

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 8, 2026

RENEWAL & NEW MONEY ISSUE

BOND ANTICIPATION NOTES

In the opinion of Harris Beach Martha Cullina PLLC, Buffalo, New York, Bond Counsel to the Town, under existing statutes, regulations, administrative rulings, and court decisions, and assuming continuing compliance by the Town with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), and the accuracy of certain representations made by the Town, interest on the Notes is excluded from gross income of the owners thereof for Federal income tax purposes and is not an "item of tax preference" for purposes of the Federal alternative minimum tax imposed on individuals. However, interest on the Notes held by certain corporations that are subject to the Federal corporate alternative minimum tax is included in the computation of "adjusted financial statement income" for purposes of the Federal alternative minimum tax imposed on such corporations. Bond Counsel is also of the opinion that under existing statutes interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). No opinion is expressed regarding other Federal or State tax consequences arising with respect to the Notes. See "TAX MATTERS" herein.

The Notes will be designated by the Town as "qualified tax-exempt obligations" pursuant to Section 265 (b)(3) of the Code

TOWN OF BOSTON ERIE COUNTY, NEW YORK

\$4,675,000
BOND ANTICIPATION NOTES – 2026
(the "Notes")

Date of Issue: October 1, 2026

Maturity Date: October 1, 2027

The Notes are general obligations of the Town of Boston, Erie County, New York, (the "Town"), and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Notes are payable from ad valorem taxes which may be levied upon all the taxable real property within the Town, subject to certain applicable statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limitation Law"). See "REAL PROPERTY TAXES - "Tax Levy Limitation Law," in Appendix A hereto.

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

At the option of the purchaser(s), the Notes will be issued in registered form (i) registered in the name of the successful bidder(s) or (ii) registered book-entry form registered to Cede & Co., as the partnership nominee of The Depository Trust Company ("DTC")

If the Notes are issued in registered form registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Town at such bank(s) or trust company(ies) located and authorized to do business in the State of New York as selected by the successful bidder(s).

If the Notes are issued in registered book-entry form, such notes ("DTC Notes") will be delivered to DTC, which will act as Securities ,Depository for the DTC Notes. Beneficial owners will not receive certificates representing their interest in the DTC Notes. Individual purchases may be made in book-entry form only, in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. A single note certificate will be issued for those DTC Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said DTC Notes will be paid in Federal Funds by the Paying Agent to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the DTC Notes as described herein. See "Book-Entry-Only System" herein.)

Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes are offered when, as and if issued by the Town subject to the receipt of the final approving opinions of Harris Beach Murtha Cullina PLLC, Buffalo, New York, Bond Counsel to the Town, and certain other conditions. Capital Markets Advisors, LLC has served as Municipal Advisor to the Town in connection with the issuance of the Notes. It is expected that delivery of the Notes will be made on or about October 1, 2026.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE TOWN FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"). FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE NOTES AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING," HEREIN.

Dated: September __, 2026

This Preliminary Official Statement and the information contained in it are subject to completion and amendment in a final Official Statement. This Preliminary Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there may not be any sale of the Notes offered by this Preliminary Official Statement, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of that jurisdiction.

**TOWN OF BOSTON
ERIE COUNTY, NEW YORK**

**Supervisor
Jason Keding**

TOWN BOARD

Robert Penders Council Member
Max Stephan..... Council Member
Kelly Martin Council Member
Kathleen Selby Council Member

Elysia Pericak Bookkeeper
Sandra L. Quinlan Town Clerk
Ryan F. McCann, Esq. Attorney for the Town

BOND COUNSEL



**Harris Beach Murtha Cullina PLLC
Buffalo, New York**

MUNICIPAL ADVISOR



**Capital Markets Advisors, LLC
Long Island * Western New York
(716) 662-3910**

No dealer, broker, salesman or other person has been authorized by the Town to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable, but it is not to be guaranteed as to accuracy or completeness. The information 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, since the date hereof.

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OFFICIAL STATEMENT

TOWN OF BOSTON ERIE COUNTY, NEW YORK

Relating to

\$4,675,000 BOND ANTICIPATION NOTES – 2026

This Official Statement (the “Official Statement”), which includes the cover page and appendices hereto, presents certain information relating to the Town of Boston, Erie County, in the State of New York (the “Town,” “County”, and “State” respectively), in connection with the sale of \$4,675,000 Bond Anticipation Notes – 2026 (the “Notes”).

The factors affecting the Town’s financial condition are described throughout this Official Statement and 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 Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

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.

THE NOTES

Description

The Notes will be dated their date of delivery and bear interest from that date until October 1, 2027, the maturity date, at the annual rate or rates as specified by the purchaser(s) of the Notes. The Notes will not be subject to redemption prior to maturity. Interest will be calculated on a 30-day month and a 360-day year basis, payable at maturity.

At the option of the purchaser(s), the Notes will be issued in registered form (i) registered in the name of the successful bidder(s) or (ii) book-entry form registered to Cede & Co., as the partnership nominee for DTC.

If the Notes are issued in registered form registered in the name of the successful bidder(s), a single note certificate will be issued for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Town at such bank(s) or trust company(ies) located and authorized to do business in the State as selected by the successful bidders.

If the Notes are issued in registered book-entry form, such notes (“DTC Notes”) will be delivered to DTC, which will act as securities depository for the DTC Notes. Beneficial owners will not receive certificates representing their interest in the DTC Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination. A single note certificate will be issued for those DTC Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said DTC Notes will be paid in Federal Funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the DTC Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. See “Book-Entry-Only System” herein.

Authorization and Purpose of the Notes

The Notes are issued pursuant to the Constitution and Laws of the State, including among others, the Town Law and the Local Finance Law, and various bond resolutions duly adopted by the Town Board on their respective dates, authorizing the issuance of serial bonds for various capital projects in and for the Town. Such projects and their respective amounts are described below:

<u>Purpose</u>	<u>Date</u> <u>Authorized</u>	<u>Authorized</u> <u>Amount</u>	<u>Outstanding</u> <u>BANs</u>	<u>Pay Down</u>	<u>New Money</u>	<u>The Notes</u>
Water Districts Nos. 1, 2 and 3	06/16/2021	\$1,825,000	\$950,000	\$35,000	\$0	\$915,000
Water Districts Nos. 1 and 2 *	11/03/2021	<u>15,565,000</u>	<u>2,771,000</u>	<u>96,000</u>	<u>1,085,000</u>	<u>3,760,000</u>
	Totals:	\$17,390,000	\$3,721,000	\$131,000	\$1,085,000	\$4,675,000

*Bond Resolution amended on July 19, 2023.

As evidenced by the table above, the proceeds of the Notes, along with \$131,000 in available funds of the Town, will redeem \$3,721,000 bond anticipation notes maturing on October 2, 2026. The proceeds of the Notes will also provide \$1,085,000 in original “new money” financing, representing an additional initial borrowing against the Water Districts No. 1 and 2 project.

Nature of the Obligations

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

The 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. For the payment of such principal of and interest on the Town has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the Town, subject to certain applicable statutory limitations set forth in Chapter 97 of the New York Laws of 2011, as amended. (See “REAL PROPERTY TAXES - 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 Notes, and the State is specifically precluded from restricting the power of the Town to levy taxes on real estate therefor. The State Constitution requires the Town to provide by appropriation for the payment of interest on all obligations which will become due during the fiscal year. In addition, the State Constitution requires the Town to provide in each year by appropriation for the payment of all installments of principal of the Notes which will become due and payable in such year.

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

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 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. See “REAL PROPERTY TAXES – “Tax Levy Limitation Law,” herein.

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 bondholders 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 bonds 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, village, 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.

Book-Entry-Only System

The following applies to those Notes issued in book entry form. The Depository Trust Company (“DTC”) will act as securities depository for the Notes. The Notes will be issued as fully-registered notes 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 each book-entry Note bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

DTC, the world’s largest depository, 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 and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated 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"). 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 and www.dtc.org.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each 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 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 the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all the 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 the 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 Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such 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. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 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 upon DTC's receipt of funds and corresponding detail information from the Town, on payable date 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 payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of 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 Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

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

MARKET FACTORS AFFECTING FINANCINGS OF THE STATE AND MUNICIPALITIES OF THE STATE

The financial condition of the Town as well as the market for the 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, including, for example, the seeking by a municipality of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or at 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 Notes, could be adversely affected.

The Town does not receive a significant amount of financial assistance from the State in the form of State aid. Should the Town fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies and not by a cut in State aid, the Town is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

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. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will 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.

TAX MATTERS

In the opinion of Harris Beach Murtha Cullina PLLC, Bond Counsel to the Town, based on existing statutes, regulations, administrative rulings and court decisions and assuming compliance by the Town with certain covenants and the accuracy of certain representations, interest on the Notes is excluded from gross income for federal income tax purposes. Bond Counsel is of the further opinion that interest on the Notes is not an "item of tax preference" for purposes of the Federal alternative minimum tax on individuals; however, the Internal Revenue Code of 1986, as amended (the "Code"), imposes a federal corporate alternative minimum tax equal to 15 percent of the "adjusted financial statement income" of corporations (other than S corporations, regulated investment companies and real estate investment trusts) having an average annual "adjusted financial statement income" for the 3-taxable-year period ending with the tax year that exceeds \$1,000,000,000. Interest on tax-exempt obligations such as the Notes is included in the computation of a corporation's "adjusted financial statement income".

The Code also imposes various limitations, conditions and other requirements which must be met at and subsequent to the date of issue of the Notes in order that interest on the Notes will be and remain excluded from gross income for federal income tax purposes. Included among these requirements are restrictions on the investment and use of proceeds

of the Notes and in certain circumstances, payment of amounts in respect of such proceeds to the United States. Failure to comply with the requirement of the Code may cause interest on the Notes to be includable in gross income for purposes of federal income tax, possibly from the date of issuance of the Notes. In the Arbitrage and Use of Proceeds Certificate of the Town executed in connection with the issuance of the Notes, the Town has covenanted to comply with certain procedures, and it has made certain representations and certifications, designed to assure satisfaction of the requirements of the Code in respect to the Notes. The opinion of Bond Counsel assumes compliance with such covenants and the accuracy, in all material respects, of such representations and certificates.

Prospective purchasers of the Notes should be aware that ownership of the Notes, and the accrual or receipt of interest thereon, may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S corporations, certain foreign corporations, individual recipients of Social Security or Railroad benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisors as to any possible collateral consequences of their ownership of the Notes and their accrual or receipt of interest thereon. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

The Notes **will be** designated as "qualified tax-exempt obligations" within the meaning of, and pursuant to Section 265(b)(3) of the Code.

In the opinion of Bond Counsel, under existing statutes, interest on the Notes is exempt from personal income taxes imposed by the State or any political subdivision thereof (including The City of New York).

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 and delivery of the Notes may affect the tax status of interest on the Notes.

No assurance can be given that any future legislation or governmental actions, including amendments to the Code or State income tax laws, regulations, administrative rulings, or court decisions, will not, directly or indirectly, cause interest on the Notes to be subject to Federal, State or local income taxation, or otherwise prevent Noteholders from realizing the full current benefit of the tax status of such interest. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any judicial decision or action of the Internal Revenue Service or any State taxing authority, including, but not limited to, the promulgation of a regulation or ruling, or the selection of the Notes for audit examination or the course or result of an audit examination of the Notes or of obligations which present similar tax issues, will not affect the market price, value or marketability of the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding the foregoing matters.

All summaries and explanations of the law herein do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

ALL PROSPECTIVE PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE NOTES.

LEGAL MATTERS

The legality of the authorization and issuance of the Notes will be covered by the approving legal opinion of Harris Beach Murtha Cullina PLLC, Buffalo, New York, Bond Counsel to the Town. Such legal opinion will state that in the opinion of Bond Counsel (i) the Notes 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 Town, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (see "Appendix A - REAL PROPERTY TAX – Tax Levy Limitation Law" herein); provided, that the enforceability (but not the validity) of the Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of Creditors' rights; (ii) under existing statutes, regulations, administrative rulings and court decisions, interest on the Notes is excluded from the gross income of the owners thereof for Federal income tax purposes, is not an "item of tax preference" for purposes of the Federal alternative minimum taxes imposed on individuals, however, interest on the Notes held by certain corporations that are subject

to the Federal corporate alternative minimum tax is included in the computation of “adjusted financial statement income” for purposes of the Federal alternative minimum tax imposed on such corporations; (iii) interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York); and (iv) based upon Bond Counsel’s examination of law and review of the arbitrage and use of proceeds certificate executed by the Town Supervisor of the Town pursuant to Section 148 of the Code and the regulations thereunder, the facts, estimates and circumstances as set forth in said arbitrage certificate are sufficient to satisfy the criteria which are necessary under Section 148 of the Code to support the conclusion that the Notes will not be “arbitrage bonds” within the meaning of said section, and no matters have come to Bond Counsel’s attention which makes unreasonable or incorrect the representations made in said arbitrage certificate. Bond Counsel expresses no opinion regarding Federal or State income tax consequences arising with respect to the Notes.

Such legal opinions will also state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel’s engagement in relation to the issuance of the Notes, as applicable, has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein 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 Town together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of and interest on the Notes as the same become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the Town, would materially affect the ability of the Town to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of such Notes, 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.

DISCLOSURE UNDERTAKING

This Preliminary Official Statement is in a form “deemed final” by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). At the time of the delivery of the Notes, the Town will provide an executed copy of its “Undertaking to Provide Notices of Events” (the “Undertaking”). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access (“EMMA”) System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice, not in excess of ten (10) business days after the occurrence of the event, of the occurrence of any of the following events with respect to the Notes:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) 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 of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Town; [note to clause (xii): For the purposes of the event identified in clause (xii) 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]; (xiii) 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; and (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a financial obligation 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 security holders, if material; and (xvi) 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.

The Town may provide notice of the occurrence of certain other events, in addition to those listed above, if it 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 event except those events listed above.

The Town's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the Town, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Town to comply with the Undertaking will not constitute a default with respect to the Notes.

The Town reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

Prior Disclosure History

The Town is in compliance in all material respects with all previous undertakings made pursuant to Rule 15c2-12 for the past five years.

RATINGS

The Town did not receive a rating on the Notes.

The Town does not have an underlying rating outstanding.

MISCELLANEOUS

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

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.

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

MUNICIPAL ADVISOR

Capital Markets Advisors, LLC has acted as Municipal Advisor to the Town in connection with the sale of the Notes. In preparing the Official Statement, the Municipal Advisor has relied upon governmental officials, and other sources, who have access to relevant data to provide accurate information for the Official Statement, and the Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of such information. The Municipal Advisor is not a public accounting firm and has not been engaged by the Town to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards. The Municipal advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities and therefore will not participate in the underwriting of the Notes.

ADDITIONAL INFORMATION

Additional information may be obtained from Mr. Jason Keding, Town Supervisor and Paying Agent Contact, 8500 Boston State Road, Boston, New York, 14025, phone: 716-941-6518, email address: supervisor@townofboston.com or from the Town's Municipal Advisor, Capital Markets Advisors, LLC, (716) 662-3910.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the Town and the original purchasers or holders of any of the Notes.

Capital Markets Advisors, LLC may place a copy of this Official Statement on its website at www.capmark.org. 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. Capital Markets Advisors, LLC 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 Capital Markets Advisors, LLC assumes any liability or responsibility for errors or omissions on such website. Further, Capital Markets Advisors, LLC 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. Capital Markets Advisors, LLC and the Town also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

Harris Beach Murtha Cullina PLLC expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the Town for use in connection with the offer or sale of the Notes, including this Official Statement. This Official Statement has been prepared only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

**TOWN OF BOSTON
ERIE COUNTY, NEW YORK**

By: _____
Jason Keding
Town Supervisor

DATED: September __, 2026

APPENDIX A

THE TOWN

General Information

The Town, with an estimated population of 7,879 according to the 2025 Census estimate and a land area of approximately 36 square miles, is located in southeast Erie County, adjacent to the Towns of Hamburg and Orchard Park. The City of Buffalo is approximately 18 miles to the north.

The area itself is primarily agricultural in nature with commercial activity concentrated around the center of the Town. Many of the residents are employed within the Town while others find employment in the commercial and industrial activities of the City of Buffalo and Western New York.

Major airlines operating from the Buffalo Niagara International Airport, Conrail, the New York State Thruway, the Southern Tier Expressway, Route 219 and the Niagara Frontier Metro Bus System make the Town accessible to area transportation.

The Government

The Town was established in 1817 by the State Legislature with its own independent form of government. The taxable real property in the Town is subject to taxation for certain purposes. In addition, four independently governed school districts are located in part within the Town and rely upon their own taxing powers granted by the State to raise revenues for school district purposes. The school districts use the Town's assessment roll as their basis for taxation of property within the Town.

Subject to the provisions of the State Constitution, the Town operates pursuant to the Town Law, the Local Finance Law, other laws generally applicable to the Town, and any special laws applicable to the Town, and is classified as a second class Town. Under such laws, there is no authority for the Town to have a charter, but pursuant to the Town Law and other laws generally applicable to home rule, the Town may, from time to time, adopt local laws.

The legislative power of the Town is vested in the Town Board, which consists of five members, including the Supervisor, who is the chief executive officer of the Town, elected for a term of four years. The four other members of the Town Board are elected to four-year terms, which terms are staggered such that two council members are elected every two years. All the Town Board members are elected at large and there is no limitation to the number of terms each may serve.

The Town Clerk is elected to a four year term and the Highway Superintendent is elected for a four-year term. The Town Board appoints the Assessor for a six-year term. Pursuant to Town Law Section 20, the Town contracts with an attorney for such professional service and advice as it may require. At present, the Town Board contracts with the Attorney for the Town in two-year terms.

Town Services

Electricity and natural gas are supplied throughout the Town by New York State Electric and Gas and National Fuel Gas Distribution Corporation, respectively.

The Erie County Water Authority supplies water for a portion of the Town and is responsible for the maintenance of the necessary facilities. The Authority charges the cost for the water service against the property or property owners served. The Town has recently created a number of water districts that are responsible for the financing and construction of the water transmission lines within their respective boundaries.

Police protection is provided by the State Police and County Sheriff's Department. Fire Protection is provided by contracts with the local volunteer fire companies to provide such service.

Employees

The Town provides services through 16 full-time employees. In addition, approximately 27 employees work monthly for the Town on a part-time basis. On August 1, 2001, the Town entered into its first collective bargaining contract with Local 17 of the International Union of Operating Engineers representing six employees of the highway department. This contract is in effect through December 31, 2026.

Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS") (referred hereinafter as the "Retirement System" where appropriate.) The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement 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 ten 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 Retirement System is non-contributory with respect to members hired prior to July 27, 1976. Members hired after July 27, 1976 are assigned to a "Tier" based on their hire date and must contribute between three and six percent of their gross annual salary toward the costs of retirement programs, depending on their specific Tier and salary. For retirement system participants hired prior to January 1, 2010, individual contributions cease after ten years of credited service.

On May 14, 2003, the Governor signed a pension reform bill into law as Chapter 49 of the Law of 2003 ("Chapter 49"). Chapter 49 changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Town. Under the previous method, the Town was not provided with the required payment until after its budget was implemented. Under the reforms implemented by Chapter 49, the employer contribution for a given fiscal year will be based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Town is notified of and can include the actual cost of the employer contribution in its budget. Chapter 49 also required a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

During its 2004 Session the New York State Legislature enacted further pension relief in the form of Chapter 260 of the Laws of 2004 ("Chapter 260"). Chapter 260 changed the pension payment date for all local governments from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future.

The New York State Retirement System has advised the Town that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

The following schedule reflects the Town's contribution to the System for the last three fiscal years and the amount budgeted for the current fiscal year.

<u>Fiscal Year</u>	<u>ERS</u>
<u>Ending December 31:</u>	<u>Contribution</u>
2026 Budgeted	\$210,000
2025	190,150
2024	160,377
2023	133,707

FINANCIAL FACTORS

Annual Financial Report

The Town compiles financial information and files the annual report to the State Comptroller. The financial statements are reviewed but are not audited by an independent accounting firm. Appendix B to this Official Statement presents a summary of the results of operations for the prior fiscal years.

Fund Structures and Accounts

The financial statements of the Town conform to those prescribed by generally accepted accounting principles as applied to governmental units.

Revenues are recorded when measurable and available to pay liabilities of the current period. Revenues susceptible to accrual include real property taxes, state and federal aid, sales tax and certain user charges.

Expenditures are recorded when the fund liability is incurred. Exceptions to this rule are (1) prepaid and most inventory-type items are generally recognized at the time of disbursement; (2) unmatured interest on general long-term debt which is recognized when due; and (3) compensated absences, such as vacation and sick leave which vests or accumulates, and is charged as an expenditure when paid.

The encumbrance method of accounting is employed in the governmental funds, whereby commitments for contracts and outstanding purchase orders are reported as a reservation of fund balance. Such commitments are recorded as expenditures in the accounting period in which the liability is incurred.

The General Fund is the principal fund of the Town and includes all operations not required to be recorded in other funds. Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds include the Highway and Special District Funds. Special Districts have been established for fire protection, lighting, ambulance, garbage and refuse, and water.

Revenues

The Town derives its revenues from a tax levy on real property, State aid from non-property taxes like the County sales tax, and from departmental fees and charges. A summary of such revenues for the Town's General and Special District Water and Sewer Funds over the prior fiscal years have been compiled from the Town's Annual Financial Reports and are presented in "Statement of Revenues, Expenditures and Changes in Fund Balances" in Appendix B.

Real Property Tax. The following table sets forth total general fund revenues and real property tax revenues during prior fiscal years and the amount budgeted for the current fiscal year.

Table 1
Property Taxes

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Real Property Taxes</u> ⁽²⁾	<u>Real Property Taxes to Revenues</u> (%)
2021	\$1,854,172	\$184,676	10.0%
2022	2,420,209	165,645	6.8%
2023	2,266,540	165,907	7.3%
2024 ⁽³⁾	2,144,788	168,136	7.8%
2025	2,165,751	142,956	6.6%
2026 Budget	2,065,756	143,692	7.0%

(1) General Fund only
(2) Real Property Tax includes Property Tax, Special Assessments, and Interest / Penalties.
(3) 2024 includes Property Tax and Tax Items

Source: Town's 2022, 2023, and 2024 Audited Financial Statements, the Town's 2021, & 2025 AUD, and 2026 adopted budget.

Non-Property Taxes. The County is authorized and levies a sales and compensatory use tax of 4.75%, a portion of which is shared with the Town, in addition to the 4% tax levied by the State. Such sales tax collections in New York are administered by the State Tax Commissioner and the proceeds are paid to the County quarterly. The following table sets forth general fund non-property tax (sales tax) revenues received by the Town during prior fiscal years and the amount budgeted for the current fiscal year:

Table 2
Non-Property Taxes

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>Non-Property Taxes</u> ⁽²⁾	<u>Non-Property Taxes to Revenues</u>
2021	\$1,854,172	\$923,928	49.8%
2022	2,420,209	1,093,315	45.2%
2023	2,266,540	1,194,528	52.7%
2024	2,144,788	1,090,738	50.9%
2025	2,165,751	1,190,542	55.0%
2026 Budget	2,065,756	1,172,446	56.8%

(1) General Fund only

(2) sales tax and franchise fees received

Source: Town's 2022, 2023, and 2024 Audited Financial Statements, the Town's 2021, & 2025 AUD, and 2026 adopted budget.

State Aid. The Town also receives a portion of its revenues in the form of State aid (per capita, mileage and valuation, and mortgage tax). However, there is no assurance that the State appropriation for State aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid. State budgetary restrictions, which eliminate or substantially reduce State aid could have an adverse effect upon the Town, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

The following table sets forth total general fund revenues and State aid during prior fiscal years and the amount budgeted for the current fiscal year.

Table 3
State Aid

<u>Fiscal Year</u>	<u>Total Revenues</u> ⁽¹⁾	<u>State Aid</u>	<u>State Aid to Revenues</u>
2021	\$1,854,172	\$304,294	16.4%
2022	2,420,209	280,151	11.6%
2023	2,266,540	195,697	8.6%
2024	2,144,788	220,684	10.3%
2025	2,165,751	375,614	17.3%
2026 Budget	2,065,756	317,154	15.4%

(1) General Fund only

Source: Town's 2022, 2023, and 2024 Audited Financial Statements, the Town's 2021, & 2025 AUD, and 2026 adopted budget.

Budget Process

The Supervisor, with the assistance of the Town Bookkeeper, acting as budget officer, prepares a preliminary budget and presents it to the Town Clerk on September 30th. Subsequent to the budget hearing, revisions, if any, are made and the budget is then adopted by the Town Board as its final budget for the coming calendar year. The budget is not subject to voter approval.

Appendix B sets forth a summary of the Town's 2025 and 2026 General Fund budgets.

Investment Policy

Pursuant to State law, including Sections 10 and 11 of the General Municipal Law (the "GML"), the Town is generally permitted to deposit moneys in banks and trust companies located and authorized to do

business in the State. All such deposits, including special time deposit accounts and certificates of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, are required to be secured in accordance with the provisions of and subject to the limitations of Section 10 of the GML.

The Town may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State of New York; (4) with the approval of the New York State Comptroller, in tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the Town; (5) certificates of participation issued by political subdivisions of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys held in certain reserve funds established by the Town pursuant to law, in obligations of the Town.

All of the foregoing instruments and investments are required to be payable or redeemable at the option of the owner within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of instruments and investments purchased with the proceeds of bonds or notes, shall be payable or redeemable in any event, at the option of the owner, within two years of the date of purchase. Unless registered or inscribed in the name of the Town, such instruments and investments must be purchased through, delivered to and held in custody of a bank or trust company in the State pursuant to a written custodial agreement as provided in Section 10 of the GML.

The Town Board has adopted an investment policy and such policy conforms to applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the Town are made in accordance with such policy.

REAL PROPERTY TAXES

Real Property Tax Collection Procedures and History

The Town Tax Receiver collects the County taxes as well as the General Town and Special District levies. Under the Erie County Tax Act, under which the Town collects taxes, any uncollected items are deducted from the amount returned to the County and the County assumes the responsibility for obtaining payment. Therefore, before the tax rolls are returned to the County at the end of the tax collection period the Town Clerk pays in full all tax levies due to the Town.

Taxes are due February 15 and payable without penalty through March 15. Penalties are imposed as follows: 7.5% from March 16th through April 30th and an additional 1.5% each month thereafter. After August 31, when the rolls are turned over to the County, all taxes are payable to the County with an additional penalty to the date of payment.

The following table sets forth the Town General, Highway and Special District levies, for the past five years.

Table 4					
<u>Total Tax Levy and Tax Rate</u>					
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund	\$165,676	\$165,904	\$142,900	\$153,681	\$147,138
Highway Fund	844,769	853,332	864,103	866,573	877,124
Special Districts	<u>2,157,097</u>	<u>2,232,708</u>	<u>2,340,916</u>	<u>2,427,695</u>	<u>2,681,800</u>
Total Levy	\$3,167,542	\$3,251,944	\$3,347,919	\$3,447,949	\$3,706,062
General Fund Tax Rate	0.280665	0.280665	0.238565	0.238565	0.238565

The following table sets forth the assessed and full valuation of taxable real property, the State equalization rate and the Town's real property tax levy for Town purposes for the last five fiscal years.

Table 5
Assessed and Full Valuation

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Taxable Assessed Valuation	\$585,980,541	\$593,427,642	\$595,073,141	\$602,318,798	\$613,079,496
State Equalization Rate	66.00%	59.50%	52.00%	50.00%	50.00%
Full Valuation	887,849,305	997,357,382	1,144,371,425	1,204,637,596	\$1,226,158,992
Source: Town Assessor					

Ten Largest Assessed Values for the 2027 Fiscal Year

The following table presents the total 2026 assessed valuations of the Town's largest property owners used for the 2027 tax levy.

Table 6
Assessed Valuations

<u>Property Owner</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>Percentage of Total Valuation</u> ^(a)
National Fuel Gas	Utility	\$9,570,464	1.56%
Niagara Mohawk Power Corp	Utility	7,420,712	1.21%
NYSEG	Utility	6,514,028	1.06%
Brookfield Properties of WNY	Apt. Complex	5,942,900	0.97%
CCD Property Management	Mobile Home Park	3,004,500	0.49%
FOP Holdings, LLC	Apt. Complex	2,060,400	0.34%
7072 Boston State Road, LLC	Gas Station	2,000,000	0.33%
5659 Herman Hill, LLC	Restaurant	1,772,500	0.29%
Strawberry Jam, LLC	Property Holdings	1,765,400	0.29%
Celia Russo	Resident	<u>1,546,200</u>	<u>0.24%</u>
Total:		<u>\$41,597,104</u>	<u>6.78%</u>

(a) Total taxable assessed valuation for 2027 levy was \$ 613,079,496.

Source: Town Assessor.

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 which created Section 3-c of the General Municipal Law was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York). 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. On April 12, 2019, the enacted State budget legislation made the Tax Levy Limitation Law 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 would be permitted for taxable real property full valuation increases or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible 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 its fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for such 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 Law (June 24, 2011).

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This 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 that is what courts have held they mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

"It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the *Flushing National Bank* case stated:

"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 of 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* 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 municipalities.

Therefore, 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 the 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 is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

TOWN INDEBTEDNESS

Constitutional Requirements

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

Purpose and Pledge. 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 years 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) or, in the alternative, the weighted average period of probable usefulness of the several purposes for which it is contracted, unless the Town determines to issue debt amortized on the basis of substantially level or declining annual debt service. 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 bond anticipation notes.

General. The Town is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation and contracting indebtedness to prevent abuses in the exercise of such powers; however, as has been noted under "Nature of Obligation", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Town to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

Statutory Procedure

In general, the State Legislature has authorized the power 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 the Town Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Town authorizes the incurrence of indebtedness, including bond and bond anticipation notes issued in anticipation of such bonds, by the adoption of a resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Certain such resolutions may be subject to permissive referendum, or may be submitted to the Town voters at the discretion of the Town Board.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution, which, in effect, estops thereafter-legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Town has complied with such procedure for the validation of the bonds in anticipation of which the Notes are being issued.

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 and case law) restrictions relating to the period of probable usefulness with respect thereto.

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits notes to be renewed each year provided that principal is amortized and such renewals do not (with certain exceptions) extend five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such notes were originally issued. (See "Payment and Maturity" under "Constitutional Requirements").

In addition, under each bond resolution, the Town Board may delegate, and has delegated, power to issue and sell bonds and notes, to the Supervisor, the chief fiscal officer of the Town.

In general, the Local Finance Law contains similar provisions providing the Town with power to issue general obligation revenue anticipation notes, tax anticipation notes and budget notes.

Debt Limit. The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof shall not exceed seven per centum of the most recent five-year 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 appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate for the last completed assessment roll and applying thereto the final equalization rate as determined by the State Board of Real Property Services. The State Legislature is required to prescribe the manner by which such rate shall be determined. The average full valuation is determined by taking the sum of full valuations of such last completed assessment roll and the four preceding assessment rolls, and dividing such sum by five.

There is no constitutional limitation on the amount that may be raised by the Town by tax on real estate in any fiscal year to pay principal and interest on all indebtedness.

Constitutional Debt Limit

The following table sets forth the constitutional debt limit of the Town, as of September 8, 2026.

Table 7
Constitutional Debt Limit

<u>Year</u> <u>Roll</u>	<u>Assessed</u> <u>Valuation</u>	<u>Equalization</u> <u>Rate</u>	<u>Full</u> <u>Valuation</u>
2023	\$585,980,541	66.00%	\$887,849,305
2024	593,427,642	59.50%	997,357,382
2025	595,073,141	52.00%	1,144,371,425
2025	602,318,798	50.00%	1,204,637,596
2026	613,079,496	50.00%	<u>1,226,158,992</u>
Total Five-Year Valuation			\$5,460,374,699
Average Five-Year Valuation			\$1,092,074,940
Debt Limit - 7% of Average Full Valuation			\$76,445,246

Source: Town Assessor's Office

Statement of Debt Contracting Power

Table 8
Statutory Debt Limit and Net Indebtedness
(As of September 8, 2026)

Debt Contracting Limitation	\$76,445,246
Serial Bonds	\$3,696,400
Bond Anticipation Notes	<u>3,721,000</u>
Total Gross Direct Indebtedness	<u>\$7,417,400</u>
Exclusions and Deductions	
Water Bonds	\$3,246,400
Water BANs	3,721,000
Bond Appropriations for Non-Exempt Debt	<u>0</u>
	<u>\$6,966,400</u>
Total Net Indebtedness	<u>\$450,000</u>
Net Debt-Contracting Margin	<u>\$75,995,246</u>
Percentage of Debt-Contracting Margin Exhausted	<u>0.59%</u>

Remedies Upon Default

Under current law, provision is made for contract creditors (including the Noteholders) of the Town to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to creditors to nine per centum per annum from the date due to the date of payment. 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 current funds or the proceeds of a tax levy.

Remedies for enforcement of payment are not expressly included in the Town's contract with holders of its bonds and notes, although any permanent repeal by statute or constitutional amendment of a bondholder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

The State has consented that any municipality in the State may file a petition with any 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, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debts including judicial control over identifiable and unidentifiable creditors.

In recent times, certain events and legislation affecting remedies on 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 municipalities of the State, require the exercise by the State of its emergency and police powers to assure the continuation of essential public services.

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

Trend of Outstanding Indebtedness

The following table provides information relating to the capital indebtedness outstanding at year-end for the last five fiscal years.

	Table 9 <u>Outstanding Indebtedness</u>				
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$4,689,865	\$4,441,931	\$4,231,150	\$4,059,400	\$3,882,850
Bond Anticipation Notes	<u>0</u>	<u>1,013,790</u>	<u>1,013,790</u>	<u>3,758,000</u>	<u>3,721,000</u>
Total Outstanding Debt	\$4,689,865	\$5,455,721	\$5,244,940	\$7,817,400	\$7,603,850

Short Term Indebtedness

Following the issuance of the Notes, the Town will have \$4,675,000 in outstanding bond anticipation notes, which will mature on October 1, 2027.

Debt Service Schedule

The following table sets forth all principal and interest payments required on the Town's outstanding bonded indebtedness.

	Table 10 <u>Bond Principal and Interest Maturity</u> (As of September 8, 2026)		
<u>FYE</u> <u>12/31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Debt Service</u>
2027	\$191,450	\$128,544	\$319,994
2028	196,750	121,876	318,626
2029	207,150	114,883	322,033
2030	212,950	107,556	320,506
2031	218,750	99,958	318,708
2032	229,950	92,002	321,952
2033	230,000	83,670	313,670
2034	241,500	75,125	316,625
2035	183,300	67,418	250,718
2036	190,400	60,660	251,060
2037	197,700	53,637	251,337
2038	205,300	46,340	251,640
2039	213,200	38,759	251,959
2040	221,400	30,882	252,282
2041	86,200	22,698	108,898
2042	89,100	20,112	109,212
2043	90,100	17,439	107,539
2044	94,200	14,736	108,936
2045	97,400	11,910	109,310
2046	99,600	8,988	108,588
2047	98,000	6,000	104,000
2048	<u>102,000</u>	<u>3,060</u>	<u>105,060</u>
Total	<u>\$3,696,400</u>	<u>\$1,226,253</u>	<u>\$4,922,653</u>

Direct and Overlapping Indebtedness

The real property taxpayers of the Town are responsible for a proportionate share of outstanding debt obligations of the County and other governmental units. Such taxpayers' share of this overlapping debt is based upon the amount of the Town's equalized property values taken as a percentage of each separate units' total values. The table below sets forth both the total outstanding principal amount of debt issued by the Town and the approximate magnitude of the burden on taxable property in the Town of the debt instruments issued and outstanding by such other political units. Authorized but unissued debt has not been included.

Table 11
Statement of Direct and Overlapping Indebtedness

Direct Debt

Gross Direct Debt	\$7,417,400
Exclusions and Deductions	<u>6,967,400</u>
Net Direct Debt	<u>\$450,000</u>

Overlapping Debt

<u>Issuer</u>	<u>As of</u>	<u>Net Debt Outstanding</u>	<u>Town Share</u>	<u>Amount Applicable To Town</u>
Erie County	05/31/2026	\$405,471,526	1.10%	\$4,460,187
Springville CSD	07/16/2026	45,669,906	6.86%	3,132,956
Hamburg CSD	05/05/2026	68,645,000	17.67%	12,129,572
Orchard Park CSD	04/06/2026	81,726,016	3.95%	3,228,178
Eden CSD	06/30/2026	26,980,000	17.51%	<u>4,724,198</u>
Net Overlapping Debt				\$27,675,089
Net Direct Debt				<u>\$450,000</u>
Total Net Direct and Overlapping Debt				<u>\$28,125,089</u>

Source: Official Statements and State Comptroller's Special Report.

Long-Term Capital Financing Plans

The Town anticipates the need to finance ongoing capital needs for general, highway, and special district purposes only as necessary. On July 19, 2023, the Town amended the bond resolution adopted on November 3, 2021 that authorized \$15,656,000 in serial bonds to finance certain improvements to the Town's Water District Nos. 1 and 2 facilities. Following the issuance of the Notes, the Town will have \$11,709,000 outstanding but unissued for this authorization.

Debt Ratios

The following table presents certain debt ratios relating to the Town's net direct and overlapping indebtedness.

Table 12
Debt Ratios

	<u>Amount</u>	<u>Debt Per Capita</u> ⁽¹⁾	<u>Debt to Full Value</u> ⁽²⁾
Net Direct Debt	\$450,000	\$57	0.04%
Net Direct and Overlapping Debt	\$28,125,089	\$3,570	2.29%

(1) The population of the Town is 7,879.

(2) The Town's full value of taxable real property for 2027 taxes is \$1,226,158,992.

ECONOMIC AND DEMOGRAPHIC DATA

Population

The following table presents population trends for the County, State and United States, based upon recent census data.

Table 13
Population Trend

	<u>2010</u>	<u>2020</u>	<u>Percentage Change</u>
Town	8,023	7,948	(0.9%)
County	919,040	954,236	3.8%
State	19,378,102	20,201,249	4.2%

Source: New York State Department of Commerce; New York State Department of Economic Development.

Employment and Unemployment

The following tables provide information concerning employment in the Town, County and State. Data provided for the County and the State may not be representative of the Town. Because the Town is centrally located in Western New York, many of its residents are employed throughout the neighboring communities.

Table 15
Civilian Labor Force
(Thousands)

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
County	432.9	442.6	448.6	443.8	445.0
State	8,914.3	9,266.1	9,452.5	9,514.5	9,575.2

Source: New York State Department of Labor, Bureau of Labor Statistics.

Table 16
Yearly Average Unemployment Rates

<u>Year</u>	<u>County</u>	<u>State</u>
2021	5.3%	7.1%
2022	3.5%	4.3%
2023	3.5%	4.0%
2024	3.8%	4.2%
2025	4.0%	4.3%

Source: New York State Department of Labor, Bureau of Labor Statistics.

Table 17
Monthly Unemployment Rates

<u>Month</u>	<u>County</u>	<u>State</u>
July 2025	4.2%	4.1%
August	4.3%	4.8%
September	4.0%	4.9%
October	NA	NA
November	3.8%	4.7%
December	3.9%	4.3%
January 2026	4.5%	4.7%
February	5.0%	5.2%
March	4.4%	4.4%
April	4.0%	4.2%
May	4.1%	4.2%
June	4.1%	4.4%

Source: New York State Department of Labor, Bureau of Labor Statistics. Information not seasonally adjusted.

Financial Institutions

NBT Bank is the only commercial bank with one or more offices located within the Town, however, several commercial banks have offices located just outside the Town limits, including HSBC, M&T Bank, JPMorgan Chase Bank, Key Bank and Bank of America.

Transportation

Transportation facilities include an excellent network of highways, the New York State Thruway, NYS Routes 219 and 62 and the Metro Bus System. Several major airlines operate from the Buffalo-Niagara International Airport only 15 miles outside the Town. These facilities make the Town easily accessible to the large diversified industrial area of the Niagara Frontier.

LITIGATION

In common with other municipalities, the Town from time to time receives notices of claim and is party to litigation. In the opinion of the attorney for the Town, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no claims or action pending which, if determined against the Town, would have a material adverse effect on the financial condition.

APPENDIX B

SUMMARY OF FINANCIAL STATEMENTS AND BUDGETS

Town of Boston, New York
Comparative Balance Sheets
At December 31

	General Fund		Special District Water		Highway Town-Wide	
<u>ASSETS</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>
Cash	\$2,464,194	\$1,927,785	\$1,147,516	\$1,204,068	\$1,456,007	\$1,370,156
Accounts Receivable	28,900	28,768	0	0	0	0
Tax Receivable	1,500	1,500	0	0		
Due from Other Funds	0	28,896	0	0	0	0
Lease Receivable	710,959	649,300	0	0	0	0
Due from Other Governments	37,038	103,299	0	0	77,312	74,693
Prepaid Expenses	35,242	39,726	0	0	15,042	18,229
Total Assets	<u>\$3,277,833</u>	<u>\$2,779,274</u>	<u>\$1,147,516</u>	<u>\$1,204,068</u>	<u>\$1,548,361</u>	<u>\$1,463,078</u>
<u>LIABILITIES AND FUND BALANCE</u>						
<u>Liabilities:</u>						
Accounts Payable	\$132,082	\$111,972	\$9,764	\$64,032	\$117,611	\$47,362
Accrued Liabilities	26,793	29,111	0	0	21,485	28,554
Other Deposits	0	0	0	0	0	0
Other Liabilities	5,064	0	0	0	0	0
Total Liabilities	<u>163,939</u>	<u>141,083</u>	<u>9,764</u>	<u>64,032</u>	<u>139,096</u>	<u>75,916</u>
Deferred Inflows of Resources	561,690	504,722	0	0	0	0
<u>Fund Balance:</u>						
Nonspendable	35,242	39,726	0	0	15,042	18,229
Restricted	483,771	503,889	387,651	403,772	317,538	330,743
Assigned	527,375	565,113	750,101	736,264	1,076,685	1,038,190
Unassigned	1,505,816	1,024,741	0	0	0	0
Total Fund Balance	<u>2,552,204</u>	<u>2,133,469</u>	<u>1,137,752</u>	<u>1,140,036</u>	<u>1,409,265</u>	<u>1,387,162</u>
Total Liabilities & Fund Balance	<u>\$3,277,833</u>	<u>\$2,779,274</u>	<u>\$1,147,516</u>	<u>\$1,204,068</u>	<u>\$1,548,361</u>	<u>\$1,463,078</u>

Source: 2024 Audited Financial Statements & 2025 Annual Financial Report to the State Comptroller

Town of Boston, New York
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended December 31

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Revenues:</u>					
Real Property Taxes	\$184,676	\$165,645	\$165,907	\$168,136	\$142,956
Real Property Tax Items	12,470	14,300	23,053	0	24,055
Nonproperty Tax Items	923,928	1,093,315	1,194,528	1,090,738	1,190,542
Departmental Income	15,249	16,030	13,847	17,528	24,861
Use of Money and Property	93,254	97,564	185,822	204,080	165,026
Licenses and Permits	33,291	43,157	45,439	59,397	120,996
Fines and Forfeitures	189,507	203,255	167,739	181,766	118,100
Sale of Property and Compensation Loss	0	2,100	11,356	7,909	0
Miscellaneous Local Sources	61,876	7,443	1,421	13,399	3,601
State Aid	304,294	280,151	195,697	220,684	375,614
Federal Aid	35,627	497,249	261,731	181,151	0
Total Revenues	<u>1,854,172</u>	<u>2,420,209</u>	<u>2,266,540</u>	<u>2,144,788</u>	<u>2,165,751</u>
<u>Expenditures:</u>					
General Government Support	899,407	1,015,050	941,653	969,196	1,001,822
Public Safety	58,572	82,716	111,600	117,720	115,845
Transportation	130,811	138,099	147,788	165,802	163,333
Economic Assistance and Opportunity	29,707	32,946	42,209	46,855	47,358
Culture and Recreation	258,894	256,660	321,347	361,274	301,957
Home and Community Services	79,003	115,203	97,578	198,191	101,740
Employee Benefits	201,548	215,261	245,217	271,580	296,126
Debt Service - Principal	40,000	44,555	49,436	49,367	49,523
Debt Service - Interest	23,960	23,320	21,485	20,532	18,802
Total Expenditures	<u>1,721,902</u>	<u>1,923,810</u>	<u>1,978,313</u>	<u>2,200,517</u>	<u>2,096,506</u>
Excess of Revenues Over (Under)					
Expenditures	<u>132,270</u>	<u>496,399</u>	<u>288,227</u>	<u>(55,729)</u>	<u>69,245</u>
<u>Other Financing Sources (Uses):</u>					
Operating Transfers In	0	0	0	0	0
Operating Transfers Out	(35,627)	(416,905)	(393,144)	(331,563)	(487,980)
Capital Lease Issued	0	22,097			
Total Other Financing Sources (Uses)	<u>(35,627)</u>	<u>(394,808)</u>	<u>(393,144)</u>	<u>(331,563)</u>	<u>(487,980)</u>
Excess of Revenues and Other Financing					
Sources Over (Under) Expenditures (Uses)	96,643	101,591	(104,917)	(387,292)	(418,735)
Fund Balance at January 1	2,693,966	2,942,822	3,044,413	2,939,375	2,552,083
Prior Period Adjustment	0	0	0	0	0
Fund Balance at December 31	<u>\$2,790,609</u>	<u>\$3,044,413</u>	<u>\$2,939,496</u>	<u>\$2,552,083</u>	<u>\$2,133,348</u>

Source: 2022, 2023, and 2024 Audited Financial Statements & 2021 and 2025 Annual Financial Report to the State Comptroller

Town of Boston, New York
Special District Water Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Year Ended December 31

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Revenues and Other Sources:</u>					
Real Property Taxes	\$431,105	\$467,305	\$470,488	\$473,401	\$492,071
Use of Money and Property	1,448	1,987	41,310	54,585	47,529
Sale of Property & Comp. For Loss	6,321	0	0	0	1,673
Total Revenues and Other Sources	<u>438,874</u>	<u>469,292</u>	<u>511,798</u>	<u>527,986</u>	<u>541,273</u>
<u>Expenditures and Other Uses:</u>					
General Support	0	47	0	0	8
Water Trans. & Distribution	86,303	60,508	153,857	70,427	126,091
Debt Service - Principal	202,352	207,933	165,781	126,752	168,550
Debt Service - Interest	117,181	121,591	154,185	155,208	244,340
Total Expenditures and Other Uses	<u>405,836</u>	<u>390,079</u>	<u>473,823</u>	<u>352,387</u>	<u>538,989</u>
<u>Other Financing Sources (Uses):</u>					
Operating Transfers for Debt Service	0	0	0	2,706	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>(24,084)</u>	<u>0</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	33,038	79,213	37,975	151,515	2,284
Fund Balance at January 1	<u>836,013</u>	<u>869,050</u>	<u>948,263</u>	<u>986,237</u>	<u>1,137,752</u>
Fund Balance at December 31	<u>\$869,051</u>	<u>\$948,263</u>	<u>\$986,238</u>	<u>\$1,137,752</u>	<u>\$1,140,036</u>

Highway Town-Wide Fund
Statement of Revenues, Expenditures and Changes in Fund Balance

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Revenues and Other Sources:</u>					
Real Property Taxes	\$834,911	\$844,769	\$853,332	\$864,103	\$866,573
Non Property Tax Items	300,000	250,000	275,000	275,000	275,000
Use of Money and Property	1,897	2,342	49,299	70,426	60,400
Sale of Property & Comp. For Loss	12,603	24,525	72,200	685	18,200
Miscellaneous Local Sources	1,195	1,362	1,841	1,571	301
Interfund Revenues	58,075	60,571	78,127	76,493	74,469
State & Federal Aid	181,035	202,957	163,599	171,166	148,447
Total Revenues and Other Sources	<u>1,389,716</u>	<u>1,386,526</u>	<u>1,493,398</u>	<u>1,459,444</u>	<u>1,443,390</u>
<u>Expenditures and Other Uses:</u>					
General Government Support	0	0	51	0	30
Transportation	1,041,057	1,373,034	1,027,582	1,097,116	1,240,312
Employee Benefits	181,452	170,178	188,089	198,510	225,151
Total Expenditures and Other Uses	<u>1,222,509</u>	<u>1,543,212</u>	<u>1,215,722</u>	<u>1,295,626</u>	<u>1,465,493</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	167,207	(156,686)	277,676	163,818	(22,103)
Fund Balance at January 1	<u>957,249</u> 1	<u>1,124,457</u>	<u>967,771</u>	<u>1,245,447</u>	<u>1,409,265</u>
Fund Balance at December 31	<u>\$1,124,456</u>	<u>\$967,771</u>	<u>\$1,245,447</u>	<u>\$1,409,265</u>	<u>\$1,387,162</u>

Source: 2022, 2023, and 2024 Audited Financial Statements & 2021 and 2025 Annual Financial Report to the State Comptroller

Town of Boston, New York

Budget Summary

GENERAL FUND

	<u>2025</u>	<u>2026</u>
Estimated Revenues:		
Real Property Tax	\$141,964	\$143,692
Other Tax Items	1,130,717	1,172,446
Departmental Income	229,964	257,464
Fines and Forfeitures	175,000	175,000
Miscellaneous	0	0
State Aid	234,689	317,154
Total Revenues	<u>\$1,912,334</u>	<u>\$2,065,756</u>
Appropriated Fund Balance	<u>509,330</u>	<u>560,702</u>
Total Est. Rev., Appropriated Fund	<u><u>\$2,421,664</u></u>	<u><u>\$2,626,458</u></u>

Appropriations:		
General Government Support	\$1,139,105	\$1,273,102
Public Safety & Health	194,085	212,615
Transportation	161,263	171,495
Economic Assistance and Opportunity	51,965	53,383
Culture and Recreation	341,181	354,294
Home and Community	113,505	108,159
Employee Benefits	327,000	347,000
Debt Service	63,560	66,410
	<u>2,391,664</u>	<u>2,586,458</u>
Transfer to Capital Project Fund	<u>30,000</u>	<u>40,000</u>
Total Appropriations	<u><u>\$2,421,664</u></u>	<u><u>\$2,626,458</u></u>

Source: Town Officials

SUMMARY OF ALL FUNDS

	Property <u>Taxes</u>	Property <u>Taxes</u>
General Fund	\$155,181	\$148,637
Unpaid Water	309	726
Highway Fund	866,573	877,124
Fire Districts	851,345	945,104
Lighting Districts	13,527	17,923
Ambulance District	102,222	103,165
Consolidated Garbage District	967,454	1,028,140
Water Districts	<u>491,338</u>	<u>585,242</u>
TOTALS	<u><u>\$3,447,949</u></u>	<u><u>\$3,706,062</u></u>

APPENDIX C

**AUDITED FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED DECEMBER 31, 2024**

TOWN OF BOSTON, NEW YORK

*Basic Financial Statements, Required
Supplementary Information and Supplementary
Information for the Year Ended December 31, 2024*

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TOWN OF BOSTON, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2024

As management of the Town of Boston, New York (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$4,147,788 (*net position*). This consists of \$2,409,449 net investment in capital assets, \$4,621,163 restricted for specific purposes, and unrestricted net position of (\$2,882,824).
- The Town's total net position increased by \$557,865 during the year ended December 31, 2024.
- At the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$7,894,926, an decrease of \$135,971 in comparison with the prior year's fund balance of \$8,030,897.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$1,505,816, or approximately 59.5 percent of total General Fund expenditures and transfers out. This total amount is *available for spending* at the Town's discretion and constitutes approximately 59.0 percent of the General Fund's total fund balance of \$2,552,204 at December 31, 2024.
- During the year ended December 31, 2024, the Town's total serial bonds outstanding decreased by \$171,751 as a result of the Town's scheduled principal payments.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government support, public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services and unallocated interest and other fiscal charges. The Town does not engage in any business-type activities.

The government-wide financial statements can be found on pages 10-11 of this report.

Fund financial statements—A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be classified as governmental funds.

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 funds' balance sheet and the governmental funds' statement of revenues, expenditures, and changes in funds' balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the General Fund, Highway—Town Wide Fund, Fire Protection Fund, Water Fund, Garbage and Refuse Fund, and the Capital Projects Fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is presented in the form of combining statements in the Supplementary Information section of this report.

The basic governmental fund financial statements can be found on pages 12-15 of this report.

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 are not available to support the Town's own programs. The Town maintains one fiduciary fund, the Custodial Fund.

The fiduciary fund statements can be found on pages 16-17 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 18-44 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the Town’s net pension liability/(asset)—Employees’ retirement system, the Town’s total pension liability related to its length of service awards program and the Town’s budgetary comparison schedules for the General Fund, Highway—Town Wide Fund, Fire Protection Fund, Water Fund, and the Garbage and Refuse Fund. Required Supplementary Information and related notes to the required supplementary information can be found on pages 45-52 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented as other supplementary information immediately following the Required Supplementary Information in the Supplementary Information section on pages 53-54 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government’s financial position. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4,147,788 at the close of the most recent fiscal year, as compared to \$3,589,923, at the close of the fiscal year ended December 31, 2023.

Table 1, as shown below, presents condensed statements of net position.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities	
	December 31,	December 31,
	2024	2023
Current assets	\$ 12,692,576	\$ 10,336,810
Noncurrent assets	7,596,903	7,002,754
Total assets	20,289,479	17,339,564
Deferred outflows of resources	1,914,285	1,864,076
Total deferred outflows of resources	1,914,285	1,864,076
Current liabilities	4,328,783	1,744,535
Noncurrent liabilities	11,529,617	11,476,091
Total liabilities	15,858,400	13,220,626
Deferred inflows of resources	2,197,576	2,393,091
Total deferred inflows of resources	2,197,576	2,393,091
Net position:		
Net investment in capital assets	2,409,449	2,143,936
Restricted	4,621,163	4,394,845
Unrestricted	(2,882,824)	(2,948,858)
Total net position	\$ 4,147,788	\$ 3,589,923

The largest portion of the Town's net position, \$4,621,163, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

An additional portion of the Town's net position, \$2,409,449, reflects its investment in capital assets (e.g. land, buildings, machinery, equipment, right-to-use leased equipment and infrastructure), net of accumulated depreciation less any related debt used to acquire those assets. The Town uses these capital assets to provide a variety of services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining component of the Town's net position, (\$2,882,824), is considered to be an unrestricted deficit. This deficit does not mean that the Town does not have resources available to meet its obligations in the ensuing year; rather, it reflects liabilities not related to the Town's capital assets and are not expected to be repaid from current resources. These long-term liabilities, including bonds payable, installment purchase debt, capital leases, compensated absences, and net pension liability, are funded annually within the funds.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2024 and December 31, 2023.

Table 2—Condensed Statements of Changes in Net Position—Primary Government

	Governmental Activities	
	Year Ended December 31,	
	2024	2023
Program revenues:		
Charges for services	\$ 263,662	\$ 233,206
Capital grants and contributions	217,913	168,028
General revenues	<u>6,174,612</u>	<u>6,212,234</u>
Total revenues	<u>6,656,187</u>	<u>6,613,468</u>
Total expenses	<u>6,098,322</u>	<u>5,566,214</u>
Change in net position	557,865	1,047,254
Net position—beginning	<u>3,589,923</u>	<u>2,542,669</u>
Net position—ending	<u>\$ 4,147,788</u>	<u>\$3,589,923</u>

A summary of sources of revenues for the years ended December 31, 2024 and December 31, 2023 is presented in Table 3 below.

Table 3—Summary of Sources of Revenues—Primary Government

	Year Ended December 31,	
	2024	2023
Charges for services	\$ 263,662	\$ 233,206
Capital grants and contributions	217,913	168,028
Property taxes, tax items and non-property taxes	4,978,967	4,925,062
Use of money and property	695,324	663,934
Sale of property and compensation for loss	8,594	83,556
Miscellaneous	13,399	4,127
Interfund revenues	76,493	78,127
Unrestricted state aid	220,684	195,697
Federal aid	181,151	261,731
Total revenues	<u>\$ 6,656,187</u>	<u>\$ 6,613,468</u>

The Town's most significant source of revenues for the year ended December 31, 2024 was property taxes, tax items and non-property taxes, which accounted for \$4,978,967, or 74.8 percent of total revenues. The next largest source of revenue was use of money and property, which accounted for \$695,324, or 10.4 percent of total revenues. The Town's most significant source of revenues for the year ended December 31, 2023 was property taxes, tax items and non-property taxes, which accounted for \$4,925,062, or 74.5 percent of total revenues. The next largest source of revenue was use of money and property, which accounted for \$663,934, or 10.0 percent of total revenues.

A summary of program expenses for the years ended December 31, 2024 and December 31, 2023 is presented below in Table 4:

Table 4—Summary of Program Expenses—Primary Government

	Year Ended December 31,	
	2024	2023
General government support	\$ 1,203,910	\$ 1,019,651
Public safety	1,019,189	957,000
Health	107,397	51,939
Transportation	420,226	1,386,286
Economic assistance and opportunity	60,103	61,767
Culture and recreation	477,623	943,078
Home and community services	2,584,524	972,895
Interest and other fiscal charges	225,350	173,598
Total expenses	<u>\$ 6,098,322</u>	<u>\$ 5,566,214</u>

The Town's most significant expense items for the year ended December 31, 2024 were home and community services of \$2,584,524, or 42.4 percent of total expenses, general government support of \$1,203,910, or 19.7 percent of total expenses, and public safety of \$1,019,189, or 16.7 percent of total expenses. The Town's most significant expense items for the year ended December 31, 2023 were transportation of \$1,386,286, or 24.9 percent of total expenses, general government support of \$1,019,651, or 18.3 percent of total expenses, and home and community services of \$972,895, or 17.5 percent of total expenses.

Financial Analysis of Governmental Funds

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

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

At December 31, 2024, the Town's governmental funds reported combined ending fund balance of \$7,894,926, a decrease of \$135,971 from the prior year fund balance of \$8,030,897. Approximately 4.9 percent of this amount, \$386,500 constitutes *unassigned fund balance*, which is available for spending at the Town's discretion. The remainder of fund balance is either *nonspendable*, *restricted* or *assigned* to indicate that it is (1) not in spendable form, \$50,284, (2) restricted for particular purposes, \$4,621,163, or (3) assigned for particular purposes, \$2,836,979.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,505,816 while total fund balance decreased to \$2,552,204. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 59.0 percent of total General Fund expenditures and other financing uses, while total fund balance represents approximately 100.8 percent of that same amount.

The Town's Highway—Town Wide fund ending fund balance was \$1,409,265. \$317,538 is restricted for capital projects, \$153,433 is reported as fund balance assigned for subsequent year's expenditures, \$171,261 is assigned to encumbrances, and \$751,991 is *assigned to specific use*. During the year ended December 31, 2024, the Highway—Town Wide fund balance increased \$163,818.

The Town's Fire Protection Fund ending fund balance increased \$181,376 to an ending fund balance of \$2,779,415. \$2,601,939 is restricted for LOSAP, \$26,773 is assigned for subsequent year's expenditures, and \$150,703 is *assigned to specific use*.

The Town's Water Fund increased \$151,514 to an ending fund balance of \$1,137,752. \$387,651 is restricted for debt, \$68,788 is assigned for subsequent year's expenditures, and \$681,313, is *assigned to specific use*.

The Town's Garbage and Refuse fund ending fund balance increased \$65,528 to an ending fund balance of \$200,742 and the entire amount of fund balance, of \$200,742 is *assigned to specific use*.

The Town’s Capital Projects Fund fund balance decreased \$283,110 resulting in a deficit ending fund balance of \$(1,119,316). This is due to capital outlay expenditures outpacing revenues and the issuance of bond anticipation notes to support projects. The fund balance deficit is anticipated to be remedied through the issuance of long-term debt.

General Fund Budgetary Highlights

The Town’s General Fund budget generally contains budget amendments during the year. The budget is allowed to be amended upward (increased) for prior year’s encumbrances since the funds were allocated under the previous year’s budget, and the Town has appropriately assigned an equal amount of fund balance at year-end for this purpose. Furthermore, the budget is allowed to be amended upward (increased) for additional current year appropriations supported by an increase in budgeted revenues or appropriation of fund balance. A budgetary comparison schedule within the required supplementary information section of this report has been provided to demonstrate compliance with their budget.

A summary of the General Fund results of operations for the year ended December 31, 2024 is presented in Table 5 below:

Table 5—General Fund Budget

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues	\$ 1,808,783	\$ 2,083,934	\$ 2,144,788	\$ 60,854
Expenditures and other financing uses	2,311,691	2,737,136	2,532,080	205,056
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ (502,908)</u>	<u>\$ (653,202)</u>	<u>\$ (387,292)</u>	<u>\$ 265,910</u>

Original budget compared to final budget—During the year, overall budgeted appropriations increased \$425,445 primarily due to capital project interfund transfers.

Final budget compared to actual results—A review of actual revenues and expenditures compared to estimated revenues and appropriations in the final budget yields several favorable variances, most notably related to additional revenue in licenses and permits, and savings in general government support expenditures due to conservative spending town wide.

Capital Assets and Debt Administration

Capital assets—The Town’s investment in capital assets for its governmental activities as of December 31, 2024, amounted to \$7,596,903 (net of accumulated depreciation/amortization). This investment in capital assets includes land, buildings, improvements, vehicles and equipment, and infrastructure.

Capital assets net of depreciation for the governmental activities at the years ended December 31, 2024 and 2023 are presented on the following page.

Table 6—Summary of Capital Assets (Net of Accumulated Depreciation/Amortization)

	Governmental Activities	
	December 31,	
	2024	2023
Land	\$ 203,600	\$ 203,600
Construction in progress	632,855	1,990,292
Buildings	2,633,132	2,173,351
Improvements	958,818	900,717
Machinery & equipment	1,249,692	1,186,972
Right-to-use leased equipment	8,290	12,637
Infrastructure	1,905,163	534,127
Art and historical treasures	5,353	1,058
Total	<u>\$ 7,596,903</u>	<u>\$ 7,002,754</u>

Additional information on the Town's capital assets can be found in Note 4 to the financial statements.

Long-term debt—At December 31, 2024, the Town had net bonded debt outstanding of \$4,059,400, as compared to \$4,231,151 at December 31, 2023. During the year, the Town made scheduled principal payments of \$171,751.

The Town's governmental activities also have recorded liabilities for an installment purchase debt, lease liability, compensated absences, net pension liability—ERS and total pension liability—LOSAP.

A summary of the Town's long-term liabilities at December 31, 2024 and December 31, 2023 is presented in Table 7 below:

Table 7—Summary of Long-Term Liabilities

	Governmental Activities	
	December 31,	
	2024	2023
Serial bonds	\$ 4,059,400	\$ 4,231,151
Installment purchase debt	-	13,926
Lease liability	8,738	13,106
Compensated absences	179,285	188,822
Net pension liability-ERS	496,713	751,475
Total pension liability-LOSAP	<u>6,785,481</u>	<u>6,277,611</u>
Total	<u>\$ 11,529,617</u>	<u>\$ 11,476,091</u>

Additional information on the Town's long-term liabilities can be found in Note 12 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate, not seasonally adjusted, for Erie County during December 2024 was 3.9 percent, as compared to New York State's unemployment rate of 4.7 percent. These factors are considered in preparing the Town's budget.

The Town considered current year operational expenses and estimated increases based on economic factors when establishing the fiscal year 2025 budget. The General Fund tax rate is \$0.24 per thousand of assessed value for the 2025 budget year. The Town's 2025 budget includes the appropriation of \$509,330 of unassigned fund balance in the General Fund.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Supervisor's Office, Town of Boston, 8500 Boston State Road, Boston, New York 14025.

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BASIC FINANCIAL STATEMENTS

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TOWN OF BOSTON, NEW YORK
Statement of Net Position
December 31, 2024

	<u>Primary Government Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 4,514,645
Restricted cash and cash equivalents	3,978,600
Restricted investments	3,293,127
Receivables	28,900
Taxes receivable	1,500
Intergovernmental receivables	114,561
Lease receivable	710,959
Prepaid items	50,284
Capital assets not being depreciated	836,455
Capital assets, net of accumulated depreciation/amortization	<u>6,760,448</u>
Total assets	<u>20,289,479</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows—relating to pensions	<u>1,914,285</u>
Total deferred outflows of resources	<u>1,914,285</u>
LIABILITIES	
Accounts payable	424,618
Accrued liabilities	141,101
Bond anticipation notes payable	3,758,000
Unearned revenue	5,064
Noncurrent liabilities:	
Due within one year	199,001
Due within more than one year	<u>11,330,616</u>
Total liabilities	<u>15,858,400</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows—relating to pensions	1,637,386
Deferred inflows—relating to leases receivable	<u>560,190</u>
Total deferred inflows of resources	<u>2,197,576</u>
NET POSITION	
Net investment in capital assets	2,409,449
Restricted for:	
Tax stabilization	92,724
Capital projects	847,661
LOSAP	3,293,127
Debt	387,651
Unrestricted	<u>(2,882,824)</u>
Total net position	<u>\$ 4,147,788</u>

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

TOWN OF BOSTON, NEW YORK
Statement of Activities
Year Ended December 31, 2024

Function/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Capital Grants and Contributions	Revenue and
				Changes in
				Net Position
				Primary Governmental Activities

Primary government:				
Governmental activities:				
General government support	\$ 1,203,910	\$ 202,694	\$ -	\$ (1,001,216)
Public safety	1,019,189	59,397	-	(959,792)
Health	107,397	1,571	-	(105,826)
Transportation	420,226	-	217,913	(202,313)
Economic assistance and opportunity	60,103	-	-	(60,103)
Culture and recreation	477,623	-	-	(477,623)
Home and community services	2,584,524	-	-	(2,584,524)
Interest and other fiscal charges	225,350	-	-	(225,350)
Total primary government	<u>\$ 6,098,322</u>	<u>\$ 263,662</u>	<u>\$ 217,913</u>	<u>(5,616,747)</u>
General revenues:				
Property taxes and tax items				3,373,229
Non-property taxes				1,605,738
Use of money and property				695,324
Sale of property and compensation for loss				8,594
Miscellaneous				13,399
Interfund revenues				76,493
Unrestricted state aid				220,684
Federal aid				181,151
Total general revenues				<u>6,174,612</u>
Change in net position				557,865
Net position—beginning				<u>3,589,923</u>
Net position—ending				<u>\$ 4,147,788</u>

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

TOWN OF BOSTON, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2024

	<u>General</u>	<u>Highway— Town Wide</u>	<u>Fire Protection</u>	<u>Water</u>	<u>Garbage and Refuse</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS								
Cash and cash equivalents	\$ 1,975,359	\$ 1,138,469	\$ 177,606	\$ 759,865	\$ 355,813	\$ -	\$ 107,533	\$ 4,514,645
Restricted cash and cash equivalents	488,835	317,538	-	387,651	-	2,645,500	139,076	3,978,600
Restricted investments	-	-	2,601,939	-	-	-	691,188	3,293,127
Receivables	28,900	-	-	-	-	-	-	28,900
Taxes recievable	1,500	-	-	-	-	-	-	1,500
Intergovernmental receivables	37,038	77,312	-	-	211	-	-	114,561
Lease receivable	710,959	-	-	-	-	-	-	710,959
Prepaid items	35,242	15,042	-	-	-	-	-	50,284
Total assets	<u>\$ 3,277,833</u>	<u>\$ 1,548,361</u>	<u>\$ 2,779,545</u>	<u>\$ 1,147,516</u>	<u>\$ 356,024</u>	<u>\$ 2,645,500</u>	<u>\$ 937,797</u>	<u>\$ 12,692,576</u>
LIABILITIES								
Accounts payable	\$ 132,082	\$ 117,611	\$ 130	\$ 9,764	\$ 155,282	6,816	\$ 2,933	\$ 424,618
Accrued liabilities	26,793	21,485	-	-	-	-	-	48,278
Bond anticipation notes payable	-	-	-	-	-	3,758,000	-	3,758,000
Unearned revenue	5,064	-	-	-	-	-	-	5,064
Total liabilities	<u>163,939</u>	<u>139,096</u>	<u>130</u>	<u>9,764</u>	<u>155,282</u>	<u>3,764,816</u>	<u>2,933</u>	<u>4,235,960</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows—leases receivable	560,190	-	-	-	-	-	-	560,190
Deferred inflows—taxes receivable	1,500	-	-	-	-	-	-	1,500
Total deferred inflows of resources	<u>561,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>561,690</u>
FUND BALANCES (DEFICIT)								
Nonspendable	35,242	15,042	-	-	-	-	-	50,284
Restricted	483,771	317,538	2,601,939	387,651	-	-	830,264	4,621,163
Assigned	527,375	1,076,685	177,476	750,101	200,742	-	104,600	2,836,979
Unassigned	1,505,816	-	-	-	-	(1,119,316)	-	386,500
Total fund balances (deficit)	<u>2,552,204</u>	<u>1,409,265</u>	<u>2,779,415</u>	<u>1,137,752</u>	<u>200,742</u>	<u>(1,119,316)</u>	<u>934,864</u>	<u>7,894,926</u>
Total liabilities and fund balances (deficit)	<u>\$ 3,277,833</u>	<u>\$ 1,548,361</u>	<u>\$ 2,779,545</u>	<u>\$ 1,147,516</u>	<u>\$ 356,024</u>	<u>\$ 2,645,500</u>	<u>\$ 937,797</u>	<u>\$ 12,692,576</u>

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

TOWN OF BOSTON, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2024

Amounts reported for governmental activities in the statement of net position (page 10) are different because:

Total fund balances—governmental funds (page 12)		\$ 7,894,926
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of the assets is \$13,442,594 and the accumulated depreciation is \$5,845,690.		7,596,903
Deferred outflows of resources and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the fund statements:		
Deferred outflows related to employer contributions	\$ 535,203	
Deferred outflows related to experience, changes of assumptions, investment earnings, and changes in proportion	1,379,082	
Deferred inflows related to pension plans	(1,637,386)	276,899
Amounts relating to taxes receivable have not met the revenue recognition criteria for fund financial purposes and, therefore, have been deferred. However, these revenues are recorded in the government-wide financial statements which report on the full accrual basis of accounting. This is the amount of revenues deferred in the funds, but recognized in the government-wide presentation.		1,500
Net accrued interest expense for serial bonds and BANs is not reported in the fund statements.		(92,823)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
Serial bonds	\$ (4,059,400)	
Lease liability	(8,738)	
Compensated absences	(179,285)	
Net pension liability—ERS	(496,713)	
Total pension liability—LOSAP	<u>(6,785,481)</u>	<u>(11,529,617)</u>
Net position of governmental activities		<u>\$ 4,147,788</u>

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

TOWN OF BOSTON, NEW YORK
Statement of Revenues, Expenditures, and Changes in
Fund Balances—Governmental Funds
Year Ended December 31, 2024

	<u>General</u>	<u>Highway— Town Wide</u>	<u>Fire Protection</u>	<u>Water</u>	<u>Garbage and Refuse</u>	<u>Capital Projects</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
REVENUES								
Real property taxes and tax items	\$ 168,136	\$ 864,103	\$ 809,049	\$ 473,401	\$ 943,773	\$ -	\$ 113,267	\$ 3,371,729
Non-property tax items	1,090,738	275,000	150,000	-	-	-	90,000	1,605,738
Departmental income	17,528	-	-	-	3,400	-	-	20,928
Use of money and property	204,080	70,426	210,131	54,584	23,065	36,199	96,839	695,324
Licenses and permits	59,397	-	-	-	-	-	-	59,397
Fines and forfeitures	181,766	-	-	-	-	-	-	181,766
Sale of property and compensation for loss	7,909	685	-	-	-	-	-	8,594
Miscellaneous	13,399	1,571	-	-	-	-	-	14,970
Interfund revenues	-	76,493	-	-	-	-	-	76,493
State aid	220,684	171,166	-	-	-	46,747	-	438,597
Federal aid	181,151	-	-	-	-	-	-	181,151
Total revenues	<u>2,144,788</u>	<u>1,459,444</u>	<u>1,169,180</u>	<u>527,985</u>	<u>970,238</u>	<u>82,946</u>	<u>300,106</u>	<u>6,654,687</u>
EXPENDITURES								
Current:								
General government support	969,196	-	-	-	-	252,048	-	1,221,244
Public Safety	117,720	-	689,240	-	-	-	-	806,960
Health	-	-	-	-	-	-	107,397	107,397
Transportation	165,802	1,097,116	-	-	-	-	153,662	1,416,580
Economic assistance and opportunity	46,855	-	-	-	-	-	-	46,855
Culture and recreation	361,274	-	-	-	-	23,659	-	384,933
Home and community services	198,191	-	-	70,427	904,710	294,552	-	1,467,880
Employee benefits	271,580	198,510	433,188	-	-	-	52,431	955,709
Debt service:								
Principal	49,367	-	-	126,752	-	-	13,926	190,045
Interest and other fiscal charges	20,532	-	-	155,208	-	16,820	495	193,055
Total expenditures	<u>2,200,517</u>	<u>1,295,626</u>	<u>1,122,428</u>	<u>352,387</u>	<u>904,710</u>	<u>587,079</u>	<u>327,911</u>	<u>6,790,658</u>
Excess (deficiency) of revenues over expenditures	<u>(55,729)</u>	<u>163,818</u>	<u>46,752</u>	<u>175,598</u>	<u>65,528</u>	<u>(504,133)</u>	<u>(27,805)</u>	<u>(135,971)</u>
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	134,624	2,706	-	223,729	-	361,059
Transfers out	(331,563)	-	-	(26,790)	-	(2,706)	-	(361,059)
Total other financing sources (uses)	<u>(331,563)</u>	<u>-</u>	<u>134,624</u>	<u>(24,084)</u>	<u>-</u>	<u>221,023</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficit)	(387,292)	163,818	181,376	151,514	65,528	(283,110)	(27,805)	(135,971)
Fund balances (deficit)—beginning	2,939,496	1,245,447	2,598,039	986,238	135,214	(836,206)	962,669	8,030,897
Fund balances (deficit)—ending	<u>\$ 2,552,204</u>	<u>\$ 1,409,265</u>	<u>\$ 2,779,415</u>	<u>\$ 1,137,752</u>	<u>\$ 200,742</u>	<u>\$ (1,119,316)</u>	<u>\$ 934,864</u>	<u>\$ 7,894,926</u>

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

TOWN OF BOSTON, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances—Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities (page 11) are different because:

Net change in fund balances—total governmental funds (page 14)	\$	(135,971)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense and loss on disposals in the current period.

Capital asset additions	\$ 869,269		
Depreciation expense	(274,081)		
Loss on disposals	<u>(1,039)</u>		594,149

Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:

Town pension contributions and benefit payments	\$ 940,129		
Cost of benefits earned net of employee contributions	<u>(1,009,229)</u>		(69,100)

Governmental funds recognize revenues only if they are both measurable and available after the end of the fiscal year; however, the government-wide statements recognize revenue on an accrual basis. This is the effect of the change in deferred revenue during the current year.

1,500

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid.

(32,295)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Additionally, in the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The net effect of these differences in the treatment of long-term debt and the related items is as follows:

Principal payments on serial bonds	\$ 171,751		
Principal payment on installment purchase debt	13,926		
Repayment of leases	4,368		
Change in compensated absences	<u>9,537</u>		<u>199,582</u>

Change in net position of governmental activities	\$	<u>557,865</u>
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The notes to the financial statements are an integral part of this statement.

TOWN OF BOSTON, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2024

	Custodial Fund
ASSETS	
Restricted cash and cash equivalents	\$ 5,790
Total assets	<u>5,790</u>
LIABILITIES	
Bail deposits	<u>2,790</u>
Total liabilities	<u>2,790</u>
NET POSITION	
Restricted for individuals, organizations and other governments	\$ <u>3,000</u>

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

TOWN OF BOSTON, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
Year Ended December 31, 2024

	<u>Custodial Fund</u>
ADDITIONS	
Funds received on behalf of others	\$ 11,586
Total additions	<u>11,586</u>
DEDUCTIONS	
Funds distributed on behalf of others	<u>17,331</u>
Total deductions	<u>17,331</u>
Net change in fiduciary net position	(5,745)
Net position—beginning	<u>8,745</u>
Net position—ending	<u><u>\$ 3,000</u></u>

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

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TOWN OF BOSTON, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Boston, New York (the “Town”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (the “GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town’s accounting policies are described below.

Description of Government-Wide Financial Statements

The government-wide financial statements (i.e. statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The Town reports no business-type activities. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. For the year ended December 31, 2024 the Town reports no component units.

Reporting Entity

The Town, which was established in 1817, is located within the County of Erie, New York. The Town operates under provisions of New York State law and various local laws. The five-member Town Board is the legislative body responsible for overall operations. The Supervisor serves as both Chief Executive Officer and Chief Fiscal Officer.

The Town provides the following services to its residents: fire protection, highway, senior services, street lighting, ambulance service, water service, and general administration.

Independently elected officials of the Town include:

Supervisor	Town Clerk / Collector of Taxes
Council Members (4)	Superintendent of Highways
Town Justices (2)	

Units of local government which operate within the boundaries of the Town consist of the County of Erie. Public education is provided by four school districts within the Town.

Basis of Presentation—Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments and charges between the Town's various functions. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation—Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

- *General Fund*—The General Fund constitutes the primary operating fund of the Town and includes all operations of the general government, not required to be recorded in other funds. The principal source of revenue for the General Fund is non-property tax items.
- *Highway—Town Wide Fund*—The Highway—Town Wide Fund was established pursuant to Highway Law Section 141 to account for revenues and expenditures specific to highway purposes. The principal source of revenue for the Highway—Town Wide Fund is real property taxes, non-property tax items and State aid.
- *Fire Protection Fund*—The Fire Protection Fund is used to record all revenues and expenditures related to operation and maintenance of the fire protection in the Town. The principal source of revenue for the Fire Protection Fund is real property taxes.
- *Water Fund*—The Water Fund is used to record all revenues and expenditures related to operation and maintenance of the Town's water districts. The principal source of revenue for the Water Fund is real property taxes.
- *Garbage and Refuse Fund*—The Garbage and Refuse Fund is used to record all activity related to garbage pickup and recycling within the Town. The principal source of revenue for the Garbage and Refuse Fund is real property taxes.
- *Capital Projects Fund*—The Capital Projects fund is used to account for financial resources to be used for the acquisition and construction of major capital assets.

The Town reports the following nonmajor funds: Lighting District Fund and Ambulance Fund.

Additionally, the Town reports the following fund type:

- *Fiduciary Fund*—The Custodial fund is used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Trust funds account for resources received and disbursements made in accordance with trust agreements or applicable legislative enactments for each particular fund. Fiduciary funds include the *Custodial Fund*. Activities reported in the fiduciary funds include monies from outside entities, controlled and administered by the Town for the benefit of others.

During the course of operations the Town has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Measurement Focus and Basis of Accounting

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* or *economic resources*. 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*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences, pensions and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

Property taxes, non-property taxes, franchise taxes, licenses, interest and state and federal aid associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met and the amount is received during the period or within the period of availability. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements are met and the amount is received during the period of availability. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents—The Town’s cash and cash equivalents consist of cash on hand, demand deposits, time deposits and short-term, highly liquid investments with original maturities of three months or less from the date of acquisition. New York State law governs the Town’s investment policies. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Restricted Cash and Cash Equivalents—Restricted cash and cash equivalents represent fund balance restricted for tax stabilization, capital projects purposes, unspent debt proceeds and unearned revenues. The Town reported restricted cash and cash equivalents balances of \$3,984,390 within governmental funds.

Restricted Investments—The Town’s restricted investments consist of annuity contracts related to the Town’s Length of Service Award Programs (“LOSAPs”). The Town records investments at fair value based on quoted market value.

Receivables—Receivables include amounts due from state and federal governments which represent amounts owed to the Town to reimburse it for expenditures incurred pursuant to state and federally funded programs. Receivables are recorded and revenues recognized as earned. Allowances are recorded when appropriate.

Intergovernmental Receivables—Receivables include amounts due from state and federal governments and represent amounts owed to the Town to reimburse it for expenditures incurred pursuant to state and federally funded programs. Receivables are recorded and revenues recognized as earned. Allowances are recorded when appropriate.

Prepaid Items—Certain retirement payments reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

Unearned Revenue—Represents unearned revenue related a New York State Energy Research and Development Authority (“NYSERDA”) grant.

Capital Assets—Capital assets, which include land, buildings, improvements, machinery and equipment, right-to-use leased equipment, construction in progress, and infrastructure assets, are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. The reported value excludes normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value.

Land is not depreciated. The other capital assets of the Town are depreciated/amortized using the straight line method over the following estimated useful lives:

Assets	Years	Threshold
Buildings	40	\$ 5,000
Improvements	20	5,000
Machinery and Equipment	3-20	1,000
Right-to-use leased equipment	5-20	5,000
Infrastructure	20-50	5,000

The *capital outlays* character classification is employed only for expenditures reported in the Capital Projects Fund. Routine capital expenditures in the General Fund and other governmental funds are included in the appropriate functional category (for example, the purchase of a new highway vehicle included as part of *expenditures—transportation*). At times, amounts reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2024, the Town has one item that qualifies for reporting in this category. This item represents the effect of the net change in the Town's proportion of the collective net pension liability/(asset), the difference during the measurement period between the Town's contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension systems made subsequent to the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At December 31, 2024, the Town has two items that qualified for reporting in this category. The first item represents the effect of the net change in the Town's proportion of the collective net pension liability/(asset) and the difference during the measurement periods between the Town's contributions, and its proportionate share of the total contributions to the pension systems not included in pension expense and is reported on the government-wide statements. The second item is related to leases receivable and reported on the government-wide statements and on the balance sheet of governmental funds, is recognized at the commencement of the Town's lease receivable and amortized over the life of the lease.

Net Position Flow Assumption—Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions—Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned 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. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The Town Board is the highest level of decision-making authority for the Town that can, by Town Board resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes, but do not meet the criteria to be classified as committed. The Town Board may also assign fund balance, as it does when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenses/Expenditures

Program Revenues—The amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes—The Erie County Legislature prepares the levy in late December of each year and jointly bills the Town levy and Erie County real property taxes. Property taxes are levied and become a lien as of January 1st based on assessed property values as of that date.

For 2024, tax payments were due January 1st to March 15th without penalty; March 16th to May 2nd had a 7.5% penalty; and 1.5% additional added each month thereafter.

The tax roll is returned to the Erie County Commissioner of Finance after May 1st at which time all unpaid taxes and penalties are payable to that office. The Town retains their full tax levies for all unpaid items that are returned to the County. Thus, the Town is assured of receiving 100% of its tax levy. The County enforces all liens.

Compensated Absences—Certain Town employees are granted vacation and sick leave and earn compensatory absences in varying amounts. Vacations and compensatory absences must be used by the end of the fiscal year in which they are earned. Employees may accumulate sick leave and are entitled to receive payment for unused sick leave in the event of termination or upon retirement.

The annual budgets of the operating funds provide funding for these benefits as they become payable. Since the payment of compensated absences is dependent on many factors, the timing of future payments is not readily determinable. However, management believes that sufficient resources will be available for the payment of compensated absences when such payments become due.

Retirement System Pension Plan—The Town is mandated by New York State law to participate in the New York State Local Employees' Retirement System ("ERS"). For purposes of measuring the net pension liability/(asset) related to ERS, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 6.

Length of Service Awards Program ("LOSAP")—The Town has adopted a Service Awards Program for firefighters and ambulance workers that serve on a volunteer basis. The Program is administered by an outside agency, with the Town as trustee. More information on the Town's defined benefit plan and pension liability related to LOSAP are included in Note 7 and Note 8.

Leases—The Town has contracts which qualify as lessor and lessee relationships. The amount within lease receivables includes the lease of the Trooper Barracks building to the State Troopers. Amounts within the lease liability includes a postage machine and two office printers. Additional information regarding leases is discussed in Note 9.

Other

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

Adoption of New Accounting Pronouncements—During the year ended December 31, 2024, the Town implemented the remainder of GASB Statement No. 99, *Omnibus 2022*; No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*. GASB Statement No. 99 enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53. GASB Statement No. 100 improves financial reporting by enhancing accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB Statement No. 101 will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. The implementation of GASB Statements No. remaining portion of 99, 100, and 101 did not have a material impact on the Town's financial position or results from operations.

Future Impacts of Accounting Pronouncements—The Town has not completed the process of evaluating the impact that will result from adopting; GASB No. 102, *Certain Risk Disclosures*, effective for the year ending December 31, 2025; No. 103, *Financial Reporting Model Improvements*; and No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending December 31, 2026. The Town is, therefore, unable to disclose the impact that adopting GASB Statements No. 102, 103, and 104 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets—The Town follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- Prior to September 30th, the Town Supervisor files a “tentative” budget with the Town Clerk for the following fiscal year to commence on January 1st. This budget, which includes appropriations and estimated revenues, is then presented to the full Town Board by October 2nd.
- The full Town Board reviews the tentative budget and may adjust same before approving a “preliminary” budget and calling for a public hearing, which is generally held in October.
- Following the public hearing, revisions may again be made by the Town Board before filing an adopted budget with Erie County by November 20th.
- Formal annual budgetary accounts are employed as a management control device for the General and Special Revenue Funds.
- During the fiscal year, the Town Board can legally amend the operating budgets and is empowered to implement supplemental appropriations. Budget amendments are required for the departmental budgetary control. All budget amendments and budget transfers require Town Board approval.

Deficit Fund Balance—The Town’s Capital Projects Fund reported a deficit fund balance of \$1,119,316 at December 31, 2024. The Town anticipates this deficit will be remedied through future issuance of long-term debt. The primary reason for the deficit in this case is that the Town issued bond anticipation notes (“BANs”), which do not qualify for treatment as a long-term liability. Accordingly, the BANs are reported as a fund liability in the Capital Projects Fund balance sheet (rather than an inflow on the statement of revenues, expenditures, and changes in fund balances). When the cash from the BANs is spent, expenditures are reported and fund balance is reduced. Since the BANs are the main source of revenues for the fund, the result is an overall fund deficit. This deficit will be eliminated as resources are obtained (e.g., from revenues, long-term debt issuances, and transfers in) to make the scheduled debt service principal and interest payments on the BANs or retire the BANs.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Town’s investment policies are governed by State statutes. Town monies must be deposited in FDIC-insured commercial banks or trust companies located within New York State. The Town is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100 percent of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligation that may be pledged as collateral. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Cash and cash equivalents at December 31, 2024 are presented below:

	Governmental Funds	Custodial Funds	Total
Petty cash (uncollateralized)	\$ 500	\$ -	\$ 500
Deposits	8,492,745	5,790	8,498,535
Total	<u>\$ 8,493,245</u>	<u>\$ 5,790</u>	<u>\$ 8,499,035</u>

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2024 as follows:

	Bank Balance	Carrying Amount
FDIC insured	\$ 250,000	\$ 250,000
Uninsured:		
Collateral held by bank's agent in the Town's name	8,359,069	8,248,535
Total	<u>\$ 8,609,069</u>	<u>\$ 8,498,535</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. As noted above, by New York State Statute all deposits in excess of FDIC insurance coverage must be collateralized. At December 31, 2024, the Town's deposits were either FDIC insured or collateralized with securities held by the pledging bank's agent in the Town's name.

Investment Rate Risk—In accordance with its investment policy, the Town manages exposure by limiting investments to low risk type investments governed by New York State Statute.

Restricted Cash and Cash Equivalents—Restricted cash and cash equivalents represents amounts to support fund balance restrictions and amounts with constraints placed on their use by either external parties and/or statute, as well as unspent proceeds of debt and unearned revenue. At December 31, 2024, the Town reported \$3,984,390 of restricted cash and cash equivalents within its governmental funds.

Restricted Investments—All investments are reported using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are presented below:

- Level 1. Quoted prices for identical assets or liabilities in active markets to which the Town has access at the measurement date.

- Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets in markets that are not active;
 - Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and,
 - Inputs derived principally from, or corroborated by, observable market data correlation or by other means
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value to the extent that observable inputs are not available.

The Town's restricted investments consist of annuity contracts related to the Town's Length of Service Award Programs ("LOSAP"), a defined benefit volunteer firefighter award program (see Note 7) and a defined contribution volunteer ambulance worker program (See Note 8). These annuities are guaranteed fixed annuities. The interest on each annuity varies but they are all fixed rate with a guaranteed minimum rate for a specific period.

As of December 31, 2024, the Town has annuity funds that are valued using observable inputs other than quoted prices and inputs derived from observable market data correlation (level 2 input) in the amounts of \$2,601,939 recorded within the Fire Protection Fund, and \$691,188 recorded within the Ambulance Fund.

3. RECEIVABLES

Major revenues accrued by the Town at December 31, 2024, consisted of the following:

Receivables—Represents amounts due from various sources. Receivables at December 31, 2024 are:

General Fund:	
Franchise fees	\$ 27,941
Misc fees	<u>959</u>
Total governmental funds	<u>\$ 28,900</u>

Taxes Receivable—Represents taxes due in the amount of \$1,500. These amounts are recognized as revenue when the amounts are both measurable and available. At December 31, 2025, the Town reported a deferred inflow of resources on the governmental fund financial statements in the amount of \$1,500, which represents taxes receivable that the Town does not expect to receive within 60 days of year-end, in accordance with the modified accrual basis of accounting.

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State, County of Erie or other local governments. Intergovernmental receivables at December 31, 2024 are presented on the following page.

General Fund:			
New York State—Trooper Rent	\$	8,247	
Erie County		1,000	
Various Town Departments		<u>27,791</u>	\$ 37,038
Highway—Town Wide Fund:			
Various Town Departments			77,312
Garbage and Refuse Fund:			
Various Town Departments			<u>211</u>
Total			<u>\$ 114,561</u>

Lease Receivable—The Town recognizes a lease of a building to a third party. The lease has ten remaining years and the Town receives monthly payments of \$8,247 starting in November 2024. The monthly payment prior to November 2024 was \$7,400. The Town recognized \$59,368 in lease revenue and \$30,279 in interest revenue during the current fiscal related to this lease. As of December 31, 2024 the Town's receivable for lease payments was \$710,959. Also, the Town has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2024 the balance of the deferred inflow of resources was \$560,190.

4. CAPITAL ASSETS

Capital asset activity for the Town's governmental activities for the year ended December 31, 2024 was as follows:

	Balance 1/1/2024	Increases	Decreases	Balance 12/31/2024
Capital assets, not being depreciated:				
Land	203,600	-	-	203,600
Construction work in progress	<u>1,990,292</u>	<u>631,712</u>	<u>(1,989,149)</u>	<u>632,855</u>
Total capital assets, not being depreciated	<u>2,193,892</u>	<u>631,712</u>	<u>(1,989,149)</u>	<u>836,455</u>
Capital assets, being depreciated/amortized:				
Buildings	4,569,209	515,348	-	5,084,557
Improvements other than buildings	1,178,658	117,034	-	1,295,692
Machinery & equipment	3,348,742	199,358	(11,495)	3,536,605
Right-to-use leased equipment	22,380	-	-	22,380
Infrastructure	1,270,798	1,390,601	-	2,661,399
Art and historical treasures	<u>1,140</u>	<u>4,365</u>	<u>-</u>	<u>5,505</u>
Total capital assets, being depreciated/amortized	<u>10,390,927</u>	<u>2,226,706</u>	<u>(11,495)</u>	<u>12,606,138</u>
Less accumulated depreciation/amortization for:				
Buildings	(2,395,858)	(55,567)	-	(2,451,425)
Improvements other than buildings	(277,941)	(58,933)	-	(336,874)
Machinery & equipment	(2,161,770)	(135,599)	10,456	(2,286,913)
Right-to-use leased equipment	(9,743)	(4,347)	-	(14,090)
Infrastructure	(736,671)	(19,565)	-	(756,236)
Art and historical treasures	<u>(82)</u>	<u>(70)</u>	<u>-</u>	<u>(152)</u>
Total accumulated depreciation/amortization	<u>(5,582,065)</u>	<u>(274,081)</u>	<u>10,456</u>	<u>(5,845,690)</u>
Total capital assets, being depreciated/amortized, net	<u>4,808,862</u>	<u>1,952,625</u>	<u>(1,039)</u>	<u>6,760,448</u>
Total capital assets, net	<u>\$ 7,002,754</u>	<u>\$ 2,584,337</u>	<u>\$ (1,990,188)</u>	<u>\$ 7,596,903</u>

5. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at December 31, 2024 were as follows:

	General	Highway— Town-Wide	Total Governmental
Salary and Employee Benefits	\$ 26,793	\$ 21,485	\$ 48,278

6. RETIREMENT SYSTEM PENSION PLAN

Plan Description and Benefits Provided

New York State and Local Employees' Retirement System ("ERS")—The Town participates in the ERS, a cost-sharing multiple-employer retirement system (the "System"). The System provides retirement benefits as well as death and disability benefits. The net position of the Systems are held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the Systems. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the Systems. System benefits are established under the provisions of 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 ("GLIP"), which provides death benefits in the form of life insurance. ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 10, 2010 who generally contribute three percent (3%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Supervisor 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.

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2024, the Town reported the following liability for its proportionate share of the net pension liability for ERS as shown on the following page. The net pension liability was measured as of March 31, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2023, with updated procedures used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the Town.

	<u>ERS</u>
Measurement date	March 31, 2024
Net pension liability	\$ 496,713
Town's portion of the Plan's total net pension liability	0.0033735%

For the year ended December 31, 2024, the Town recognized a pension expense of \$223,424 for the ERS. At December 31, 2024, 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 experiences	\$ 159,991	\$ 13,544
Changes of assumptions	187,796	-
Net difference between projected and actual earnings on pension plan investments	-	242,642
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	10,323	22,740
Town contributions subsequent to the measurement date	<u>125,351</u>	<u>-</u>
Total	<u>\$ 483,461</u>	<u>\$ 278,926</u>

The Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>ERS</u>
2025	\$ (97,536)
2026	88,742
2027	142,414
2028	(54,436)

Actuarial Assumptions—The total pension liability as of the measurement date was determined by using the actuarial valuation as noted in the table on the following page, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuation used the actuarial assumptions on the following page.

	ERS
Measurement date	March 31, 2024
Actuarial valuation date	April 1, 2023
Interest rate	5.9%
Salary scale	4.4%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.9%
Cost-of-living adjustments	2.5%

Annuitant mortality rates are based on April 1, 2015 – April 1, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2021. The actuarial assumptions used in the April 1, 2023 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – April 1, 2020.

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

	ERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Measurement date	March 31, 2023	
Asset class:		
Domestic equities	32.0 %	4.0 %
International equities	15.0	6.7
Private equity	10.0	7.3
Real estate	9.0	4.6
Opportunistic/Absolute return strategies	3.0	5.3
Credit	4.0	5.4
Real assets	3.0	5.8
Fixed income	23.0	1.5
Cash	1.0	0.3
Total	100 %	

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

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption—The chart below presents the Town’s proportionate share of the net pension liability/(asset) calculated using the discount rate of 5.9%, as well as what the Town’s proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset)	\$ 1,561,716	\$ 496,713	\$ (392,786)

Pension Plan Fiduciary Net Position—The components of the current-year net pension (asset) of the employers as of the respective valuation date, were as follows:

	ERS (Dollars in Thousands)
Valuation date	April 1, 2023
Employers' total pension liability	\$ 240,696,851
Plan fiduciary net position	<u>225,972,801</u>
Employers' net pension (asset)	<u>\$ 14,724,050</u>
System fiduciary net position as a percentage of total pension liability	93.9%

7. PENSION OBLIGATIONS—LOSAP

Plan Description—The Town established a defined benefit LOSAP plan for the active volunteer firefighters of the Boston Volunteer Fire Company, North Boston Volunteer Fire Company, and Patchin Volunteer Fire Company. The Program was established pursuant to Article 11-A of the General Municipal Law. The program provides municipally-funded pension like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Town is the sponsor of the program.

Certain information contained in this note is based on data as of December 31 2023, with a valuation date of January 1, 2024, for which complete information is available.

Participation, Vesting and Service Credit—Active volunteer firefighters in the Town of Boston are those who have reached the age of 18 and who have completed one year of firefighting service are eligible to participate in the program. Under the defined benefits plan, participants acquire a non-forfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is age 65. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the program. Under the defined contribution plan, participants acquire a non-forfeitable right to a service award upon attaining the program’s entitlement age of 65.

Benefits—A participant’s benefit under the defined benefits plan is the life annuity, with ten years certain, equal to \$20 multiplied by the person’s total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed forty (including any Prior Service Credit). Except in the case of disability or death, benefits are payable when a participant reaches entitlement age.

Participants Covered by the Benefit Terms—At the December 31, 2023, measurement date, the participants covered by the benefit terms were as follows:

Inactive participants currently receiving benefit payments	93
Inactive participants entitled to but not yet receiving benefit payments	37
Active participants	<u>58</u>
Total	<u>188</u>

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

Trust Assets—although assets have been accumulated in an irrevocable trust such that the assets provide 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, 2023 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions—The total pension liability in the December 31, 2023 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	0.00%
Salary Scale:	None assumed

Mortality rates were based on the RP 2014 Male/Female Mortality Table without projection for mortality improvement.

Discount Rate—The discount rate used to measure the total pension liability was 4.00%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of the December 31, 2023 measurement date. 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—The table presented on the following page shows the changes to the total pension liability during the previous fiscal year, by source.

	Total Pension Liability
Balance as of 12/31/2022 measurement date	<u>\$ 6,277,611</u>
Changes for the year:	
Service cost	141,249
Interest	268,019
Changes of assumptions or other inputs	485,827
Differences between expected and actual experience	17,701
Benefit payments	<u>(404,926)</u>
Net changes	<u>507,870</u>
Balance as of 12/31/2023 measurement date	<u>\$ 6,785,481</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, 2023 measurement date, calculated using the discount rate of 4.00 percent, as well as what the Town’s total pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.00 percent) or one percentage point higher (5.00 percent) than the current rate:

	1% Decrease (3.00%)	Current Discount Rate (4.00%)	1% Increase (5.00%)
Total pension liability	\$ 7,684,337	\$ 6,785,481	\$ 6,045,605

Pension Expense and Deferred Outflows of Resources Related to Pension—For the year ended December 31, 2024, the Town recognized pension expense of \$415,550. At December 31, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 162,333	\$ 19,145
Changes of assumptions or other inputs	858,639	1,339,315
Benefit payments subsequent to measurement date	<u>409,852</u>	<u>-</u>
Total	<u>\$ 1,430,824</u>	<u>\$ 1,358,460</u>

The Town’s contributions subsequent to the measurement date will be recognized as a reduction of the pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense on the following page.

Year Ending December 31,	
2025	\$ (3,546)
2026	(3,546)
2027	(120,300)
2028	(210,097)

The Town accounts for service award program assets within its Fire Protection Fund. The fair value of these program assets as of December 31, 2024 is \$2,601,939.

8. PENSION OBLIGATIONS—EMS LOSAP

Plan Description—The Town established a defined contribution Length of Service Awards Program the (“LOSAP”) for the active ambulance volunteers of the Boston Emergency Squad. The Program was established pursuant to Article 11-A of the General Municipal Law. The program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer ambulance workers. The Town is the sponsor of the program.

Program Description—

Participation, vesting and service credit—Active volunteers are eligible to participate in the program and become fully vested upon earning five years of service credits or upon being awarded a total and permanent disability. The program’s entitlement age is sixty and the maximum service credit allowable is forty years.

Benefits—A participant’s benefit under the program is equal to \$700 per year of service. The program provides statutorily mandated death and disability benefits.

Fiduciary Investment and Control—Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by the Emergency Squad. The governing board of the sponsor has retained and designated Penflex, Inc. to assist in the administration of the program.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program.

Authority to invest program assets is vested in the Investment Committee. Subject to restrictions in the program document, program assets are invested in accordance with a statutory “prudent person” rule.

The sponsor is required to retain an actuary to determine the amount of the sponsor’s contributions to the plan. The actuary retained by the sponsor for this purpose is Penflex, Inc. Portions of the following information are derived from the most recent report prepared by the actuary, dated December 31, 2024.

Program Financial Condition

Asset Reconciliation

Balance at January 1, 2024		\$646,058
Changes during the year:		
Add:	Plan contributions	8,155
	Interest	84,565
Less:	Participant distributions	<u>(47,590)</u>
Balance at December 31, 2024		<u>\$691,188</u>

Contributions and Administrative Fees

The actuary determined that the Town contributions owed during the 2024 calendar year totaled \$8,155. Administrative and Trustee Fees taken out of the account during the year ending December 31, 2024 were \$4,600 with an additional \$42,990 of distributions made to beneficiaries.

Plan Assets

The Town accounts for service award program assets within its Ambulance Fund. The fair value of these program assets as of December 31, 2024 is \$691,188.

9. LEASES

Lease Receivables—The Town recognizes a lease receivable and a deferred inflow of resources for a noncancellable lease of buildings measured at the present value of the remaining lease payments expected to be received during the lease terms. At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

As the lessor, the Town recognizes a long-term lease receivable and deferred inflow of resources for the use of the Trooper Barracks Building by the state police. The lease agreement runs for 20 years starting December 1, 2009 and ending November 30, 2029 with a five year renewal option beginning on December 1, 2029 and ending November 30, 2034. The agreement states that the remaining monthly payments will be \$7,400 per month through November 30, 2024, \$8,247 per month through November 30, 2029, and then if the renewal is granted, the additional five-year term will be negotiated at the time of the renewal request. As the Town built this building as part of the lease agreement, to the specifications agreed upon with the lessee, the Town reasonably expects the lease agreement to be renewed and thus includes the five-year renewal as part of the lease term. The discount rate applied to this lease is 3.5% as determined by the bond issued to finance the construction of the building. The value of the lease receivable as of December 31, 2024 is \$710,959. The value of the deferred inflow of resources is \$560,190 at December 31, 2024.

Fiscal Year Ending December 31,	Principal	Interest	Total
2025	\$ 61,659	\$ 37,305	\$ 98,964
2026	63,852	35,112	98,964
2027	66,123	32,841	98,964
2028	68,474	30,490	98,964
2029	70,910	28,054	98,964
2030 and thereafter	379,941	98,384	478,325
Total	<u>\$ 710,959</u>	<u>\$ 262,186</u>	<u>\$ 973,145</u>

Lease Payable—The Town is a lessee for various leases of equipment. The Town recognizes a lease liability and an intangible right-to-use lease asset in the financial statements. The Town recognizes leases liabilities if they are considered significant individually or in the aggregate to the financial statements.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses interest rates charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the right-to-use asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Right-to-use assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

As of December 31, 2024, the value of the lease liability was \$8,738. The Town is required to make annual principal and interest payments on the equipment ranging from \$1,931 to \$2,834. The leases have imputed interest rates of 3.5%. The value of the right-to-use lease assets as of the end of the current fiscal year was \$22,380 and had accumulated amortization of \$14,090.

The future principal and interest payments as of December 31, 2024, were as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2025	4,523	242	4,765
2026	3,260	87	3,347
2027	955	10	965
Total	<u>\$ 8,738</u>	<u>\$ 339</u>	<u>\$ 9,077</u>

10. RISK MANAGEMENT

The Town is exposed to various risks of loss related to damage and destruction of assets, vehicle liability, and injuries to employees, health insurance and unemployment insurance. These risks are covered by commercial insurance purchased from independent third parties. There have not been any significant changes in any type of insurance coverage from the prior year, nor have there been any settlements which have exceeded commercial insurance coverage in the past three fiscal years.

The Town purchases insurance for: general property and liability, municipal crime, automobile, public officials liability, law enforcement liability, contractor's protective liability, excess catastrophe liability, inland marine, electronic equipment, and ground pollution relating to fuel storage tanks. General property is insured at a full replacement cost agreed upon at \$12,504,805. A Builder's Risk endorsement was added in the amount of \$450,000 on the North Boston Pavilion. General liability insurance is limited to \$1 million per occurrence, with a general aggregate \$3 million limit. General liability has an add on rider for network security loss with an annual aggregate of \$250,000. Municipal crime coverage ranges from \$25,000 to \$400,000 per occurrence. Automobile insurance is limited to \$1 million per accident. Public Officials Liability, Law Enforcement Liability, and Contractor's Protective Liability are all limited to \$1 million per occurrence and \$2 million in the aggregate. Excess catastrophe liability is limited to \$3 million per occurrence and \$6 million in the aggregate. Inland marine has various limits for each individually scheduled property and equipment with a total largest individual limit of \$1.57 million. Fuel storage tanks have a ground pollution liability of \$1 million. A Cyber Policy was added with limits from \$50,000 to \$1 million per occurrence.

11. SHORT-TERM DEBT

Liabilities for Bond Anticipation Notes ("BANs") are generally accounted for in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for period's equivalent to the life of the permanent financing, provided that annual reductions of principal are made.

The following shows a summary of the Town's short-term debt for the year ended December 31, 2024.

Description	Interest Rate	Maturity Date	Balance 1/1/2024	Issues	Redemptions	Balance 12/31/2024
2023 Bond Anticipