date as of December 31,	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:					
Service cost	\$ 2,588,185	2,448,039	1,703,783	1,604,983	1,717,598
Interest	2,203,945	1,748,386	2,403,652	2,674,492	2,746,447
Changes in benefit terms	665,117	-	-	-	-
Differences between expected and actual experience	7,402,520	9,800,331	(318,787)	(5,773,247)	(3,658,675)
Changes in assumptions	(32,964,848)	(4,262,004)	15,525,662	4,385,493	-
Benefit payments	<u>(2,341,308)</u>	<u>(2,401,840)</u>	<u>(2,510,229)</u>	<u>(2,759,986)</u>	<u>(2,804,312)</u>
Net change in total OPEB liability	<u>(22,446,389)</u>	<u>7,332,912</u>	<u>16,804,081</u>	<u>131,735</u>	<u>(1,998,942)</u>
Total OPEB liability - beginning	<u>99,123,778</u>	<u>91,790,866</u>	<u>74,986,785</u>	<u>74,855,050</u>	<u>76,853,992</u>
Total OPEB liability - ending	<u>\$76,677,389</u>	<u>99,123,778</u>	<u>91,790,866</u>	<u>74,986,785</u>	<u>74,855,050</u>
Covered employee payroll	<u>\$15,424,196</u>	<u>14,678,146</u>	<u>12,983,499</u>	<u>13,426,364</u>	<u>12,990,132</u>
Total OPEB liability as a percentage of covered payroll	497.12%	675.32%	706.98%	558.50%	576.25%

Notes to Required Supplementary Information

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town should present information for those years for which information is available.

Changes of assumptions or other inputs - The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

December 31, 2022	4.31%
December 31, 2021	2.25%
December 31, 2020	1.93%
December 31, 2019	3.26%
December 31, 2018	3.64%

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

TOWN OF CORTLANDT, NEW YORK  
Required Supplementary Information  
Schedule of Town's Proportionate Share of the Net Pension Asset/Liability  
Year ended December 31, 2022

<u>New York State and Local Employees' Retirement System</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
The Town's proportion of the net pension asset/liability	0.0418495%	0.0396591%	0.0400324%	0.0422291%	0.0414951%	0.0414550%	0.0427848%	0.0417952%
The Town's proportionate share of the net pension asset/ liability	\$ 3,421,019	(39,490)	(10,600,811)	(2,992,059)	(1,339,231)	(3,895,205)	(6,867,082)	(1,411,945)
The Town's covered payroll	\$12,820,435	12,258,372	11,618,230	11,513,833	11,293,056	11,063,897	10,502,355	10,328,073
The Town's proportionate share of the net pension asset/ liability as a percentage of covered payroll	26.68%	0.32%	91.24%	25.99%	11.86%	35.21%	65.39%	13.67%
Plan fiduciary net position as a percentage of the total pension asset/liability	103.7%	99.9%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

(1) Data not available prior to fiscal year 2015 implementation of GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions."

(2) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town should present information for those years for which information is available.



TOWN OF CORTLANDT, NEW YORK  
Required Supplementary Information  
Schedule of Employer's Pension Contributions  
Year ended December 31, 2022

<u>New York State and Local Employees' Retirement System</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,462,655	1,980,085	1,654,835	1,650,094	1,648,207	1,670,969	1,594,210	1,993,500
Contribution in relation to the contractually required contribution	<u>(1,462,655)</u>	<u>(1,980,085)</u>	<u>(1,654,835)</u>	<u>(1,650,094)</u>	<u>(1,648,207)</u>	<u>(1,670,969)</u>	<u>(1,594,210)</u>	<u>(1,993,500)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Town's covered payroll	\$ 12,938,055	12,467,573	11,630,770	11,580,610	11,293,056	11,063,897	10,560,449	10,328,073
Contribution as a percentage of covered payroll	11.31%	15.88%	14.23%	14.25%	14.59%	15.10%	15.10%	19.30%

- (1) Data not available prior to fiscal year 2015 implementation of GASB Statement No. 68 - "Accounting and Financial Reporting for Pensions."
- (2) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Town should present information for those years for which information is available.

## **MAJOR GOVERNMENTAL FUNDS**

### **GENERAL FUNDS**

The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

### **SPECIAL REVENUE FUNDS**

**Town Outside Villages Fund** - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town.

**Highway Fund** - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.

**Special Districts Fund** - The Special Districts Fund is provided to account for the operation and maintenance of the Town's fire protection, water, lighting, sewer, ambulance, park, drainage and improvements districts.

### **CAPITAL PROJECTS FUNDS**

The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned for capital outlays, including the acquisition or construction of major capital facilities.

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund  
Comparative Balance Sheet  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and equivalents	\$ 26,147,465	24,281,875
Taxes receivable:		
Town and county taxes	635,153	946,726
School district taxes	39,836,555	39,033,776
Taxes receivable - overdue	1,920,814	1,747,987
Property acquired for taxes	<u>387,094</u>	<u>443,962</u>
	42,779,616	42,172,451
Allowances for uncollectible taxes	<u>(1,912,430)</u>	<u>(1,330,815)</u>
	<u>40,867,186</u>	<u>40,841,636</u>
Other receivables:		
Accounts	274,856	257,257
State and Federal aid	72,644	72,644
Lease	1,006,761	-
Due from other governments	2,296,153	2,092,084
Due from other funds	<u>127,839</u>	<u>439,190</u>
	<u>3,778,253</u>	<u>2,861,175</u>
Prepaid expenditures	<u>118,302</u>	<u>208,416</u>
Total assets	<u>\$ 70,911,206</u>	<u>68,193,102</u>
Liabilities, Deferred Inflows of Resources and Fund Balance:		
Liabilities:		
Accounts payable	733,082	460,948
Due to other funds	20,030,228	20,482,311
Due to school districts	39,836,595	39,033,776
Due to other governments	1,186	2,158
Unearned revenue	<u>2,205,559</u>	<u>1,147,094</u>
Total liabilities	<u>62,806,650</u>	<u>61,126,287</u>
Deferred inflows of resources:		
Deferred tax revenue	629,716	1,002,763
Lease	<u>958,411</u>	<u>-</u>
Total deferred inflows of resources	<u>1,588,127</u>	<u>1,002,763</u>
Total liabilities and deferred inflows of resources	<u>64,394,777</u>	<u>62,129,050</u>
Fund balance:		
Nonspendable	118,302	208,416
Restricted	698,438	769,362
Assigned	958,230	1,033,412
Unassigned	<u>4,741,459</u>	<u>4,052,862</u>
Total fund balance	<u>6,516,429</u>	<u>6,064,052</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 70,911,206</u>	<u>68,193,102</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Years ended December 31, 2022 and 2021

	2022			Variance with final budget positive (negative)
	Original budget	Final budget	Actual	
Revenue:				
Real property taxes	\$2,895,527	2,895,527	3,194,414	298,887
Other tax items	1,740,890	1,740,890	1,752,883	11,993
Non-property tax items	4,537,748	5,325,270	6,093,507	768,237
Departmental income	436,000	436,000	546,122	110,122
Intergovernmental charges	240,800	240,800	247,089	6,289
Use of money and property	202,650	203,270	321,993	118,723
Fines and forfeitures	300,000	300,000	237,395	(62,605)
Sale of property and compensation for loss	-	-	507,920	507,920
State aid	2,011,219	2,044,649	2,663,992	619,343
Federal aid	50,000	630,863	645,396	14,533
Miscellaneous	186,500	186,500	69,810	(116,690)
Total revenue	12,601,334	14,003,769	16,280,521	2,276,752
Expenditures:				
General government support	6,254,058	7,436,907	7,191,752	245,155
Public safety	98,500	110,403	108,855	1,548
Health	35,000	35,000	35,000	-
Transportation	469,266	455,564	454,001	1,563
Economic assistance and opportunity	741,609	816,808	807,429	9,379
Culture and recreation	2,115,799	2,267,214	2,142,674	124,540
Home and community services	13,700	13,700	12,012	1,688
Employee benefits	3,683,000	3,571,402	3,548,280	23,122
Debt service - principal	8,954	8,977	8,977	-
Debt service - interest	60,168	60,186	45,186	15,000
Total expenditures	13,480,054	14,776,161	14,354,166	421,995
Excess (deficiency) revenue over expenditures	(878,720)	(772,392)	1,926,355	2,698,747
Other financing sources (uses):				
Transfers in	475,000	702,000	287,000	(415,000)
Transfers out	(378,280)	(1,796,356)	(1,796,356)	-
Total other financing sources (uses)	96,720	(1,094,356)	(1,509,356)	(415,000)
Net change in fund balances	(782,000)	(1,866,748)	416,999	2,283,747
Fund balances at beginning of year, as restated	6,099,430	6,099,430	6,099,430	-
Fund balances at end of year	\$5,317,430	4,232,682	6,516,429	2,283,747

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual, Continued

	2021			Variance with final budget positive (negative)
	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	
Revenue:				
Real property taxes	\$ 2,885,867	2,885,867	3,184,466	298,599
Other tax items	2,013,638	2,013,638	1,953,249	(60,389)
Non-property tax items	4,000,000	4,000,000	5,263,600	1,263,600
Departmental income	436,000	436,000	333,820	(102,180)
Intergovernmental charges	240,800	240,800	197,545	(43,255)
Use of money and property	202,650	202,650	107,040	(95,610)
Fines and forfeitures	325,000	325,000	88,278	(236,722)
State aid	1,781,219	1,793,219	2,891,731	1,098,512
Federal aid	50,000	542,235	618,589	76,354
Miscellaneous	<u>191,500</u>	<u>191,500</u>	<u>142,777</u>	<u>(48,723)</u>
Total revenue	<u>12,126,674</u>	<u>12,630,909</u>	<u>14,781,095</u>	<u>2,150,186</u>
Expenditures:				
General government support	5,849,663	6,568,819	6,392,364	176,455
Public safety	100,000	107,698	97,667	10,031
Health	35,000	35,000	35,000	-
Transportation	457,987	408,039	400,520	7,519
Economic assistance and opportunity	738,862	712,018	678,988	33,030
Culture and recreation	2,105,283	2,139,138	2,070,900	68,238
Home and community services	13,700	19,300	18,900	400
Employee benefits	3,683,000	3,462,400	3,453,967	8,433
Debt service - principal	8,746	8,746	8,746	-
Debt service - interest	<u>376</u>	<u>60,375</u>	<u>60,375</u>	<u>-</u>
Total expenditures	<u>12,992,617</u>	<u>13,521,533</u>	<u>13,217,427</u>	<u>304,106</u>
Excess (deficiency) revenue over expenditures	<u>(865,943)</u>	<u>(890,624)</u>	<u>1,563,668</u>	<u>2,454,292</u>
Other financing sources (uses):				
Transfers in	475,000	475,000	460,000	(15,000)
Transfers out	<u>(391,058)</u>	<u>(1,360,288)</u>	<u>(1,360,288)</u>	<u>-</u>
Total other financing sources (uses)	<u>83,942</u>	<u>(885,288)</u>	<u>(900,288)</u>	<u>(15,000)</u>
Net change in fund balances	(782,001)	(1,775,912)	663,380	2,439,292
Fund balances at beginning of year	<u>5,400,672</u>	<u>5,400,672</u>	<u>5,400,672</u>	<u>-</u>
Fund balances at end of year	<u>\$ 4,618,671</u>	<u>3,624,760</u>	<u>6,064,052</u>	<u>2,439,292</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund  
Schedule of Revenue and Other Financing Sources Compared to Budget With Prior Year Actual  
Year ended December 31, 2022  
(With comparative actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2021 Actual
Real property taxes	\$ 2,895,527	2,895,527	3,194,414	298,887	3,184,466
Other tax items:					
Payments in lieu of taxes	557,342	557,342	557,667	325	766,196
Interest and penalties on real property taxes	603,548	603,548	592,417	(11,131)	568,374
Franchise fees	580,000	580,000	602,799	22,799	618,679
	<u>1,740,890</u>	<u>1,740,890</u>	<u>1,752,883</u>	<u>11,993</u>	<u>1,953,249</u>
Non-property taxes:					
Electric generation facility cessation mitigation program	237,748	237,748	237,748	-	-
Nonproperty tax distribution from County	4,300,000	5,087,522	5,855,759	768,237	5,263,600
	<u>4,537,748</u>	<u>5,325,270</u>	<u>6,093,507</u>	<u>768,237</u>	<u>5,263,600</u>
Departmental income:					
Inspection fees	60,000	60,000	99,392	39,392	4,493
Town Clerk fees	75,000	75,000	145,645	70,645	77,736
Parks and recreation charges	275,000	275,000	274,885	(115)	225,391
Rentals and charges - Nor West	26,000	26,000	26,200	200	26,200
	<u>436,000</u>	<u>436,000</u>	<u>546,122</u>	<u>110,122</u>	<u>333,820</u>
Intergovernmental charges - Nor West Program	<u>240,800</u>	<u>240,800</u>	<u>247,089</u>	<u>6,289</u>	<u>197,545</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
Use of money and property:					
Rental income	\$ 100,000	100,000	117,116	17,116	93,187
Earnings on investments	100,000	100,000	93,495	(6,505)	8,477
Commission	-	-	-	-	286
Trust fund income	2,500	2,500	110,175	107,675	3,336
Justice court facilities grant	-	620	620	-	1,744
Nor West program	150	150	587	437	10
	<u>202,650</u>	<u>203,270</u>	<u>321,993</u>	<u>118,723</u>	<u>107,040</u>
Fines and forfeitures:					
Fines and forfeited bail	300,000	300,000	237,095	(62,905)	88,228
Forfeiture of deposits	-	-	300	300	50
	<u>300,000</u>	<u>300,000</u>	<u>237,395</u>	<u>(62,605)</u>	<u>88,278</u>
Sale of property and compensation for loss - sales of real property	-	-	507,920	507,920	-
State aid:					
Per capita	189,450	189,450	189,449	(1)	189,449
Mortgage tax	1,400,000	1,400,000	2,036,468	636,468	2,311,747
Substance abuse services	82,000	107,000	133,775	26,775	103,050
Youth programs	8,191	8,191	9,093	902	9,093
Recreation for the elderly	-	8,430	61,635	53,205	-
Member items	20,000	20,000	-	(20,000)	20,000
Nor West program	311,578	311,578	233,572	(78,006)	258,392
	<u>2,011,219</u>	<u>2,044,649</u>	<u>2,663,992</u>	<u>619,343</u>	<u>2,891,731</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund

Schedule of Revenue and Other Financing Sources Compared to Budget With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
Federal aid:					
Nutrition program	\$ 50,000	50,000	64,533	14,533	126,354
American rescue plan act	-	580,863	580,863	-	492,235
	<u>50,000</u>	<u>630,863</u>	<u>645,396</u>	<u>14,533</u>	<u>618,589</u>
Miscellaneous:					
Refund of prior year's expenditures	50,000	50,000	13,989	(36,011)	21,039
Gifts and donations	91,500	91,500	75,825	(15,675)	49,268
Unclassified	45,000	45,000	(22,849)	(67,849)	18,117
Nor West program	-	-	2,845	2,845	54,353
	<u>186,500</u>	<u>186,500</u>	<u>69,810</u>	<u>(116,690)</u>	<u>142,777</u>
Total revenue	<u>12,601,334</u>	<u>14,003,769</u>	<u>16,280,521</u>	<u>2,276,752</u>	<u>14,781,095</u>
Other financing sources:					
Transfers in:					
Debt service fund	400,000	400,000	-	(400,000)	400,000
Special purpose fund	-	227,000	227,000	-	-
Special districts fund	75,000	75,000	60,000	(15,000)	60,000
Total other financing sources	<u>475,000</u>	<u>702,000</u>	<u>287,000</u>	<u>(415,000)</u>	<u>460,000</u>
Total revenue and other financing sources	<u>\$ 13,076,334</u>	<u>14,705,769</u>	<u>16,567,521</u>	<u>1,861,752</u>	<u>15,241,095</u>



TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual  
Year ended December 31, 2022  
(With comparative actuals for 2021)

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
General governmental support:					
Town board	\$ 134,800	167,707	166,757	950	155,026
Town justices	578,416	584,641	581,871	2,770	550,476
Supervisor	520,330	649,215	648,019	1,196	591,531
Comptroller	564,808	632,250	630,684	1,566	588,143
Auditor	41,070	41,070	41,070	-	43,570
Receiver of taxes	388,532	340,086	335,754	4,332	334,649
Purchasing	539,690	682,098	677,345	4,753	557,689
Board of assessors	377,706	354,607	351,795	2,812	350,499
Town clerk	364,439	410,274	401,639	8,635	344,034
Town attorney	492,246	583,867	583,466	401	497,081
Engineer	658,633	598,766	597,699	1,067	619,109
Elections	86,800	89,227	89,227	-	85,594
Environmental services	54,850	66,276	64,427	1,849	52,429
Buildings	490,601	1,338,769	1,206,456	132,313	883,756
Central garage	145,287	372,172	312,329	59,843	251,816
Central printing and mailing	69,000	127,337	126,863	474	61,264
Central data processing	146,850	158,366	136,172	22,194	124,334
Unallocated insurance	115,000	115,270	115,270	-	116,385

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
General governmental support, continued:					
Municipal association dues	\$ 10,000	9,884	9,884	-	4,792
Codification of town law	-	-	-	-	-
Taxes on town-owned property	15,000	25,174	25,174	-	17,933
Bond issuance	-	34,594	34,594	-	8,893
Judgments and claims	50,000	34,049	34,049	-	133,395
Metropolitan commuter transportation mobility tax	20,000	21,208	21,208	-	19,966
Contingency account	<u>390,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,254,058</u>	<u>7,436,907</u>	<u>7,191,752</u>	<u>245,155</u>	<u>6,392,364</u>
Public safety:					
Jail	1,000	-	-	-	250
Traffic control	<u>97,500</u>	<u>110,403</u>	<u>108,855</u>	<u>1,548</u>	<u>97,417</u>
	<u>98,500</u>	<u>110,403</u>	<u>108,855</u>	<u>1,548</u>	<u>97,667</u>
Health:					
Joint hospital	15,000	15,000	15,000	-	15,000
Joint ambulance	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>35,000</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual, Continued

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
Transportation:					
Superintendent of highways	\$ 429,766	423,748	423,748	-	375,732
Highway garage	<u>39,500</u>	<u>31,816</u>	<u>30,253</u>	<u>1,563</u>	<u>24,788</u>
	<u>469,266</u>	<u>455,564</u>	<u>454,001</u>	<u>1,563</u>	<u>400,520</u>
Economic assistance and opportunity:					
Veterans' services	3,600	3,600	3,402	198	4,065
Programs for the aging	<u>738,009</u>	<u>813,208</u>	<u>804,027</u>	<u>9,181</u>	<u>674,923</u>
	<u>741,609</u>	<u>816,808</u>	<u>807,429</u>	<u>9,379</u>	<u>678,988</u>
Culture and recreation:					
Recreation administration	851,739	965,613	965,508	105	877,023
Youth programs	658,532	615,207	600,393	14,814	558,979
Celebrations	-	58,932	58,335	597	77,587
Concerts	15,000	28,733	28,733	-	28,530
Nor West Program	584,528	590,182	481,824	108,358	528,781
Town Historian	<u>6,000</u>	<u>8,547</u>	<u>7,881</u>	<u>666</u>	<u>-</u>
	<u>2,115,799</u>	<u>2,267,214</u>	<u>2,142,674</u>	<u>124,540</u>	<u>2,070,900</u>
Home and community services - cemeteries	<u>13,700</u>	<u>13,700</u>	<u>12,012</u>	<u>1,688</u>	<u>18,900</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
Employee benefits:					
State retirement	\$ 775,000	728,084	705,603	22,481	799,412
Social security	445,000	465,836	465,835	1	438,911
Workers' compensation benefits	110,000	110,000	110,000	-	110,000
Life insurance	38,000	38,000	37,360	640	37,400
Health and dental insurance	2,315,000	2,229,482	2,229,482	-	2,068,244
Unemployment benefits	-	-	-	-	-
	<u>3,683,000</u>	<u>3,571,402</u>	<u>3,548,280</u>	<u>23,122</u>	<u>3,453,967</u>
Debt service:					
Principal	8,954	8,977	8,977	-	8,746
Interest	<u>60,168</u>	<u>60,186</u>	<u>45,186</u>	<u>15,000</u>	<u>60,375</u>
	<u>69,122</u>	<u>69,163</u>	<u>54,163</u>	<u>15,000</u>	<u>69,121</u>
Total expenditures	<u>13,480,054</u>	<u>14,776,161</u>	<u>14,354,166</u>	<u>421,995</u>	<u>13,217,427</u>
Other financing uses:					
Transfer out:					
Highway fund	-	-	-	-	492,235
Capital projects fund	50,000	1,468,076	1,468,076	-	536,995
Debt service fund	<u>328,280</u>	<u>328,280</u>	<u>328,280</u>	<u>-</u>	<u>331,058</u>
Total other financing uses	<u>378,280</u>	<u>1,796,356</u>	<u>1,796,356</u>	<u>-</u>	<u>1,360,288</u>
Total expenditures and other financing uses	<u>\$ 13,858,334</u>	<u>16,572,517</u>	<u>16,150,522</u>	<u>421,995</u>	<u>14,577,715</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Town Outside Villages Fund  
Comparative Balance Sheet  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and equivalents	\$ 3,164,305	2,998,544
Other receivables:		
Accounts	51,209	46,698
State and Federal aid	61,712	96,533
Due from other governments	13,719	-
Due from other funds	700,000	602,242
	<u>826,640</u>	<u>745,473</u>
Prepaid expenditures	94,998	173,110
Total assets	<u>\$ 4,085,943</u>	<u>3,917,127</u>
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	348,839	370,412
Due to other funds	685,030	569,255
Total liabilities	<u>1,033,869</u>	<u>939,667</u>
Fund balance:		
Nonspendable	94,998	173,110
Assigned	2,957,076	2,804,350
Total fund balance	<u>3,052,074</u>	<u>2,977,460</u>
Total liabilities and fund balance	<u>\$ 4,085,943</u>	<u>3,917,127</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Town Outside Villages Fund  
Comparative Statement of Revenue, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Years ended December 31, 2022 and 2021

	2022			
	Original <u>budget</u>	Final <u>budget</u>	<u>Actual</u>	Variance with final budget positive <u>(negative)</u>
Revenue:				
Real property taxes	\$ 9,357,249	9,357,249	9,357,943	694
Non-property tax items	1,720,000	1,720,000	2,420,000	700,000
Departmental income	1,353,253	1,353,253	1,457,235	103,982
Use of money and property	3,500	3,500	14,700	11,200
State aid	-	-	40,427	40,427
Miscellaneous	<u>35,500</u>	<u>35,500</u>	<u>9,019</u>	<u>(26,481)</u>
Total revenue	<u>12,469,502</u>	<u>12,469,502</u>	<u>13,299,324</u>	<u>829,822</u>
Expenditures:				
General government support	352,540	154,465	154,465	-
Public safety	1,947,986	2,303,096	2,299,411	3,685
Health	20,415	20,934	20,934	-
Culture and recreation	2,848,921	3,068,373	2,978,075	90,298
Home and community services	4,336,401	4,736,189	4,446,303	289,886
Employee benefits	3,135,000	3,022,400	3,022,042	358
Debt service - principal	163,589	200,637	200,637	-
Debt service - interest	<u>14,650</u>	<u>16,343</u>	<u>16,343</u>	<u>-</u>
Total expenditures	<u>12,819,502</u>	<u>13,522,437</u>	<u>13,138,210</u>	<u>384,227</u>
Excess (deficiency) revenue over expenditures	<u>(350,000)</u>	<u>(1,052,935)</u>	<u>161,114</u>	<u>1,214,049</u>
Other financing uses - transfers out	<u>-</u>	<u>(86,500)</u>	<u>(86,500)</u>	<u>-</u>
Net change in fund balances	(350,000)	(1,139,435)	74,614	1,214,049
Fund balances at beginning of year	<u>2,977,460</u>	<u>2,977,460</u>	<u>2,977,460</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,627,460</u>	<u>1,838,025</u>	<u>3,052,074</u>	<u>1,214,049</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Town Outside Villages Fund  
Comparative Statement of Revenue, Expenditures and  
Changes in Fund Balance - Budget and Actual, Continued

	2021			Variance with final budget positive (negative)
	Original <u>budget</u>	Final <u>budget</u>	<u>Actual</u>	
Revenue:				
Real property taxes	\$ 9,357,249	9,357,249	9,358,847	1,598
Non-property tax items	1,250,000	1,250,000	1,850,000	600,000
Departmental income	1,468,500	1,468,500	1,194,610	(273,890)
Use of money and property	3,500	3,500	314	(3,186)
State aid	-	73,658	73,658	-
Miscellaneous	<u>31,000</u>	<u>31,000</u>	<u>35,907</u>	<u>4,907</u>
Total revenue	<u>12,110,249</u>	<u>12,183,907</u>	<u>12,513,336</u>	<u>329,429</u>
Expenditures:				
General government support	227,540	146,943	146,943	-
Public safety	1,886,934	1,920,219	1,913,448	6,771
Health	19,917	20,688	20,688	-
Culture and recreation	2,784,247	2,974,053	2,929,775	44,278
Home and community services	4,281,817	4,411,901	4,139,992	271,909
Employee benefits	3,114,000	2,979,958	2,977,665	2,293
Debt service - principal	131,701	159,702	159,628	74
Debt service - interest	<u>14,093</u>	<u>14,102</u>	<u>14,102</u>	<u>-</u>
Total expenditures	<u>12,460,249</u>	<u>12,627,566</u>	<u>12,302,241</u>	<u>325,325</u>
Excess (deficiency) revenue over expenditures	<u>(350,000)</u>	<u>(443,659)</u>	<u>211,095</u>	<u>654,754</u>
Other financing uses - transfers out	<u>-</u>	<u>(164,360)</u>	<u>(164,360)</u>	<u>-</u>
Net change in fund balances	(350,000)	(608,019)	46,735	654,754
Fund balances at beginning of year	<u>2,930,725</u>	<u>2,930,725</u>	<u>2,930,725</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,580,725</u>	<u>2,322,706</u>	<u>2,977,460</u>	<u>654,754</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Town Outside Villages Fund  
Schedule of Revenue and Other Financing Sources Compared to Budget With Prior Year Actual  
Year ended December 31, 2022  
(With comparative actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2021 Actual
Real property taxes	\$ 9,357,249	9,357,249	9,357,943	694	9,358,847
Non-property taxes - nonproperty tax distribution from County	1,720,000	1,720,000	2,420,000	700,000	1,850,000
Departmental income:					
Dog license fees	6,253	6,253	5,037	(1,216)	4,830
Parks and recreation charges	715,000	715,000	692,134	(22,866)	452,905
Safety inspection fees	500,000	500,000	643,202	143,202	609,620
Zoning fees	5,000	5,000	1,300	(3,700)	2,400
Planning Board fees	50,000	50,000	31,305	(18,695)	31,430
Services to other governments	53,000	53,000	54,608	1,608	55,836
Other	24,000	24,000	29,649	5,649	37,589
	1,353,253	1,353,253	1,457,235	103,982	1,194,610
Use of money and property - earnings on investments	3,500	3,500	14,700	11,200	314
State aid - conservation	-	-	40,427	40,427	73,658
Miscellaneous - unclassified	35,500	35,500	9,019	(26,481)	35,907
Total revenue	\$ 12,469,502	12,469,502	13,299,324	829,822	12,513,336



TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Town Outside Villages Fund  
Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual  
Year ended December 31, 2022  
(With comparative actuals for 2021)

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
General governmental support:					
Unallocated insurance	\$ 100,000	100,969	100,969	-	102,278
Auditor	27,540	27,540	27,540	-	27,540
Judgments and claims	10,000	8,500	8,500	-	-
Metropolitan commuter transportation mobility tax	15,000	17,456	17,456	-	17,125
Contingency account	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>352,540</u>	<u>154,465</u>	<u>154,465</u>	<u>-</u>	<u>146,943</u>
Public safety:					
Police	1,251,541	1,562,095	1,561,220	875	1,259,562
Dog warden	70,000	51,818	51,818	-	95,949
Code enforcement	<u>626,245</u>	<u>689,183</u>	<u>686,373</u>	<u>2,810</u>	<u>557,937</u>
	<u>1,947,786</u>	<u>2,303,096</u>	<u>2,299,411</u>	<u>3,685</u>	<u>1,913,448</u>
Health - vital statistics	<u>20,415</u>	<u>20,934</u>	<u>20,934</u>	<u>-</u>	<u>20,688</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK

Supplementary and Other Information

Town Outside Villages Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
Culture and recreation:					
Library	\$ 667,013	667,013	667,013	-	667,013
Parks and playgrounds	1,581,213	1,540,219	1,484,418	55,801	1,482,832
Pool	537,755	798,201	783,806	14,395	744,602
Adult recreation	62,940	62,940	42,838	20,102	35,328
	<u>2,848,921</u>	<u>3,068,373</u>	<u>2,978,075</u>	<u>90,298</u>	<u>2,929,775</u>
Home and community services:					
Zoning	36,845	36,845	30,445	6,400	38,052
Planning	577,268	685,998	680,898	5,100	668,460
Refuse, garbage and recycling	3,722,288	4,013,346	3,734,960	278,386	3,433,480
	<u>4,336,401</u>	<u>4,736,189</u>	<u>4,446,303</u>	<u>289,886</u>	<u>4,139,992</u>
Employee benefits:					
State retirement	665,000	597,317	597,317	-	685,195
Social security	380,000	380,019	380,019	-	376,352
Workers' compensation benefits	290,000	290,000	290,000	-	290,000
Life insurance	10,000	10,000	9,642	358	9,254
Health and dental insurance	1,790,000	1,738,254	1,738,254	-	1,616,864
Unemployment benefits	-	6,810	6,810	-	-
	<u>3,135,000</u>	<u>3,022,400</u>	<u>3,022,042</u>	<u>358</u>	<u>2,977,665</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Town Outside Villages Fund  
Schedule of Expenditures and Other Financing Uses Compared to Budget With Prior Year Actual, Continued

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)	2021 <u>Actual</u>
Debt service:					
Principal	\$ 163,589	200,637	200,637	-	159,628
Interest	<u>14,650</u>	<u>16,343</u>	<u>16,343</u>	<u>-</u>	<u>14,102</u>
	<u>178,239</u>	<u>216,980</u>	<u>216,980</u>	<u>-</u>	<u>173,730</u>
Total expenditures	<u>12,819,302</u>	<u>13,522,437</u>	<u>13,138,210</u>	<u>384,227</u>	<u>12,302,241</u>
Other financing uses - transfer out - capital projects fund	<u>-</u>	<u>86,500</u>	<u>86,500</u>	<u>-</u>	<u>164,360</u>
Total expenditures and other financing uses	<u>\$ 12,819,302</u>	<u>13,608,937</u>	<u>13,224,710</u>	<u>384,227</u>	<u>12,466,601</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Highway Fund  
Combining Balance Sheet - Sub-Funds  
December 31, 2022  
(With comparative totals for 2021)

	Town Outside Villages	Town- wide	Totals <u>2022</u>	<u>2021</u>
Assets:				
Cash and equivalents	\$ 3,054,107	-	3,054,107	2,763,530
Receivables:				
Accounts	346,114	-	346,114	24,494
State and Federal aid	676,789	-	676,789	12,379
Due from other funds	-	35,468	35,468	927,703
	<u>1,022,903</u>	<u>35,468</u>	<u>1,058,371</u>	<u>964,576</u>
Prepaid expenditures	36,361	-	36,361	59,324
Total assets	<u>\$ 4,113,371</u>	<u>35,468</u>	<u>4,148,839</u>	<u>3,787,430</u>
Liabilities and Fund Balance:				
Liabilities:				
Accounts payable	201,080	-	201,080	144,644
Due to other funds	843,901	-	843,901	1,107,055
Total liabilities	<u>1,044,981</u>	<u>-</u>	<u>1,044,981</u>	<u>1,251,699</u>
Fund balance:				
Nonspendable	36,361	-	36,361	59,324
Assigned	3,032,029	35,468	3,067,497	2,476,407
Total fund balance	<u>3,068,390</u>	<u>35,468</u>	<u>3,103,858</u>	<u>2,535,731</u>
Total liabilities and fund balance	<u>\$ 4,113,371</u>	<u>35,468</u>	<u>4,148,839</u>	<u>3,787,430</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Highway Fund

Combining Statement of Revenue, Expenditures and Changes in Fund Balance - Sub-Funds  
Year ended December 31, 2022  
(With comparative totals for 2021)

	Town- Outside Villages	Town- Wide	<u>Actual Totals</u>	
			<u>2022</u>	<u>2021</u>
Revenue:				
Real property taxes	\$6,334,165	27,500	6,361,665	6,361,823
Non-property tax items	-	-	-	450,000
Intergovernmental charges	25,212		25,212	18,644
Use of money and property	11,166	-	11,166	287
State aid	688,989	-	688,989	579,013
Federal aid	368,727	-	368,727	38,625
Miscellaneous	<u>350,867</u>	<u>-</u>	<u>350,867</u>	<u>157,171</u>
Total revenue	<u>7,779,126</u>	<u>27,500</u>	<u>7,806,626</u>	<u>7,605,563</u>
Expenditures:				
Transportation	5,480,334	-	5,480,334	5,329,256
Employee benefits	1,469,258	-	1,469,258	1,414,945
Debt service - principal	150,327	-	150,327	148,482
Debt service -interest	<u>18,686</u>	<u>-</u>	<u>18,686</u>	<u>33,032</u>
Total expenditures	<u>7,118,605</u>	<u>-</u>	<u>7,118,605</u>	<u>6,925,715</u>
Excess of revenue over expenditures	<u>660,521</u>	<u>27,500</u>	<u>688,021</u>	<u>679,848</u>
Other financing sources:				
Transfers in	14,500	-	14,500	506,735
Transfers out	<u>(106,894)</u>	<u>(27,500)</u>	<u>(134,394)</u>	<u>(999,446)</u>
Total other financing sources	<u>(92,394)</u>	<u>(27,500)</u>	<u>(119,894)</u>	<u>(492,711)</u>
Net change in fund balance	568,127	-	568,127	187,137
Fund balance at beginning of year	<u>2,500,263</u>	<u>35,468</u>	<u>2,535,731</u>	<u>2,348,594</u>
Fund balance at end of year	<u>\$3,068,390</u>	<u>35,468</u>	<u>3,103,858</u>	<u>2,535,731</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Highway Fund - Town Outside Villages  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Years ended December 31, 2022 and 2021

	2022			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Real property taxes	\$ 6,334,165	6,334,165	6,334,165	-
Non-property tax items	500,000	500,000	-	(500,000)
Intergovernmental charges	21,000	21,000	25,212	4,212
Use of money and property	3,000	3,000	11,166	8,166
State aid	383,000	579,000	688,989	109,989
Federal aid	-	-	368,727	368,727
Miscellaneous	<u>39,810</u>	<u>39,810</u>	<u>350,867</u>	<u>311,057</u>
Total revenue	<u>7,280,975</u>	<u>7,476,975</u>	<u>7,779,126</u>	<u>302,151</u>
Expenditures:				
Transportation	5,753,269	6,206,385	5,480,334	726,051
Employee benefits	1,542,300	1,542,297	1,469,258	73,039
Debt service - principal	151,993	150,327	150,327	-
Debt service - interest	<u>29,518</u>	<u>31,186</u>	<u>18,686</u>	<u>12,500</u>
Total expenditures	<u>7,477,080</u>	<u>7,930,195</u>	<u>7,118,605</u>	<u>811,590</u>
Excess (deficiency) revenue over expenditures	<u>(196,105)</u>	<u>(453,220)</u>	<u>660,521</u>	<u>1,113,741</u>
Other financing sources (uses):				
Transfers in	18,000	18,000	14,500	(3,500)
Transfers out	<u>(36,895)</u>	<u>(106,896)</u>	<u>(106,894)</u>	<u>2</u>
Total other financing sources (uses)	<u>(18,895)</u>	<u>(88,896)</u>	<u>(92,394)</u>	<u>(3,498)</u>
Net change in fund balances	(215,000)	(542,116)	568,127	1,110,243
Fund balances at beginning of year	<u>2,500,263</u>	<u>2,500,263</u>	<u>2,500,263</u>	<u>-</u>
Fund balances at end of year	<u>\$ 2,285,263</u>	<u>1,958,147</u>	<u>3,068,390</u>	<u>1,110,243</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Highway Fund - Town Outside Villages  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual, Continued

	2021			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenue:				
Real property taxes	\$ 6,334,323	6,334,323	6,334,323	-
Non-property tax items	450,000	450,000	450,000	-
Intergovernmental charges	21,000	21,000	18,644	(2,356)
Use of money and property	3,000	3,000	287	(2,713)
State aid	302,000	302,000	579,013	277,013
Federal aid	-	-	38,625	38,625
Miscellaneous	39,810	39,810	157,171	117,361
Total revenue	7,150,133	7,150,133	7,578,063	427,930
Expenditures:				
Transportation	5,622,289	6,127,021	5,329,256	797,765
Employee benefits	1,542,300	1,541,391	1,414,945	126,446
Debt service - principal	149,230	149,230	148,482	748
Debt service - interest	32,123	33,032	33,032	-
Total expenditures	7,345,942	7,850,674	6,925,715	924,959
Excess (deficiency) revenue over expenditures	(195,809)	(700,541)	652,348	1,352,889
Other financing sources (uses):				
Transfers in	18,000	510,235	506,735	(3,500)
Transfers out	(37,191)	(971,946)	(971,946)	-
Total other financing sources (uses)	(19,191)	(461,711)	(465,211)	(3,500)
Net change in fund balances	(215,000)	(1,162,252)	187,137	1,349,389
Fund balances at beginning of year	2,313,126	2,313,126	2,313,126	-
Fund balances at end of year	\$ 2,098,126	1,150,874	2,500,263	1,349,389

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Highway Fund - Town-Wide  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Years ended December 31, 2022 and 2021

	2022			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenue - real property taxes	\$27,500	27,500	27,500	-
Other financing sources - transfers out	<u>(27,500)</u>	<u>(27,500)</u>	<u>(27,500)</u>	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>35,468</u>	<u>35,468</u>	<u>35,468</u>	-
Fund balance at end of year	<u>\$ 35,468</u>	<u>35,468</u>	<u>35,468</u>	-

(Continued)



TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Highway Fund - Town-Wide  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual, Continued

	2021			Variance with
	Original	Final		Final Budget
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	Positive
				<u>(Negative)</u>
Revenue - real property taxes	\$ 27,500	27,500	27,500	-
Other financing sources - transfers out	<u>(27,500)</u>	<u>(27,500)</u>	<u>(27,500)</u>	-
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	<u>35,468</u>	<u>35,468</u>	<u>35,468</u>	-
Fund balance at end of year	<u><u>\$ 35,468</u></u>	<u><u>35,468</u></u>	<u><u>35,468</u></u>	<u><u>-</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Balance Sheet - Sub-Funds  
December 31, 2022  
(With comparative totals for 2021)

	Fire Protection Districts						Lighting Districts			Sewer Districts	
	Dogwood Road	Furnace Dock Road	Mt. Airy Quaker Bridge	North Cortlandt	Continental Village	Water District	Montrose	Verplanck	North Cortlandt	Fawn Ridge	Conklin Park
Assets:											
Cash and equivalents	\$ -	-	-	-	-	4,303,511	-	-	-	-	-
Other receivables:											
Accounts	-	-	-	-	-	6,529	-	-	-	32	-
Water rents	-	-	-	-	-	2,457,109	-	-	-	-	-
Due from other governments	-	-	-	-	-	296,851	-	-	-	-	-
Due from other funds	1,257	3,255	46,226	5,990	(2,174)	519,095	36,853	19,779	74,271	32,897	4,311
Total other receivables	1,257	3,255	46,226	5,990	(2,174)	3,279,584	36,853	19,779	74,271	32,929	4,311
Prepaid expenditures	-	-	-	-	-	17,959	-	-	-	-	-
Total assets	\$ 1,257	3,255	46,226	5,990	(2,174)	7,601,054	36,853	19,779	74,271	32,929	4,311
Liabilities and fund balances:											
Liabilities:											
Accounts payable	-	-	-	-	-	1,154,498	5,619	1,934	-	-	-
Due to other funds	-	-	-	-	-	3,071,719	-	-	-	-	-
Unearned revenue	-	-	-	-	-	326,384	-	-	-	-	-
Total liabilities	-	-	-	-	-	4,552,601	5,619	1,934	-	-	-
Fund balances:											
Nonspendable	-	-	-	-	-	17,959	-	-	-	-	-
Assigned	1,257	3,255	46,226	5,990	(2,174)	3,030,494	31,234	17,845	74,271	32,929	4,311
Total fund balances	1,257	3,255	46,226	5,990	(2,174)	3,048,453	31,234	17,845	74,271	32,929	4,311
Total liabilities and fund balances	\$ 1,257	3,255	46,226	5,990	(2,174)	7,601,054	36,853	19,779	74,271	32,929	4,311

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Balance Sheet - Sub-Funds, Continued

	Sewer Districts									
	Conklin <u>Park East</u>	<u>Skytop</u>	<u>Lafayette</u>	Hollow- brook <u>Ridge</u>	Red <u>Oaks</u>	Country <u>Woods</u>	Waterbury <u>Manor</u>	Emery <u>Ridge</u>	Cortlandt Boulevard <u>East</u>	Dickerson <u>Pond</u>
Assets:										
Cash and equivalents	\$ -	-	-	-	-	-	-	-	-	-
Other receivables:										
Accounts	-	-	83	-	-	-	-	-	-	65,429
Water rents	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-
Due from other funds	24,808	981	26,025	1,608	12,311	13,732	17,869	19,108	-	75,726
Total other receivables	24,808	981	26,108	1,608	12,311	13,732	17,869	19,108	-	141,155
Prepaid expenditures	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 24,808</u>	<u>981</u>	<u>26,108</u>	<u>1,608</u>	<u>12,311</u>	<u>13,732</u>	<u>17,869</u>	<u>19,108</u>	<u>-</u>	<u>141,155</u>
Liabilities and fund balances:										
Liabilities:										
Accounts payable	-	-	-	-	-	-	-	-	-	121,162
Due to other funds	-	-	-	-	-	-	-	-	839	126,941
Unearned revenue	-	-	-	-	-	9,500	-	-	-	-
Total liabilities	-	-	-	-	-	9,500	-	-	839	248,103
Fund balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Assigned	24,808	981	26,108	1,608	12,311	4,232	17,869	19,108	(839)	(106,948)
Total fund balances	24,808	981	26,108	1,608	12,311	4,232	17,869	19,108	(839)	(106,948)
Total liabilities and fund balances	<u>\$ 24,808</u>	<u>981</u>	<u>26,108</u>	<u>1,608</u>	<u>12,311</u>	<u>13,732</u>	<u>17,869</u>	<u>19,108</u>	<u>-</u>	<u>141,155</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Balance Sheet - Sub-Funds, Continued

	Sewer Districts		Ambulance Districts			Park Districts		Drainage Districts	
	Cortlandt Boulevard Central	Cortlandt Boulevard West	Cortlandt #1	Cortlandt #2	Cortlandt #3	Putnam Colony	Continental Village	Sunset Ridge	North Cortlandt
Assets:									
Cash and equivalents	\$ -	-	-	-	-	-	-	-	-
Other receivables:									
Accounts	59,023	85,429	-	-	-	-	-	-	-
Water rents	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	3,148	559,239	-	-	-	-	-
Due from other funds	131,798	-	199,851	866,157	5,967	49,498	1,569	2,000	2,857
Total other receivables	190,821	85,429	202,999	1,425,396	5,967	49,498	1,569	2,000	2,857
Prepaid expenditures	-	-	-	-	-	-	-	-	-
Total assets	\$ 190,821	85,429	202,999	1,425,396	5,967	49,498	1,569	2,000	2,857
Liabilities and fund balances:									
Liabilities:									
Accounts payable	-	-	11,200	287,117	-	-	-	-	-
Due to other funds	-	(59,444)	-	392,153	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	-	(59,444)	11,200	679,270	-	-	-	-	-
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Assigned	190,821	144,873	191,799	746,126	5,967	49,498	1,569	2,000	2,857
Total fund balances	190,821	144,873	191,799	746,126	5,967	49,498	1,569	2,000	2,857
Total liabilities and fund balances	\$ 190,821	85,429	202,999	1,425,396	5,967	49,498	1,569	2,000	2,857

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Balance Sheet - Sub-Funds, Continued

	Drainage Districts						Improve- ment District	Totals	
	<u>Ridgevale</u>	<u>Wash- ington Acres</u>	<u>West- chester Mall</u>	<u>Skytop</u>	<u>Lafayette</u>	<u>Hollow- Brook Ridge</u>	<u>Mohegan Lake</u>	<u>2021</u>	<u>2021</u>
Assets:									
Cash and equivalents	\$ -	-	-	-	-	-	-	4,303,511	4,834,570
Other receivables:									
Accounts	-	-	-	-	-	-	-	216,525	255,691
Water rents	-	-	-	-	-	-	-	2,457,109	2,476,945
Due from other governments	-	-	-	-	-	-	-	859,238	540,380
Due from other funds	2,936	12,007	3,987	595	3,546	1,169	21,148	2,239,013	2,224,744
Total other receivables	2,936	12,007	3,987	595	3,546	1,169	21,148	5,771,885	5,497,760
Prepaid expenditures	-	-	-	-	-	-	-	17,959	26,123
Total assets	<u>\$ 2,936</u>	<u>12,007</u>	<u>3,987</u>	<u>595</u>	<u>3,546</u>	<u>1,169</u>	<u>21,148</u>	<u>10,093,355</u>	<u>10,358,453</u>
Liabilities and fund balances:									
Liabilities:									
Accounts payable	-	-	-	-	-	-	16,800	1,598,330	1,413,419
Due to other funds	-	-	-	-	-	-	-	3,532,208	2,338,190
Unearned revenue	-	-	-	-	-	-	-	335,884	653,407
Total liabilities	-	-	-	-	-	-	16,800	5,466,422	4,405,016
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	17,959	26,123
Assigned	2,936	12,007	3,987	595	3,546	1,169	4,348	4,608,974	5,927,314
Total fund balances	2,936	12,007	3,987	595	3,546	1,169	4,348	4,626,933	5,953,437
Total liabilities and fund balances	<u>\$ 2,936</u>	<u>12,007</u>	<u>3,987</u>	<u>595</u>	<u>3,546</u>	<u>1,169</u>	<u>21,148</u>	<u>10,093,355</u>	<u>10,358,453</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Statement of Revenue, Expenditures and Changes in Fund Balances - Sub-Funds  
Year ended December 31, 2022  
(With comparative totals for 2021)

	Fire Protection Districts					Lighting Districts			
	Dogwood Road	Furnace Dock Road	Mt. Airy Quaker Bridge	North Cortlandt	Continental Village	Water District	Montrose	Verplanck	North Cortlandt
Revenue:									
Real property taxes	\$ -	55,453	419,041	-	171,401	1,004,839	85,075	30,014	-
Departmental income	-	-	-	-	-	6,861,037	-	-	-
Intergovernmental charges	-	-	-	-	-	25,189	-	-	-
Use of money and property	-	-	-	-	-	15,383	-	-	-
State aid	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total revenue	-	55,453	419,041	-	171,401	7,906,448	85,075	30,014	-
Expenditures:									
General government support	-	-	-	-	-	47,548	-	-	-
Public safety	-	55,444	411,430	-	177,500	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	58,903	20,269	1,500
Culture and recreation	-	-	-	-	-	-	-	-	-
Home and community services	-	-	-	-	-	7,310,528	-	-	-
Employee benefits	-	-	-	-	-	666,508	-	-	-
Debt service - principal	-	-	-	-	-	-	29,572	14,258	-
Debt service - interest	-	-	-	-	-	-	612	296	-
Total expenditures	-	55,444	411,430	-	177,500	8,024,584	89,087	34,823	1,500
Excess (deficiency) of revenue over expenditures	-	9	7,611	-	(6,099)	(118,136)	(4,012)	(4,809)	(1,500)
Other financing sources (uses):									
Transfers in	-	-	-	-	-	55,000	-	-	-
Transfers out	-	-	-	-	-	(1,494,912)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	(1,439,912)	-	-	-
Net change in fund balances	-	9	7,611	-	(6,099)	(1,558,048)	(4,012)	(4,809)	(1,500)
Fund balances at beginning of year	1,257	3,246	38,615	5,990	3,925	4,606,501	35,246	22,654	75,771
Fund balances at end of year	\$ 1,257	3,255	46,226	5,990	(2,174)	3,048,453	31,234	17,845	74,271

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Statement of Revenue, Expenditures and Changes in Fund Balances - Sub-Funds, Continued

	Sewer Districts							
	<u>Fawn Ridge</u>	<u>Conklin Park</u>	<u>Conklin Park East</u>	<u>Skytop</u>	<u>Lafayette</u>	<u>Hollow- brook Ridge</u>	<u>Red Oaks</u>	<u>Country Woods</u>
Revenue:								
Real property taxes	\$ 10,026	1,001	3,002	2,002	8,510	3,002	25,006	1,502
Departmental income	-	-	-	-	-	-	-	-
Intergovernmental charges	-	-	-	-	-	-	-	-
Use of money and property	223	-	33	-	2,168	-	476	77
State aid	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenue	<u>10,249</u>	<u>1,001</u>	<u>3,035</u>	<u>2,002</u>	<u>10,678</u>	<u>3,002</u>	<u>25,482</u>	<u>1,579</u>
Expenditures:								
General government support	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Home and community services	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-
Debt service - principal	-	-	-	-	-	-	-	-
Debt service - interest	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	<u>10,249</u>	<u>1,001</u>	<u>3,035</u>	<u>2,002</u>	<u>10,678</u>	<u>3,002</u>	<u>25,482</u>	<u>1,579</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(10,000)	(1,000)	-	(2,000)	(2,500)	(3,000)	(25,000)	(1,500)
Total other financing sources (uses)	<u>(10,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>(2,000)</u>	<u>(2,500)</u>	<u>(3,000)</u>	<u>(25,000)</u>	<u>(1,500)</u>
Net change in fund balances	249	1	3,035	2	8,178	2	482	79
Fund balances at beginning of year	<u>32,680</u>	<u>4,310</u>	<u>21,773</u>	<u>979</u>	<u>17,930</u>	<u>1,606</u>	<u>11,829</u>	<u>4,153</u>
Fund balances at end of year	<u>\$ 32,929</u>	<u>4,311</u>	<u>24,808</u>	<u>981</u>	<u>26,108</u>	<u>1,608</u>	<u>12,311</u>	<u>4,232</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Statement of Revenue, Expenditures and Changes in Fund Balances - Sub-Funds, Continued

	Sewer Districts						Ambulance Districts			Park Districts	
	Waterbury Manor	Emery Ridge	Cortlandt Boulevard East	Dickerson Pond	Cortlandt Boulevard Central	Cortlandt Boulevard West	Cortlandt #1	Cortlandt #2	Cortlandt #3	Putnam Colony	Continental Village
Revenue:											
Real property taxes	\$ 2,007	10,002	-	-	-	-	305,236	84,035	400,337	-	5,469
Departmental income	-	-	-	281,867	189,157	176,297	-	250,683	-	-	-
Intergovernmental charges	-	-	-	-	-	-	-	-	-	-	-
Use of money and property	-	-	-	-	-	-	-	-	-	-	-
State aid	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	25,000	-	-	-	-	-	-	-
Total revenue	<u>2,007</u>	<u>10,002</u>	<u>-</u>	<u>306,867</u>	<u>189,157</u>	<u>176,297</u>	<u>305,236</u>	<u>334,718</u>	<u>400,337</u>	<u>-</u>	<u>5,469</u>
Expenditures:											
General government support	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	105,000	831,691	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Home and community services	-	-	-	336,686	12,695	9,302	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-	-	-	-
Debt service - principal	-	-	-	-	-	-	-	-	-	-	-
Debt service - interest	-	-	-	27,000	41,400	42,600	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>363,686</u>	<u>54,095</u>	<u>51,902</u>	<u>105,000</u>	<u>831,691</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	<u>2,007</u>	<u>10,002</u>	<u>-</u>	<u>(56,819)</u>	<u>135,062</u>	<u>124,395</u>	<u>200,236</u>	<u>(496,973)</u>	<u>400,337</u>	<u>-</u>	<u>5,469</u>
Other financing sources (uses):											
Transfers in	-	-	-	-	-	-	-	565,000	-	-	-
Transfers out	-	(10,000)	-	(70,000)	(5,000)	-	(165,000)	(10,000)	(400,000)	-	(5,426)
Total other financing sources (uses)	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>(70,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(165,000)</u>	<u>555,000</u>	<u>(400,000)</u>	<u>-</u>	<u>(5,426)</u>
Net change in fund balances	2,007	2	-	(126,819)	130,062	124,395	35,236	58,027	337	-	43
Fund balances at beginning of year	15,862	19,106	(839)	19,871	60,759	20,478	156,563	688,099	5,630	49,498	1,526
Fund balances at end of year	<u>\$ 17,869</u>	<u>19,108</u>	<u>(839)</u>	<u>(106,948)</u>	<u>190,821</u>	<u>144,873</u>	<u>191,799</u>	<u>746,126</u>	<u>5,967</u>	<u>49,498</u>	<u>1,569</u>

(Continued)



TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Districts Fund  
Combining Statement of Revenue, Expenditures and Changes in Fund Balances - Sub-Funds, Continued

	Drainage Districts							Improvement District	Totals		
	Sunset Ridge	North Cortlandt	Ridgevale	Washington Acres	Westchester Mall	Skytop	Lafayette	Hollow-Brook Ridge	Mohegan Lake	2022	2021
Revenue:											
Real property taxes	\$ 500	-	10,003	3,001	10,002	-	1,508	3,000	18,312	2,673,286	2,682,519
Departmental income	-	-	-	-	-	-	-	-	-	7,759,041	7,846,322
Intergovernmental charges	-	-	-	-	-	-	-	-	-	25,189	25,605
Use of money and property	-	-	-	-	-	-	-	-	-	18,360	3,887
State aid	-	-	-	-	-	-	-	-	-	-	50,000
Miscellaneous	-	-	-	-	-	-	-	-	-	25,000	-
Total revenue	500	-	10,003	3,001	10,002	-	1,508	3,000	18,312	10,500,876	10,608,333
Expenditures:											
General government support	-	-	-	-	-	-	-	-	-	47,548	34,987
Public safety	-	-	-	-	-	-	-	-	-	644,374	648,498
Health	-	-	-	-	-	-	-	-	-	936,691	828,449
Transportation	-	-	-	-	-	-	-	-	-	80,672	290,957
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-
Home and community services	-	-	-	-	-	-	-	-	16,800	7,686,011	5,941,012
Employee benefits	-	-	-	-	-	-	-	-	-	666,508	638,550
Debt service - principal	-	-	-	-	-	-	-	-	-	43,830	42,699
Debt service - interest	-	-	-	-	-	-	-	-	-	111,908	153,833
Total expenditures	-	-	-	-	-	-	-	-	16,800	10,217,542	8,578,985
Excess (deficiency) of revenue over expenditures	500	-	10,003	3,001	10,002	-	1,508	3,000	1,512	283,334	2,029,348
Other financing sources (uses):											
Transfers in	-	-	-	-	-	-	-	-	-	620,000	620,000
Transfers out	-	-	(10,000)	-	(10,000)	-	(1,500)	(3,000)	-	(2,229,838)	(1,261,552)
Total other financing sources (uses)	-	-	(10,000)	-	(10,000)	-	(1,500)	(3,000)	-	(1,609,838)	(641,552)
Net change in fund balances	500	-	3	3,001	2	-	8	-	1,512	(1,326,504)	1,387,796
Fund balances at beginning of year	1,500	2,857	2,933	9,006	3,985	595	3,538	1,169	2,836	5,953,437	4,565,641
Fund balances at end of year	\$ 2,000	2,857	2,936	12,007	3,987	595	3,546	1,169	4,348	4,626,933	5,953,437

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Capital Projects Fund  
Comparative Balance Sheet  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets:		
Cash and equivalents	\$ 3,355,758	4,851,827
Receivables:		
State and Federal aid	320,978	814,300
Due from other funds	2,645,794	2,349,172
Total receivables	2,966,772	3,163,472
Total assets	\$ 6,322,530	8,015,299
Liabilities and Fund Balance:		
Liabilities:		
Accounts payable	1,857,267	828,163
Due to other funds	2,357,667	3,024,374
Bond anticipation notes payable	7,325,000	10,900,000
Total liabilities	11,539,934	14,752,537
Fund balance - unassigned	(5,217,404)	(6,737,238)
Total liabilities and fund balance	\$ 6,322,530	8,015,299

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Capital Projects Fund  
Comparative Statement of Revenue, Expenditures and Changes in Fund Balance  
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenue:		
State aid	\$ 165,324	52,457
Federal aid	49,350	771,183
Miscellaneous	<u>-</u>	<u>4,881</u>
Total revenue	214,674	828,521
Expenditures - capital outlay	<u>4,694,401</u>	<u>2,841,242</u>
Excess of expenditures over revenue	<u>(4,479,727)</u>	<u>(2,012,721)</u>
Other financing sources:		
Proceeds from issuance of bonds	2,845,000	-
Proceeds from installment purchase debt	241,268	216,358
Transfers in	<u>2,913,293</u>	<u>1,950,385</u>
Total other financing sources	<u>5,999,561</u>	<u>2,166,743</u>
Net change in fund balance	1,519,834	154,022
Fund balance at beginning of year	<u>(6,737,238)</u>	<u>(6,891,260)</u>
Fund balance at end of year	<u><u>\$ (5,217,404)</u></u>	<u><u>(6,737,238)</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Capital Projects Fund  
Project-Length Schedule  
Inception of Project through December 31, 2022

	Project	Expenditures and	Unexpended	Revenue	Fund Balance (Deficit) at December 31, 2022	Bond Anticipation Notes Outstanding at December 31, 2022
	<u>Budget</u>	<u>Transfers</u>	<u>Balance</u>			
Highway Project - Bridge	\$ 1,031,000	263,672	767,328	1,031,000	767,328	-
Croton Park Water Tank #1 Replacement	2,237,200	2,163,505	73,695	2,163,505	-	-
Montrose Lighting District	70,000	62,145	7,855	62,145	-	-
Lafayette Sewer	432,500	403,622	28,878	432,500	28,878	-
Lafayette Drainage	15,000	7,500	7,500	15,000	7,500	-
Skytop Drainage	50,000	-	50,000	50,000	50,000	-
Skytop Sewer	41,000	-	41,000	41,000	41,000	-
Fawn Ridge Sewer	160,000	85,773	74,227	160,000	74,227	-
North Cortlandt Drainage District	368,626	83,074	285,552	368,000	284,926	-
Westchester Mall Drainage	597,500	72,399	525,101	607,500	535,101	-
Country Woods Sewer	10,000	-	10,000	10,000	10,000	-
Putnam Colony Park	35,630	6,870	28,760	42,500	35,630	-
Highland Drive Culvert	70,000	36,705	33,295	70,000	33,295	-
Parkway Drive Water Main Replacement	539,749	481,821	57,928	481,821	-	-
Furnace Woods Sewer	670,161	121,707	548,454	125,411	3,704	-
Cortlandt Boulevard Streetscape	133,069	115,269	17,800	115,269	-	-
Rowing Dock at Waterfront Park	166,000	158,583	7,417	158,583	-	-
Sprout Brook Water Mains	11,000	8,970	2,030	8,970	-	-
Cortlandt Lake Dam	257,542	240,010	17,532	257,542	17,532	-
Croton Ave Water Main to Maple Row	2,850,731	2,655,964	194,767	1,050,732	(1,605,232)	-
Road Resurfacing	2,000,000	2,000,000	-	2,000,000	-	-
Memorial Drive Ice Rink	625,917	600,023	25,894	600,023	-	-
New DES Headquarters	278,794	235,294	43,500	244,944	9,650	-
Continental Village Water Main Replacement	907,980	907,980	-	907,980	-	-
Mini Golf Course at Cook Park	432,833	432,833	-	432,833	-	-
Cook Pool Tennis	109,975	102,660	7,315	109,975	7,315	-
Annsville Circle Pedestrian Path	1,405,000	68,165	1,336,835	68,165	-	-
Environmental Education Center	50,000	50,023	(23)	50,023	-	-
Cook Park Fitness Trail	97,269	97,269	-	97,269	-	-
Cortlandt Boulevard East Sewer District	85,000	39,500	45,500	39,500	-	-
Cortlandt - Peekskill Regional ALS	-	76,775	(76,775)	76,775	-	-
Route 9A Sidewalks	481,730	481,730	-	481,730	-	-
Cortlandt Quarry Park Improvements	499,800	282,190	217,610	307,200	25,010	-
Annsville Creek Sewer District	312,000	124,163	187,837	124,163	-	-
Lake Meahagh	26,905	26,905	-	26,905	-	-
Amberlands Drainage	169,769	169,769	-	169,769	-	-
Purchase of Property	2,781,817	2,781,817	-	2,781,817	-	-
Westchester Dam	181,000	36,995	144,005	36,995	-	-
Cook Park Basketball Court	110,011	110,044	(33)	110,044	-	-
Jacob Hill Water Main Ext - Gabrielle Drive	500,000	354,265	145,735	354,265	-	-
Sea Plane Hanger	608,769	567,447	41,322	608,769	41,322	-
Septic Cleaning and Repair	231,234	145,072	86,162	231,234	86,162	-
Youth Center at Memorial Drive	2,100,000	2,092,044	7,956	2,100,000	7,956	-
Central Data Processing	80,000	80,000	-	80,000	-	-
Route 6/Westbrook Drive Intersection	1,064,610	899,534	165,076	1,160,145	260,611	-
Sprout Brook Lax/All Purpose Fund	986,500	958,138	28,362	986,500	28,362	-
Cook Spray Park	592,000	559,709	32,291	559,709	-	-
Lake Meahagh	41,360	41,360	-	41,360	-	-
Croton Park Road Water Main	315,000	105,326	209,674	315,000	209,674	-
Furnace Dock Lake	1,666,799	1,666,799	-	1,666,799	-	-
Route 6 Betterments	1,500,000	1,499,991	9	1,499,991	-	-
GEIS Block Sewer	100,000	96,533	3,467	100,000	3,467	-
Sherwood Rd Water Main	625,678	625,678	-	625,678	-	-
Illicit Discharge Storm Water System	100,724	100,724	-	100,724	-	-
Kings Ferry Sidewalk	822,503	822,503	-	822,503	-	-
Dickerson Pond Sewer District	1,858,547	1,858,547	-	110,000	(1,748,547)	1,790,000
Cook Pool Bath House	4,160,125	4,067,854	92,271	4,067,854	-	-
Broadway Boulevard Sidewalks	3,282,741	2,766,468	516,273	2,788,292	21,824	-
Croton Park Water Tank # 2	1,207,500	1,207,500	-	1,207,500	-	-
Cook Park Improvements	2,097,510	2,094,616	2,894	2,094,616	-	-
Annsville Creek Marsh Path	35,000	17,894	17,106	17,894	-	-
Montrose Sidewalk Improvements	147,109	147,109	-	147,109	-	-
Conklin East Sewer	834,216	834,127	89	834,865	738	-
Verplanck Shoreline/Martin Property	2,880,527	2,632,048	248,479	2,880,482	248,434	-
Cortlandt Crossing West Sewer District	2,890,162	2,804,389	85,773	100,000	(2,704,389)	2,800,000
Cortlandt Crossing Central Sewer District	2,734,346	2,734,346	-	65,000	(2,669,346)	2,735,000
Oregon Road Improvements	1,557,390	1,557,127	263	1,557,390	263	-
Springvale Sidewalks	135,000	37,538	97,462	37,538	-	-
Sprout Brook Dog Park	50,500	47,536	2,964	47,536	-	-
Purchase of Vehicles - Townwide	535,000	448,859	86,141	535,000	86,141	-
Purchase of Vehicles - Town Outside Villages/Highway	1,871,588	2,641,673	(770,085)	2,981,090	339,417	-
Purchase of Vehicles - Consolidated Water	954,091	791,846	162,245	917,555	125,709	-
Filtration Plant	11,095,698	10,976,764	118,934	11,095,698	118,934	-
Water Tank Construction	1,488,500	1,488,500	-	1,488,500	-	-
Condon Building Renovations	417,667	357,666	60,001	357,666	-	-
Lake Meahagh Park Improvements	1,303,618	1,303,618	-	1,303,618	-	-
Fund balances at end of year	\$ 73,174,520	67,022,872	6,151,648	61,805,468	(5,217,404)	7,325,000

**NONMAJOR  
GOVERNMENTAL FUNDS**

**Special Purpose Fund** - The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

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

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2022  
(With comparative totals for 2021)

	<u>Special Purpose</u>	<u>Debt Service</u>	<u>Totals</u> <u>2022</u>	<u>2021</u>
Assets:				
Cash and equivalents	\$ 1,984,391	-	1,984,391	1,430,057
Due from other funds	<u>-</u>	<u>2,357,667</u>	<u>2,357,667</u>	<u>2,605,807</u>
Total assets	<u>\$ 1,984,391</u>	<u>2,357,667</u>	<u>4,342,058</u>	<u>4,035,864</u>
Liabilities and fund balance:				
Liabilities:				
Accounts payable	-	261	261	261
Due to other funds	-	-	-	400,000
Deposits	<u>1,982,767</u>	<u>-</u>	<u>1,982,767</u>	<u>1,302,567</u>
Total liabilities	<u>1,982,767</u>	<u>261</u>	<u>1,983,028</u>	<u>1,702,828</u>
Fund balances - restricted	<u>1,624</u>	<u>2,357,406</u>	<u>2,359,030</u>	<u>2,333,036</u>
Total liabilities and fund balance	<u>\$ 1,984,391</u>	<u>2,357,667</u>	<u>4,342,058</u>	<u>4,035,864</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Nonmajor Governmental Funds  
Combining Statement of Revenue, Expenditures and Changes in Fund Balances  
Year ended December 31, 2022  
(With comparative totals for 2021)

	<u>Special Purpose</u>	<u>Debt Service</u>	<u>Totals</u> <u>2022</u>	<u>2021</u>
Revenue:				
Departmental income	\$100,000	-	100,000	112,000
Use of money and property	1,134	12,711	13,845	1,765
Miscellaneous	<u>-</u>	<u>52,890</u>	<u>52,890</u>	<u>137,373</u>
Total revenue	<u>101,134</u>	<u>65,601</u>	<u>166,735</u>	<u>251,138</u>
Expenditures:				
Debt service:				
Principal	-	450,000	450,000	440,000
Interest	<u>-</u>	<u>189,295</u>	<u>189,295</u>	<u>208,526</u>
Total expenditures	<u>-</u>	<u>639,295</u>	<u>639,295</u>	<u>648,526</u>
Excess (deficiency) of revenues over expenditures	<u>101,134</u>	<u>(573,694)</u>	<u>(472,560)</u>	<u>(397,388)</u>
Other financing sources (uses):				
Premium on issuance of debt	-	86,259	86,259	-
Transfers in	-	639,295	639,295	648,526
Transfers out	<u>(227,000)</u>	<u>-</u>	<u>(227,000)</u>	<u>(400,000)</u>
Total other financing sources (uses)	<u>(227,000)</u>	<u>725,554</u>	<u>498,554</u>	<u>248,526</u>
Net change in fund balances	(125,866)	151,860	25,994	(148,862)
Fund balance at beginning of year	<u>127,490</u>	<u>2,205,546</u>	<u>2,333,036</u>	<u>2,481,898</u>
Fund balance at end of year	<u>\$ 1,624</u>	<u>2,357,406</u>	<u>2,359,030</u>	<u>2,333,036</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Nonmajor Governmental Funds  
Special Purpose Fund Comparative Balance Sheet  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets - cash and equivalents	\$ 1,984,391	1,430,057
Liabilities - deposits	1,982,767	1,302,567
Fund balance - restricted	<u>1,624</u>	<u>127,490</u>
Total liabilities and fund balance	<u>\$ 1,984,391</u>	<u>1,430,057</u>



TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Special Purpose Fund  
Comparative Statement of Revenue, Expenditures and Changes in Fund Balance  
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenue:		
Departmental income	\$ 100,000	112,000
Use of money and property	<u>1,134</u>	<u>32</u>
Total revenue	101,134	112,032
Other financing uses - transfer out	<u>(227,000)</u>	<u>-</u>
Net change in fund balance	(125,866)	112,032
Fund balance at beginning of year	<u>127,490</u>	<u>15,458</u>
Fund balance at end of year	<u><u>\$ 1,624</u></u>	<u><u>127,490</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Debt Service Fund  
Comparative Balance Sheet  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets - due from other funds	\$ 2,357,667	2,605,807
Liabilities and fund balance:		
Liabilities:		
Accounts payable	261	261
Due to other funds	-	400,000
Total liabilities	<u>261</u>	<u>400,261</u>
Fund balance - restricted	<u>2,357,406</u>	<u>2,205,546</u>
Total liabilities and fund balance	<u>\$ 2,357,667</u>	<u>2,605,807</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Debt Service Fund  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Years ended December 31, 2022 and 2021

	2022			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:				
Use of money and property	\$ -	-	12,711	12,711
Miscellaneous	-	-	52,890	52,890
Total revenue	-	-	65,601	65,601
Expenditures - debt service - serial bonds:				
Principal	-	450,000	450,000	-
Interest	-	189,295	189,295	-
Total expenditures	-	639,295	639,295	-
Excess (deficiency) of revenue over expenditures	-	(639,295)	(573,694)	65,601
Other financing sources:				
Premium on issuance of debt	-	-	86,259	86,259
Transfers in	-	639,295	639,295	-
Total other financing sources	-	639,295	725,554	86,259
Net change in fund balance	-	-	151,860	151,860
Fund balance at beginning of year	2,205,546	2,205,546	2,205,546	-
Fund balance at end of year	<u>\$2,205,546</u>	<u>2,205,546</u>	<u>2,357,406</u>	<u>151,860</u>

(Continued)

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Debt Service Fund  
Comparative Statement of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual, Continued

	2021			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Revenue:				
Use of money and property	\$ -	-	1,733	1,733
Miscellaneous	-	-	<u>137,373</u>	<u>137,373</u>
Total revenue	-	-	<u>139,106</u>	<u>139,106</u>
Expenditures - debt service - serial bonds:				
Principal	-	450,000	440,000	10,000
Interest	-	<u>189,295</u>	<u>208,526</u>	<u>(19,231)</u>
Total expenditures	-	<u>639,295</u>	<u>648,526</u>	<u>(9,231)</u>
Excess (deficiency) of revenue over expenditures	-	<u>(639,295)</u>	<u>(509,420)</u>	<u>148,337</u>
Other financing sources (uses):				
Transfers in	-	648,526	648,526	-
Transfers out	-	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
Total other financing sources (uses)	-	<u>248,526</u>	<u>248,526</u>	<u>-</u>
Net change in fund balance	-	(390,769)	(260,894)	148,337
Fund balance at beginning of year	<u>2,466,440</u>	<u>2,466,440</u>	<u>2,466,440</u>	<u>-</u>
Fund balance at end of year	<u><u>\$2,466,440</u></u>	<u><u>2,075,671</u></u>	<u><u>2,205,546</u></u>	<u><u>148,337</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund - Internal Service Funds  
Combining Statement of Net Position  
December 31, 2022  
(With comparative totals for 2021)

	<u>Workers'</u>	<u>Length of Service</u>	<u>2022</u>	<u>2021</u>
	<u>Compensation</u>	<u>Award Program</u>		
Assets:				
Cash and equivalents	\$ 1,634,108	-	1,634,108	1,406,534
Investments, at fair value:				
Short-term investments	-	28,880	28,880	63,082
Common stock	-	336,760	336,760	335,342
Mutual funds	-	471,448	471,448	598,135
Total investments, at fair value	-	837,088	837,088	996,559
Accounts receivable	-	37,000	37,000	37,000
Total assets	<u>1,634,108</u>	<u>874,088</u>	<u>2,508,196</u>	<u>2,440,093</u>
Deferred outflows of resources - LOSAP	-	156,289	156,289	224,337
Liabilities:				
Current liabilities:				
Accounts payable	21,876	-	21,876	11,009
Current portion of claims payable	500,000	-	500,000	500,000
Total current liabilities	521,876	-	521,876	511,009
Noncurrent liabilities:				
Claims payable, less current portion	2,281,635	-	2,281,635	2,679,509
Pension liability	-	1,119,574	1,119,574	1,148,590
Total noncurrent liabilities	<u>2,281,635</u>	<u>1,119,574</u>	<u>3,401,209</u>	<u>3,828,099</u>
Total liabilities	<u>2,803,511</u>	<u>1,119,574</u>	<u>3,923,085</u>	<u>4,339,108</u>
Deferred inflows of resources - LOSAP	-	80,546	80,546	89,124
Net position - unrestricted	<u>\$ (1,169,403)</u>	<u>(169,743)</u>	<u>(1,339,146)</u>	<u>(1,763,802)</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund - Internal Service Funds  
Combining Statement of Revenue, Expenses and Changes in Net Position  
Year ended December 31, 2022  
(With comparative totals for 2021)

	<u>Workers'</u>	<u>Length of Service</u>	<u>2022</u>	<u>2021</u>
	<u>Compensation</u>	<u>Award Program</u>		
Operating revenue - charges for services	\$ 700,000	3,640	703,640	703,247
Operating expenses:				
Employee benefits	94,069	61,606	155,675	955,951
Administrative costs	<u>-</u>	<u>3,829</u>	<u>3,829</u>	<u>4,024</u>
Total operating expenses	<u>94,069</u>	<u>65,435</u>	<u>159,504</u>	<u>959,975</u>
Gain (loss) from operations	605,931	(61,795)	544,136	(256,728)
Nonoperating revenue - interest income	<u>5,313</u>	<u>(124,793)</u>	<u>(119,480)</u>	<u>118,777</u>
Change in net position	611,244	(186,588)	424,656	(137,951)
Net position at beginning of year	<u>(1,780,647)</u>	<u>16,845</u>	<u>(1,763,802)</u>	<u>(1,625,851)</u>
Net position at end of year	<u><u>\$ (1,169,403)</u></u>	<u><u>(169,743)</u></u>	<u><u>(1,339,146)</u></u>	<u><u>(1,763,802)</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund - Internal Service Fund  
Combining Statement of Cash Flows  
Year ended December 31, 2022  
(With comparative totals for 2021)

	<u>Workers' Compensation</u>	<u>Length of Service Award Program</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:				
Received from charges for services	\$ 700,000	3,640	703,640	703,247
Cash payments for benefits	<u>(477,739)</u>	<u>(38,318)</u>	<u>(516,057)</u>	<u>(422,825)</u>
Net cash provided by (used in) operating activities	<u>222,261</u>	<u>(34,678)</u>	<u>187,583</u>	<u>280,422</u>
Cash flows from investing activities:				
Interest income	5,313	(124,793)	(119,480)	118,777
Purchases of investments	<u>-</u>	<u>159,471</u>	<u>159,471</u>	<u>(93,711)</u>
Net cash provided by operating activities	<u>5,313</u>	<u>34,678</u>	<u>39,991</u>	<u>25,066</u>
Change in cash and equivalents	227,574	-	227,574	305,488
Cash and equivalents at beginning of year	<u>1,406,534</u>	<u>-</u>	<u>1,406,534</u>	<u>1,101,046</u>
Cash and equivalents at end of year	<u>\$ 1,634,108</u>	<u>-</u>	<u>1,634,108</u>	<u>1,406,534</u>
Reconciliation of operating gain (loss) to net cash provided by (used in) operating activities:				
Operating gain (loss)	605,931	(61,795)	544,136	(256,728)
Adjustments to reconcile operating gain (loss) to net cash provided by (used in) operating activities:				
Changes in:				
Deferred outflows of resources	-	68,048	68,048	(130,714)
Accounts payable	14,204	(3,337)	10,867	367
Pension liability	-	(29,016)	(29,016)	228,179
Claims payable	(397,874)	-	(397,874)	461,746
Deferred inflows of resources	<u>-</u>	<u>(8,578)</u>	<u>(8,578)</u>	<u>(22,428)</u>
Net cash provided by (used in) operating activities	<u>\$ 222,261</u>	<u>(34,678)</u>	<u>187,583</u>	<u>280,422</u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund  
Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Net Position  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets - cash and equivalents	\$ 1,634,108	1,406,534
Liabilities:		
Current liabilities:		
Accounts payable	21,876	7,672
Current portion of claims payable	<u>500,000</u>	<u>500,000</u>
Total current liabilities	<u>521,876</u>	<u>507,672</u>
Claims payable, less current portion	<u>2,281,635</u>	<u>2,679,509</u>
Total liabilities	<u>2,803,511</u>	<u>3,187,181</u>
Net position (deficit)	<u><u>\$ (1,169,403)</u></u>	<u><u>(1,780,647)</u></u>



TOWN OF CORTLANDT, NEW YORK  
Proprietary Fund  
Supplementary and Other Information  
Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Revenue, Expenditures and Changes in Net Position  
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating revenue - charges for services	\$ 700,000	700,000
Operating expenses - employee benefits	<u>94,069</u>	<u>856,663</u>
Gain (loss) from operations	605,931	(156,663)
Nonoperating revenue - interest income	<u>5,313</u>	<u>281</u>
Change in net position	611,244	(156,382)
Net position at beginning of year	<u>(1,780,647)</u>	<u>(1,624,265)</u>
Net position at end of year	<u><u>\$ (1,169,403)</u></u>	<u><u>(1,780,647)</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund  
Internal Service Fund - Workers' Compensation Benefits Fund  
Comparative Statement of Cash Flows  
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Cash received from charges for services	\$ 700,000	700,000
Cash payments to insurance carriers and claimants	<u>(477,739)</u>	<u>(394,793)</u>
Net cash provided by operating activities	<u>222,261</u>	<u>305,207</u>
Cash flows from investing activities - interest income	<u>5,313</u>	<u>281</u>
Change in cash and equivalents	227,574	305,488
Cash and equivalents at beginning of year	<u>1,406,534</u>	<u>1,101,046</u>
Cash and equivalents at end of year	<u><u>\$ 1,634,108</u></u>	<u><u>1,406,534</u></u>
Reconciliation of gain (loss) from operations to net cash from operating activities:		
Operating gain (loss)	605,931	(156,663)
Adjustments to reconcile operating gain (loss) to net cash provided by operating activities:		
Changes in:		
Accounts payable	14,204	124
Claims payable	<u>(397,874)</u>	<u>461,746</u>
Net cash provided by operating activities	<u><u>\$ 222,261</u></u>	<u><u>305,207</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund  
Internal Service Fund - Length of Service Award Program  
Comparative Statement of Net Position  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets:		
Investments, at fair value:		
Short-term investments	\$ 28,880	63,082
Common stock	336,760	335,342
Mutual Funds	<u>471,448</u>	<u>598,135</u>
Total investments, at fair value	837,088	996,559
Accounts receivable	<u>37,000</u>	<u>37,000</u>
Total assets	<u>874,088</u>	<u>1,033,559</u>
Deferred outflows of resources - LOSAP	<u>156,289</u>	<u>224,337</u>
Liabilities:		
Current liabilities - accounts payable	-	3,337
Noncurrent liabilities - pension liability	<u>1,119,574</u>	<u>1,148,590</u>
Total liabilities	<u>1,119,574</u>	<u>1,151,927</u>
Deferred outflows of resources - LOSAP	<u>80,546</u>	<u>89,124</u>
Net position	<u><u>\$ (169,743)</u></u>	<u><u>16,845</u></u>

TOWN OF CORTLANDT, NEW YORK  
Proprietary Fund  
Supplementary and Other Information  
Internal Service Fund - Length of Service Award Program  
Comparative Statement of Revenue, Expenditures and Changes in Net Position  
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating revenue - charges for services	\$ 3,640	3,247
Operating expenses:		
Employee benefits	61,606	99,288
Administrative costs	<u>3,829</u>	<u>4,024</u>
Total operating expenses	65,435	103,312
Loss from operations	(61,795)	(100,065)
Nonoperating revenue - interest income	<u>(124,793)</u>	<u>118,496</u>
Change in net position	(186,588)	18,431
Net position at beginning of year	<u>16,845</u>	<u>(1,586)</u>
Net position at end of year	<u><u>\$ (169,743)</u></u>	<u><u>16,845</u></u>

TOWN OF CORTLANDT, NEW YORK  
Supplementary and Other Information  
Proprietary Fund  
Internal Service Fund - Length of Service Award Program  
Comparative Statement of Cash Flows  
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
Received from charges for services	\$ 3,640	3,247
Cash payments for benefits	<u>(38,318)</u>	<u>(28,032)</u>
Net cash used in operating activities	<u>(34,678)</u>	<u>(24,785)</u>
Cash flows from investing activities:		
Interest income	(124,793)	118,496
Purchases of investments	<u>159,471</u>	<u>(93,711)</u>
Net cash provided by operating activities	<u>34,678</u>	<u>24,785</u>
Change in cash and equivalents	-	-
Cash and equivalents at beginning of year	<u>-</u>	<u>-</u>
Cash and equivalents at end of year	<u><u>\$ -</u></u>	<u><u>-</u></u>
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	(61,795)	(100,065)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Changes in:		
Deferred outflows of resources	68,048	(130,714)
Accounts payable	(3,337)	243
Pension liability	(29,016)	228,179
Deferred inflows of resources	<u>(8,578)</u>	<u>(22,428)</u>
Net cash used in operating activities	<u><u>\$ (34,678)</u></u>	<u><u>(24,785)</u></u>

## **Financial Trends**

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time. These schedules include:

Net Position by Component

Changes in Net Position

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

TOWN OF CORTLANDT, NEW YORK  
Net Position by Component  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Primary government:										
Net investment in capital assets	\$ 60,079,980	55,567,024	53,354,170	55,439,761	56,331,960	56,519,875	54,230,205	53,892,881	54,544,570	54,507,066
Restricted	6,629,041	7,993,726	6,584,001	8,344,504	7,296,297	5,392,790	6,760,645	7,050,303	8,131,947	10,874,871
Unrestricted (deficit)	<u>(70,427,757)</u>	<u>(70,812,759)</u>	<u>(67,433,520)</u>	<u>(68,120,526)</u>	<u>(67,082,358)</u>	<u>(12,435,466)</u>	<u>(8,659,713)</u>	<u>(9,198,564)</u>	<u>(7,769,947)</u>	<u>(4,868,227)</u>
Total primary government net position	<u>\$ (3,718,736)</u>	<u>(7,252,009)</u>	<u>(7,495,349)</u>	<u>(4,336,261)</u>	<u>(3,454,101)</u>	<u>49,477,199</u>	<u>52,331,137</u>	<u>51,744,620</u>	<u>54,906,570</u>	<u>60,513,710</u>

TOWN OF CORTLANDT, NEW YORK  
Changes in Net Position  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Governmental activities										
Expenses:										
General government support	\$ 9,349,059	10,030,682	10,326,801	8,548,736	8,003,599	9,038,005	9,479,470	6,706,694	7,916,968	7,344,888
Public safety	3,328,346	3,284,014	3,321,392	3,068,049	2,940,184	2,912,926	2,783,883	2,651,572	2,638,189	2,301,858
Health	1,001,132	853,105	1,052,087	949,102	1,033,925	1,032,613	1,017,344	1,117,634	838,335	1,056,847
Transportation	7,627,994	8,481,763	7,054,020	10,573,615	8,636,790	8,554,633	8,208,194	9,187,620	10,490,811	10,866,697
Economic assistance and opportunity	1,047,934	1,090,207	1,086,431	1,108,512	1,027,108	1,093,026	1,022,775	844,603	937,365	902,430
Culture and recreation	7,087,021	7,447,274	6,093,604	7,455,219	6,666,182	7,222,273	7,281,571	6,579,896	6,391,835	6,496,403
Home and community services	15,652,468	14,988,448	16,069,407	13,299,577	12,870,139	14,727,726	13,413,242	14,226,045	13,213,205	13,529,853
Interest	393,041	408,953	275,560	258,882	230,749	242,772	194,300	205,785	246,016	276,059
Total primary government expenses	<u>45,486,995</u>	<u>46,584,446</u>	<u>45,279,302</u>	<u>45,261,692</u>	<u>41,408,676</u>	<u>44,823,974</u>	<u>43,400,779</u>	<u>41,519,849</u>	<u>42,672,724</u>	<u>42,775,035</u>
Program revenue:										
Charges for services:										
General government support	537,647	245,572	131,300	292,078	114,960	113,019	272,108	235,248	167,225	188,501
Public safety	919,097	815,646	715,288	1,098,316	991,992	682,827	678,978	716,196	538,224	609,848
Health	-	-	-	-	-	-	-	177,086	127,591	283,109
Transportation	-	-	-	-	-	-	-	18,509	18,771	18,741
Economic assistance and opportunity	67,815	34,763	5,244	70,382	71,600	65,647	78,991	-	-	-
Culture and recreation	1,106,454	731,391	187,040	1,220,967	1,109,151	1,027,922	1,446,778	1,260,109	1,222,022	1,126,808
Home and community services	8,434,864	8,604,421	7,902,115	7,712,586	7,387,643	7,739,379	7,471,925	5,890,864	5,506,842	5,351,811
Operating grants and contributions	1,232,025	1,219,560	796,546	983,448	938,786	1,031,509	1,048,879	1,588,718	1,068,793	2,175,227
Capital grants and contributions	1,164,263	1,354,500	84,522	413,322	50,000	542,450	5,764	592,264	261,357	3,410,811
Total primary government program revenue	<u>13,462,165</u>	<u>13,005,853</u>	<u>9,822,055</u>	<u>11,791,099</u>	<u>10,664,132</u>	<u>11,202,753</u>	<u>11,003,423</u>	<u>10,478,994</u>	<u>8,910,825</u>	<u>13,164,856</u>
Total primary government net expense	<u>(32,024,830)</u>	<u>(33,578,593)</u>	<u>(35,457,247)</u>	<u>(33,470,593)</u>	<u>(30,744,544)</u>	<u>(33,621,221)</u>	<u>(32,397,356)</u>	<u>(31,040,855)</u>	<u>(33,761,899)</u>	<u>(29,610,179)</u>
General revenue:										
Taxes:										
Real property taxes	21,214,261	21,180,871	21,485,788	21,964,110	20,391,573	21,001,443	20,606,632	20,463,864	20,474,159	19,175,396
Other tax items	1,752,883	1,953,249	2,078,092	2,105,811	2,036,891	2,320,172	2,229,762	1,806,876	1,686,679	1,704,409
Non-property taxes	8,513,507	7,563,600	6,486,505	5,725,539	5,010,015	4,774,377	4,569,059	4,512,662	4,596,327	4,402,768
Use of money and property	399,754	66,303	119,044	686,603	279,180	237,304	836,605	7,015	14,865	29,245
Fines and forfeitures*	-	88,278	128,440	362,051	325,092	281,699	300,495	-	-	-
Sale of property and compensation for loss	498,370	31,034	3,500	-	-	919	7,616	-	-	-
Unrestricted State aid	2,225,917	2,501,196	1,673,617	1,487,551	1,320,098	1,652,176	1,395,844	1,239,051	1,037,232	1,294,987
Miscellaneous	918,033	437,402	323,173	256,768	327,447	693,032	3,037,416	199,111	195,521	83,683
Insurance recoveries	-	-	-	-	-	-	444	11,393	149,976	-
Total general revenue	<u>35,522,725</u>	<u>33,821,933</u>	<u>32,298,159</u>	<u>32,588,433</u>	<u>29,690,296</u>	<u>30,961,122</u>	<u>32,983,873</u>	<u>28,239,972</u>	<u>28,154,759</u>	<u>26,690,488</u>
Change in net position total primary government	<u>\$ 3,497,895</u>	<u>243,340</u>	<u>(3,159,088)</u>	<u>(882,160)</u>	<u>(1,054,248)</u>	<u>(2,660,099)</u>	<u>586,517</u>	<u>(2,800,883)</u>	<u>(5,607,140)</u>	<u>(2,919,691)</u>

\* Beginning in 2022, fines and forfeitures were included in charges for service - general government support.



TOWN OF CORTLANDT, NEW YORK  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General fund:										
Nonspendable	\$ 118,302	208,416	159,913	172,275	512,908	197,097	153,978	180,324	204,996	260,527
Restricted	698,438	769,362	601,168	479,667	465,476	373,783	543,873	341,947	277,410	252,396
Assigned	958,230	1,033,412	898,916	939,123	1,012,572	972,478	909,100	859,334	860,042	862,319
Unassigned	<u>4,741,459</u>	<u>4,052,862</u>	<u>3,740,675</u>	<u>3,751,590</u>	<u>3,230,883</u>	<u>3,919,936</u>	<u>3,585,844</u>	<u>2,798,653</u>	<u>2,686,279</u>	<u>2,033,730</u>
Total general fund	<u>\$ 6,516,429</u>	<u>6,064,052</u>	<u>5,400,672</u>	<u>5,342,655</u>	<u>5,221,839</u>	<u>5,463,294</u>	<u>5,192,795</u>	<u>4,180,258</u>	<u>4,028,727</u>	<u>3,408,972</u>
All other governmental funds:										
Nonspendable	149,318	258,557	185,828	218,395	285,717	306,471	169,556	220,397	260,904	323,706
Restricted	2,359,030	2,333,036	2,481,898	3,245,611	3,235,987	2,859,025	4,734,339	4,233,785	4,998,534	5,393,797
Assigned	10,633,547	11,208,071	9,659,132	9,653,336	8,364,461	8,373,956	7,997,134	7,327,532	7,699,245	10,822,457
Unassigned	<u>(5,217,404)</u>	<u>(6,737,238)</u>	<u>(6,891,260)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 7,924,491</u>	<u>7,062,426</u>	<u>5,435,598</u>	<u>13,117,342</u>	<u>11,886,165</u>	<u>11,539,452</u>	<u>12,901,029</u>	<u>11,781,714</u>	<u>12,958,683</u>	<u>16,539,960</u>
Total governmental funds	<u>\$ 14,440,920</u>	<u>13,126,478</u>	<u>10,836,270</u>	<u>18,459,997</u>	<u>17,108,004</u>	<u>17,002,746</u>	<u>18,093,824</u>	<u>15,961,972</u>	<u>16,987,410</u>	<u>19,948,932</u>

TOWN OF CORTLANDT, NEW YORK  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenue:										
Real property taxes	\$ 21,587,308	21,587,655	21,507,036	21,574,771	21,167,491	21,058,135	20,728,818	20,132,561	20,636,288	19,588,185
Other tax items	1,752,883	1,953,249	2,078,092	2,105,811	2,036,891	2,320,172	2,229,762	1,806,876	1,686,679	1,704,409
Non-property taxes	8,513,507	7,563,600	6,486,505	5,725,539	5,010,015	4,774,377	4,569,059	4,512,662	4,596,327	4,402,768
Departmental income	9,862,398	9,486,752	8,005,767	9,400,590	8,671,617	8,657,207	9,183,492	7,685,165	7,217,829	7,491,233
Intergovernmental charges	297,490	241,794	227,523	319,245	532,094	455,771	436,621	453,945	438,873	442,512
Use of money and property	380,064	113,293	145,700	531,250	166,938	133,356	126,557	110,059	134,082	166,987
Fines and forfeitures	237,395	88,278	128,440	362,051	325,092	281,699	300,495	283,196	256,474	297,964
Sale of property and compensation for loss	507,920	-	3,500	-	-	919	7,616	-	-	-
State aid	3,558,732	3,646,859	2,494,436	2,611,142	2,214,813	2,559,278	2,295,760	2,202,861	1,958,599	4,061,088
Federal aid	1,063,473	1,428,397	60,249	273,180	94,071	666,857	154,727	367,462	223,145	1,330,182
Miscellaneous	<u>507,586</u>	<u>478,109</u>	<u>147,643</u>	<u>256,768</u>	<u>327,447</u>	<u>693,032</u>	<u>3,037,416</u>	<u>854,014</u>	<u>319,891</u>	<u>1,506,846</u>
Total revenue	<u>48,268,756</u>	<u>46,587,986</u>	<u>41,284,891</u>	<u>43,160,347</u>	<u>40,546,469</u>	<u>41,600,803</u>	<u>43,070,323</u>	<u>38,408,801</u>	<u>37,468,187</u>	<u>40,992,174</u>
Expenditures:										
Current:										
General government support	7,393,765	6,574,294	5,978,397	5,904,372	5,389,371	5,669,948	5,447,403	5,172,941	5,522,041	4,979,337
Public safety	3,052,640	2,659,613	2,620,916	2,561,582	2,503,824	2,350,205	2,272,322	2,254,855	2,142,017	1,967,825
Health	992,625	884,137	1,031,264	935,080	984,953	1,011,140	1,008,774	1,117,634	838,335	1,056,847
Transportation	6,015,007	6,020,733	4,275,569	6,059,694	6,052,005	5,707,543	5,574,072	6,099,102	7,219,385	5,223,321
Economic assistance and opportunity	807,429	678,988	622,794	769,825	744,308	696,218	660,365	674,003	655,397	624,851
Culture and recreation	5,120,749	5,000,675	3,495,112	4,992,275	4,579,165	4,715,734	4,544,291	4,625,220	4,653,237	4,594,313
Home and community services	12,144,326	10,099,904	10,709,164	9,183,678	9,445,863	9,287,194	9,625,509	9,514,532	9,260,924	8,713,374
Employee benefits	8,706,088	8,485,127	8,255,333	8,234,564	8,253,294	7,792,401	7,682,403	7,569,399	7,407,650	7,229,341
Debt service:										
Principal	853,771	799,555	811,908	883,181	1,458,614	1,278,937	1,435,803	1,249,000	1,319,000	1,344,000
Interest	381,418	469,868	231,255	250,830	233,063	228,488	187,778	209,540	250,739	281,510
Capital outlay	<u>4,694,401</u>	<u>2,841,242</u>	<u>11,747,851</u>	<u>4,547,232</u>	<u>1,444,568</u>	<u>3,954,073</u>	<u>6,031,900</u>	<u>1,234,715</u>	<u>1,310,960</u>	<u>4,399,217</u>
Total expenditures	<u>50,162,219</u>	<u>44,514,136</u>	<u>49,779,563</u>	<u>44,322,313</u>	<u>41,089,028</u>	<u>42,691,881</u>	<u>44,470,620</u>	<u>39,720,941</u>	<u>40,579,685</u>	<u>40,413,936</u>
Excess (deficiency) of revenues over expenditures	<u>(1,893,463)</u>	<u>2,073,850</u>	<u>(8,494,672)</u>	<u>(1,161,966)</u>	<u>(542,559)</u>	<u>(1,091,078)</u>	<u>(1,400,297)</u>	<u>(1,312,140)</u>	<u>(3,111,498)</u>	<u>578,238</u>
Other financing sources (uses):										
Payments to escrow agent	-	-	(2,539,397)	-	-	-	-	-	-	-
Bonds/premium/installment debt issued	3,172,527	216,358	3,410,342	2,513,959	647,817	-	3,231,705	-	-	-
Bond anticipation notes redeemed from appropriations	-	-	-	-	-	-	300,000	-	-	-
Insurance recoveries	-	-	-	-	-	-	444	286,702	149,976	-
Transfers in	4,474,088	4,158,646	4,556,217	3,196,723	3,740,942	3,107,446	2,425,436	2,830,055	3,504,271	2,670,879
Transfers out	<u>(4,474,088)</u>	<u>(4,158,646)</u>	<u>(4,556,217)</u>	<u>(3,196,723)</u>	<u>(3,740,942)</u>	<u>(3,107,446)</u>	<u>(2,425,436)</u>	<u>(2,830,055)</u>	<u>(3,504,271)</u>	<u>(2,670,879)</u>
Total other financing sources	<u>3,172,527</u>	<u>216,358</u>	<u>870,945</u>	<u>2,513,959</u>	<u>647,817</u>	<u>-</u>	<u>3,532,149</u>	<u>286,702</u>	<u>149,976</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,279,064</u>	<u>2,290,208</u>	<u>(7,623,727)</u>	<u>1,351,993</u>	<u>105,258</u>	<u>(1,091,078)</u>	<u>2,131,852</u>	<u>(1,025,438)</u>	<u>(2,961,522)</u>	<u>578,238</u>
Debt service as a percentage of non-capital expenditures	2.7%	3.0%	2.1%	2.9%	4.3%	3.9%	4.2%	3.8%	4.1%	4.2%

## **Revenue Capacity**

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax. These schedules include:

Assessed Value and Estimated Actual Value  
of Taxable Property

Direct and Overlapping Property Tax Rates,  
Per \$1,000 of Assessed Valuation

Principal Taxpayers

Property Tax Levies and Collections

TOWN OF CORTLANDT, NEW YORK  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

<u>Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Vacant Property</u>	<u>Special Franchise</u>	<u>Total Taxable Assessed Value</u>	<u>State Special Equalization Rate (1)</u>	<u>Estimated Actual Taxable Value</u>	<u>Direct Tax Rate</u>			
								<u>Town Wide</u>	<u>Town Outside</u>	<u>Special Districts</u>	<u>Total</u>
2013	\$ 79,676,475	13,484,007	1,319,550	3,308,730	97,788,762	2.02%	4,841,027,822	28.33	169.34	6.92	204.59
2014	79,546,012	13,880,705	1,623,295	3,510,107	98,560,119	1.88%	5,242,559,521	31.83	170.79	6.88	209.50
2015	79,597,009	13,864,658	1,340,875	3,278,630	98,081,172	1.84%	5,330,498,478	31.81	172.48	6.86	211.15
2016	79,731,219	13,667,467	1,356,285	3,634,632	98,389,603	1.71%	5,753,777,953	31.23	175.21	6.92	213.36
2017	82,894,049	13,619,770	1,661,712	3,500,421	101,675,952	1.70%	5,980,938,353	31.37	179.25	7.04	217.66
2018	83,204,872	14,163,105	1,492,032	4,529,025	103,389,034	1.65%	6,266,002,061	31.02	182.03	6.94	219.99
2019	83,310,382	14,384,602	1,427,452	4,515,929	103,638,365	1.56%	6,643,484,936	31.46	181.84	6.85	220.15
2020	83,275,970	13,778,487	1,430,227	4,530,164	103,014,848	1.53%	6,732,996,601	31.20	183.83	7.17	222.20
2021	83,415,409	13,737,623	1,394,887	4,628,603	103,176,522	1.50%	6,878,434,800	31.22	183.87	7.54	222.63
2022	83,649,945	13,943,909	1,370,837	4,791,639	103,756,330	1.34%	7,743,009,701	31.22	183.69	7.53	222.44

(1) Provided by the New York State Office of Real Property Services

Note: Estimated actual taxable value is calculated by dividing taxable assessed value by the state special equalization rate. Tax rates are per \$1,000 of assessed value.

TOWN OF CORTLANDT, NEW YORK  
Direct and Overlapping Property Tax Rates,  
Per \$1,000 of Assessed Valuation  
Last Ten Fiscal Years

<u>Year</u>	<u>Total Direct Rate</u>	<u>Overlapping Rates</u>				
		<u>Westchester County</u>				
		<u>Operating</u>	<u>Sewer Districts (Range)</u>	<u>Refuse Disposal District</u>	<u>School Districts (Range)</u>	
2013	204.59	194.62	29.09 - 41.07	18.87	997.00 - 1,382.01	
2014	209.50	183.97	32.48 - 41.20	17.35	1,014.62 - 1,400.13	
2015	211.15	189.11	33.75 - 43.48	17.60	1,009.42 - 1,438.83	
2016	213.36	184.46	38.47 - 44.58	16.76	1,032.77 - 1,458.65	
2017	217.66	192.72	40.85 - 52.24	17.28	1,039.82 - 1,517.76	
2018	219.99	189.69	39.23 - 50.90	16.59	1,029.94 - 1,590.47	
2019	220.15	192.92	44.92 - 50.20	16.11	1,053.18 - 1,605.62	
2020	222.20	200.19	44.40 - 47.71	16.56	1,082.95 - 1,641.23	
2021	222.63	198.57	34.33 - 37.86	18.58	1,120.66 - 1,662.34	
2022	222.44	192.60	45.58 - 46.31	20.48	1,156.38 - 1,626.38	

Source: Town of Cortlandt Comptroller's Office

TOWN OF CORTLANDT, NEW YORK  
Principal Taxpayers  
Current Year and Nine Years Ago

2022

<u>Rank</u>	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Net Assessed Valuation</u>	<u>Percent of Taxable Assessed Valuation</u>
1	Consolidated Edison	Utility	\$ 5,597,332	5.39%
2	NYC Aqueduct	Utility	5,512,930	5.31%
3	Algonquin Gas	Utility	1,970,714	1.90%
4	Cortlandt Town Center, LLC	Retail Shops	1,285,435	1.24%
5	Cortlandt Crossing Owner	Retail Shops	508,400	0.49%
6	Continental Buchanan	Manufacturer	410,000	0.40%
7	Curry Properties LLC	Auto Sales	330,775	0.32%
8	Springvale Apartments	Real Estate	325,050	0.31%
9	Scenic Ridge/Amberlands Realty	Real Estate	305,000	0.29%
10	Yorkon Properties	Real Estate	271,150	0.26%
Total			<u>\$ 16,516,786</u>	<u>15.91%</u>

2013

<u>Rank</u>	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Net Assessed Valuation</u>	<u>Percent of Taxable Assessed Valuation</u>
1	NYC Aqueduct	Utility	\$ 5,375,000	5.50%
2	Consolidated Edison	Utility	5,023,556	5.14%
3	Acadia Cortlandt LLC	Retail	1,510,920	1.55%
4	Entergy	Utility	548,650	0.56%
5	NY Telephone Co.	Utility	398,427	0.41%
6	Springvale Apartments	Real Estate	331,125	0.34%
7	Algonquin Gas	Utility	317,514	0.32%
8	Nida Associates Inc.	Real Estate	305,000	0.31%
9	Yorkon Properties	Real Estate	275,600	0.28%
10	Amberlands Realty	Real Estate	214,500	0.22%
Total			<u>\$ 14,300,292</u>	<u>14.63%</u>

Source: Town of Cortlandt Assessor's Office

TOWN OF CORTLANDT, NEW YORK  
Property Tax Levies and Collections  
Last Ten Fiscal Years

<u>Year</u>	Taxes Levied for the <u>Fiscal Year (1)</u>	<u>Collected within the Fiscal Year of the Levy</u>		Collections in Subsequent <u>Years *</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2013	\$ 20,739,573	20,507,280	98.88%	23,730	20,531,010	98.99%
2014	21,042,697	20,811,704	98.90%	27,256	20,838,960	99.03%
2015	21,229,243	21,225,340	99.98%	33,185	21,258,525	100.14%
2016	21,366,951	21,152,783	99.00%	38,216	21,190,999	99.18%
2017	21,924,118	21,876,923	99.78%	18,750	21,895,673	99.87%
2018	21,983,425	21,848,437	99.39%	18,583	21,867,020	99.47%
2019	22,475,374	22,212,300	98.83%	45,080	22,257,380	99.03%
2020	22,481,344	22,327,039	99.31%	17,343	22,344,382	99.39%
2021	22,427,833	22,328,947	99.56%	15,986	22,344,933	99.63%
2022	22,461,467	22,324,542	99.39%	28,457	22,352,999	99.52%

(1) Includes tax levy for General, Town Outside Villages, Highway and Special Districts.

\* Collections 60 days into subsequent year

Source: Town of Cortlandt Receiver of Taxes

## **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Net Ratios of General Bonded Debt Outstanding

Direct and Overlapping Governmental Activities Debt

Legal Debt Margin Information



TOWN OF CORTLANDT, NEW YORK  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Capital Financing</u>	<u>Total Bonds and Capital Financing</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Percentage of Personal Income (1)</u>	<u>Per Capita (1)</u>
2013	\$ 8,939,000	-	8,939,000	9.14%	0.48%	214.92
2014	7,620,000	-	7,620,000	7.73%	0.39%	182.48
2015	6,371,000	-	6,371,000	6.50%	0.32%	152.22
2016	7,951,000	515,902	8,466,902	8.60%	0.39%	187.34
2017	6,761,000	433,251	7,194,251	7.08%	0.32%	158.58
2018	5,536,000	847,454	6,383,454	6.17%	0.27%	129.30
2019	6,955,000	944,235	7,899,235	7.62%	0.31%	164.11
2020	6,180,000	1,212,541	7,392,541	7.18%	0.27%	146.12
2021	5,740,000	1,069,344	6,809,344	6.60%	0.30%	128.64
2022	8,623,979	906,841	9,530,820	9.19%	0.41%	168.91

(1) - Population and personal income data can be found in the schedule of demographic and economic statistics

Note: Details regarding the Town's outstanding debt can be found in the notes to financial statements

TOWN OF CORTLANDT, NEW YORK  
Net Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value of Property	Percentage of Personal Income (1)(2)	Per Capita (1)(2)
	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total			
2013	\$ 8,939,000	3,307,768	5,631,232	5.76%	0.30%	135.39
2014	7,620,000	2,853,660	4,766,340	4.84%	0.24%	114.14
2015	6,371,000	2,467,063	3,903,937	3.98%	0.20%	93.28
2016	7,951,000	2,472,572	5,478,428	5.57%	0.27%	114.42
2017	6,761,000	2,482,904	4,278,096	4.21%	0.20%	87.19
2018	5,536,000	2,095,365	3,440,635	3.33%	0.17%	71.27
2019	6,955,000	2,262,842	4,692,158	4.53%	0.21%	89.84
2020	6,180,000	2,466,440	3,713,560	3.60%	0.16%	87.80
2021	5,740,000	2,605,807	3,134,193	3.04%	0.14%	59.21
2022	8,623,979	2,357,406	6,266,573	6.04%	0.27%	111.06

(1) Population and personal income data can be found in the schedule of demographic and economic statistics

(2) Excludes amounts available in debt service fund

Note: Details regarding the Town's outstanding debt can be found in the notes to financial statements

TOWN OF CORTLANDT, NEW YORK  
Direct and Overlapping Governmental Activities Debt  
December 31, 2022

<u>Government Unit</u>	Net Long-Term Debt <u>Outstanding (1)</u>	Percentage Applicable to Cortlandt (2)	Amount Applicable to Cortlandt
County of Westchester	\$ 869,197,870	3.92%	34,055,719
County Solid Waste District	12,248,814	4.52%	553,998
County Sewer Districts	534,009,371	1.52%	8,132,448
Villages (May 31, 2022):			
Croton	31,990,000	100.00%	34,124,990
Buchanan	2,159,000	100.00%	380,000
School Districts (June 30, 2022):			
Croton	11,750,000	96.34%	11,320,244
Hendrick Hudson	8,050,000	92.41%	7,439,005
Lakeland	13,115,000	44.56%	5,844,044
Putnam Valley	3,884,911	10.60%	411,610
Yorktown	12,745,000	1.88%	<u>239,606</u>
Net overlapping debt			102,501,664
Town direct debt (3)			<u>9,530,820</u>
Net direct and overlapping debt			<u><u>\$ 112,032,484</u></u>

(1) General obligation bonds, excludes installment purchases

(2) The percentage of overlapping debt applicable is estimated using taxable assessed values. Applicable percentages were estimated by determining the portion of the Town's full value of taxable real property that is within the government's boundaries and dividing it by the government's total taxable full value.

(3) General obligation bonds, installment purchases and capital financing loans included.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire burden borne by the property taxpayers should be taken into account.

TOWN OF CORTLANDT, NEW YORK  
Legal Debt Margin Information  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt limit	\$ 448,888,026	435,851,606	436,603,059	415,787,851	400,032,869	373,547,400	373,558,021	369,490,506	373,778,747	394,293,759
Total net debt										
Applicable to limit	<u>6,137,969</u>	<u>3,429,193</u>	<u>2,677,740</u>	<u>3,857,974</u>	<u>4,098,193</u>	<u>4,451,217</u>	<u>4,690,590</u>	<u>3,158,207</u>	<u>3,465,765</u>	<u>3,768,438</u>
Legal debt margin	<u>\$ 442,750,057</u>	<u>432,422,413</u>	<u>433,925,319</u>	<u>411,929,877</u>	<u>395,934,676</u>	<u>369,096,183</u>	<u>368,867,431</u>	<u>366,332,299</u>	<u>370,312,982</u>	<u>390,525,321</u>
Total net debt applicable to the limit as a percentage of debt limit	1.37%	0.79%	0.61%	0.93%	1.02%	1.19%	1.26%	0.85%	0.93%	0.96%

Legal Debt Margin Calculation for Fiscal Year 2022

Assessment Roll

<u>Year</u>	<u>Budget Year</u>	<u>Assessed Valuation</u>	<u>State Equalization Rate</u>	<u>Full Valuation</u>
2021	2022	\$ 103,756,330	1.34%	7,743,009,701
2020	2021	103,176,522	1.50%	6,878,434,800
2019	2020	103,014,848	1.53%	6,732,996,601
2018	2019	103,638,365	1.56%	6,643,484,936
2017	2018	103,389,034	1.65%	6,266,002,061
2016	2017	101,675,952	1.70%	<u>5,980,938,353</u>
Total five year full valuation				<u>\$ 40,244,866,452</u>
Five year average full valuation of taxable real property				<u>6,500,371,350</u>
Debt limit - 7% of five year average full valuation				<u>455,025,995</u>
Outstanding debt - serial bonds and installment purchases				9,530,820 *
Less:				
Exclusion for consolidated water debt		2,930,151		
Appropriations in 2023 budget (excluding water debt)		<u>462,700</u> **		<u>3,392,851</u>
Net indebtedness subject to debt limit				<u>6,137,969</u>
Net debt contracting margin				<u>\$ 448,888,026</u>

\*Does not include BAN's

\*\*Principal Payments per 2023 Budget

## **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place. These schedules include:

Demographic Statistics

Principal Employers

TOWN OF CORTLANDT, NEW YORK  
Demographic Statistics  
Last Ten Fiscal Years

<u>Year</u>	<u>Population</u>			<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Unemploy- ment Rate (3)</u>	<u>Public School Enrollment</u>
	<u>Town Outside Villages</u>	<u>Villages</u>	<u>Total</u>				
2013	31,292 (1)	10,300 (1)	41,592 (1)	\$ 1,848,306,888	44,439	6.10%	6,834
2014	31,292 (1)	10,466 (2)	41,758 (2)	1,955,485,382	46,829 (2)	4.80%	6,832
2015	31,292 (1)	10,562 (2)	41,854 (2)	2,000,453,784	47,796 (2)	4.20%	7,021 (2)
2016	32,022 (2)	10,420 (2)	42,442 (2)	2,032,207,844	47,882 (2)	3.90%	7,088 (2)
2017	32,088 (2)	10,488 (2)	42,576 (2)	2,089,076,592	49,067 (2)	4.10%	7,164 (2)
2018	32,516 (2)	10,300 (2)	42,816 (2)	2,067,070,848	48,278 (2)	3.50%	7,337 (2)
2019	31,980 (2)	10,400 (2)	42,380 (2)	2,213,337,880	52,226 (2)	3.40%	7,446 (2)
2020	31,967 (2)	10,327 (2)	42,294 (2)	2,267,296,752	53,608 (2)	7.10%	5,325 (4)
2021	32,016 (5)	10,529 (5)	42,545 (5)	2,252,077,030	52,934 (5)	4.20%	5,544 (4)
2022	31,014 (6)	10,359 (6)	41,373 (6)	2,334,471,525	56,425 (6)	2.50%	6,112 (4)

Sources:

(1) 2010 Census

(2) 2013-2017 American Community survey, &/or U.S. Census Bureau

(3) New York State Department of Labor

(4) Provided by the School Districts located within the Town (excludes pre-school)

(5) 2020 Census

(6) 2020-2022 United States Census; Census.gov

TOWN OF CORTLANDT, NEW YORK  
Principal Employers  
Current Year and Nine Years Ago

	2022	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of total employment</u>
NYS Veterans Hospital	1,428	5.13%
Lakeland School District	1,271	4.56%
NY Presbyterian - Hudson Valley Hospital	1,050	3.77%
Hendrick Hudson Central School District	556	2.00%
Holtec International - Indian Point Nuclear Plant	379	1.36%
Croton Harmon School District	355	1.27%
NYS Veterans Nursing Home	307	1.10%
Skyview Nursing Home	262	0.94%
Springvale Nursing & Rehabilitation Center	214	0.77%
Shop Rite	200	0.72%
	<u>6,022</u>	<u>21.62%</u>
	2013	
<u>Employer</u>	<u>Employees</u>	<u>Percentage of total employment</u>
NYS Veterans Hospital	1,559	7.18%
Hudson Valley Hospital Center	1,200	5.53%
Lakeland School District	1,114	5.13%
Entergy Nuclear Northeast - Indian Point Nuclear Plant	1,000	4.61%
Hendrick Hudson Central School District	500	2.30%
Croton Harmon School District	366	1.69%
NYS Veterans Nursing Home	320	1.47%
Skyview Nursing Home	269	1.24%
Walmart	235	1.08%
North Westchester Resorative	215	0.99%
	<u>6,778</u>	<u>31.22%</u>

Sources: US Census and The New York State Department of Labor

Note: Based upon estimated Town employment of 27,844 in 2021 and 21,700 in 2013

## **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs. These schedules include:

Full-Time Equivalent Town Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program



TOWN OF CORTLANDT, NEW YORK  
Full-Time Equivalent Town Government Employees By Function  
Last Ten Fiscal Years

	Full-time Equivalent Employees as of December 31									
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Function:										
General government	71	71	74	70	69	69	69	59	57	64
Transportation	30	30	30	29	29	29	29	31	32	34
Culture and recreation	29	29	29	28	27	27	27	25	27	30
Home and community services	<u>44</u>	<u>44</u>	<u>44</u>	<u>44</u>	<u>43</u>	<u>43</u>	<u>43</u>	<u>57</u>	<u>50</u>	<u>47</u>
Total	<u>174</u>	<u>174</u>	<u>177</u>	<u>171</u>	<u>168</u>	<u>168</u>	<u>168</u>	<u>172</u>	<u>166</u>	<u>175</u>

Source: 2023 Adopted Budget

TOWN OF CORTLANDT, NEW YORK  
Operating Indicators by Function/Program  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government Support:										
Assessor's Office:										
STAR Program Exemptions										
Basic	5,203	5,203	5,607	6,144	7,525	7,961	8,048	8,344	8,798	8,728
Enhanced	1,234	1,234	1,344	1,368	1,360	1,398	1,428	1,467	1,484	1,493
Town Comptroller's Office:										
W-2's issued	457	441	290	537	527	530	524	545	558	547
1099's issued	123	110	90	125	133	129	197	150	138	143
Vouchers paid	8,583	8,262	8,301	8,702	8,822	8,306	8,468	8,373	8,287	8,017
Justice Court:										
Criminal cases	786	650	641	780	967	901	1,067	968	967	1,186
Civil cases	69	88	76	114	151	192	144	162	158	178
V and T cases	4,347	5,609	5,100	5,628	5,952	5,048	5,365	5,088	5,815	6,333
Jury trials	2	-	-	-	3	2	1	-	3	3
Tax Receiver:										
Town and County tax bills processed	15,334	15,356	15,363	15,364	15,358	15,387	15,387	15,386	15,386	15,381
School District tax bills processed:										
Croton Harmon	3,828	3,828	3,828	3,828	3,823	3,820	3,820	3,817	3,813	3,811
Hendrick Hudson	5,312	5,312	5,313	5,314	5,316	5,323	5,323	5,324	5,324	5,327
Lakeland	5,589	5,589	5,592	5,592	5,595	5,613	5,613	5,610	5,611	5,611
Yorktown	120	120	120	120	120	120	120	119	119	119
Putnam Valley	507	507	510	510	510	511	511	511	512	513
Town Clerk's Office:										
Birth certificates	1,081	1,144	794	875	691	762	858	799	751	870
Marriage licenses	196	193	154	132	134	128	140	155	139	144
Death certificates	4,308	4,798	5,564	4,092	4,514	4,237	4,325	4,100	3,992	4,372
Hunting and fishing licenses	-	83	-	189	256	232	229	325	543	198
Dog licenses	520	531	504	560	672	672	672	678	761	757

TOWN OF CORTLANDT, NEW YORK  
Operating Indicators by Function/Program, Continued

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Culture and Recreation:										
Recreation:										
Adult programs	62	61	30	71	68	66	77	75	83	75
Adult leagues	2	2	2	3	3	3	3	4	4	5
Youth programs	95	98	26	78	75	64	62	60	59	60
Youth leagues	8	7	7	25	26	26	28	28	26	27
Pre-school classes	14	7	6	38	35	33	33	28	28	20
Youth center special events	17	15	10	27	25	21	17	15	15	15
Special events recreation	16	7	7	11	10	9	9	8	10	11
Day camps	3	3	-	3	4	4	4	4	4	4
Swimming programs	14	8	-	13	13	15	15	15	15	14
Home and Community Services:										
Senior Programs:										
Congregate meals served	2,024	1,117	758	2,873	2,837	3,255	3,098	2,407	1,988	2,702
Home delivered meals	12,642	12,038	13,384	11,990	11,174	10,512	10,462	8,659	6,593	7,767
Medical trips	306	106	110	212	170	160	138	158	189	272
Shopping trips	324	297	253	447	465	444	511	461	492	721
Refuse:										
Refuse collected in tons	14,125	15,441	15,440	15,057	15,182	14,609	14,492	14,432	14,528	14,630
Organic yard waste	611	927	1,308	1,541	1,648	994	718	953	998	1,107
Recyclables collected - commingled	1,113	1,294	1,439	1,241	1,203	1,133	1,194	1,168	1,154	968
Recyclables collected - newspaper in tons	1,549	1,886	1,922	1,789	1,936	1,949	1,969	2,018	2,047	1,734

Sources: Various Town departments

TOWN OF CORTLANDT, NEW YORK  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Government Support:										
Number of general government buildings	4	4	4	4	4	4	4	4	4	4
Public Safety:										
Number of police stations - State police	2	2	2	2	2	2	2	2	2	2
Number of police stations - County police	1	1	1	1	1	1	1	1	1	1
Transportation:										
Miles of streets	166	164	164	164	164	164	164	164	164	157
Number of street lights	715	890	890	890	890	890	890	890	890	890
Culture and Recreation:										
Number of community centers	1	1	1	1	1	1	1	1	1	1
Number of youth centers	1	1	1	1	1	1	1	1	1	1
Community room - Town center	1	1	1	1	1	1	1	1	1	1
Number of parks	15	15	15	15	15	15	15	15	15	13
Acres of parks	802	802	802	802	802	802	802	802	802	763
Playgrounds	7	7	7	7	7	7	7	7	7	7
Baseball/softball diamonds	7	7	7	7	7	7	7	7	7	7
Outdoor tennis courts	14	14	15	15	15	15	15	15	15	15
Soccer/All Purpose fields	2	2	2	2	2	2	1	1	1	1
Basketball courts outdoor	7	7	7	7	7	7	7	7	6	6
Basketball courts indoor	1	1	1	1	1	1	1	1	1	1
Roller hockey rink	1	1	1	1	1	1	1	1	1	1
Aggressive skate park	1	1	1	1	1	1	1	1	1	1
Miniature golf course	1	1	1	1						
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Pickleball Courts	4	4	-	-	-	-	-	-	-	-
Home and Community Services:										
Miles of water mains	143	142	142	142	142	142	142	142	142	28
Fire hydrants	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394	1,394
Miles of sanitary sewers	24	24	17	17	17	17	17	17	17	17
Sewage Treatment Plant	1	1	1	-	-	-	-	-	-	-

Sources: Various Town departments

## FORM OF BOND COUNSEL’S OPINION – THE BONDS

October 5, 2023

Town of Cortlandt  
County of Westchester  
State of New York

Re: Town of Cortlandt, Westchester County, New York  
\$6,870,000 Public Improvement (Serial) Bonds, 2023

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of an issue of \$6,870,000 Public Improvement (Serial) Bonds, 2023 (the "Obligations"), Town of Cortlandt, Westchester County, New York (the "Obligor"), dated October 5, 2023, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds, in such amounts as hereinafter set forth, bearing interest at the rate of \_\_\_\_\_ per centum (\_\_\_\_\_% ) per annum, payable on October 1, 2024 and semi-annually thereafter on April 1 and October 1, and maturing in the amount of, \$ \_\_\_\_\_ on October 1, 2024, \$ \_\_\_\_\_ on October 1, 2025, \$ \_\_\_\_\_ on October 1, 2026, \$ \_\_\_\_\_ on October 1, 2027, \$ \_\_\_\_\_ on October 1, 2028, \$ \_\_\_\_\_ on October 1, 2029, \$ \_\_\_\_\_ on October 1, 2030, \$ \_\_\_\_\_ on October 1, 2031, \$ \_\_\_\_\_ on October 1, 2032, \$ \_\_\_\_\_ on October 1, 2033, \$ \_\_\_\_\_ on October 1, 2034, \$ \_\_\_\_\_ on October 1, 2035, \$ \_\_\_\_\_ on October 1, 2036, \$ \_\_\_\_\_ on October 1, 2037, \$ \_\_\_\_\_ on October 1, 2038, \$ \_\_\_\_\_ on October 1, 2039, \$ \_\_\_\_\_ on October 1, 2040, \$ \_\_\_\_\_ on October 1, 2041, \$ \_\_\_\_\_ on October 1, 2042, and \$ \_\_\_\_\_ on October 1, 2043.

The Obligations maturing on or before October 1, 2031 shall not be subject to redemption prior to maturity. The Obligations maturing on or after October 1, 2032 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the Town on October 1, 2031 or on any date thereafter at par, plus accrued interest to the date of redemption.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal alternative minimum tax on individuals, however for tax years beginning after December 31, 2022, interest on the Obligations is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligations has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the fifth paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations, the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

Orrick, Herrington & Sutcliffe LLP

## FORM OF BOND COUNSEL’S OPINION – THE NOTES

October 5, 2023

Town of Cortlandt  
County of Westchester  
State of New York

Re: Town of Cortlandt, Westchester County, New York  
\$1,775,000 Bond Anticipation Notes, 2023 (Renewals)

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$1,775,000 Bond Anticipation Notes, 2023 (Renewals) (the “Obligations”), of the Town of Cortlandt, Westchester County, New York (the “Obligor”), dated October 5, 2023, numbered 1, of the denomination of \$\_\_\_\_\_, bearing interest at the rate of \_\_\_\_% per annum, payable at maturity, and maturing October 4, 2024. The Notes will not be subject to redemption prior to maturity.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the “Code”);
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligations that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligations not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligations and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligations to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligations and investment earnings thereon on certain specified purposes (the “Arbitrage Certificate”); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligations, including the form of the Obligations. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligations have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligations and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligations: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligations; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligations is not a specific preference item for purposes of the federal alternative minimum tax on individuals, however for tax years beginning after December 31, 2022, interest on the Obligations is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligations.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligations) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligations has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligations to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligations and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligations has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligations as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligations for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligations, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP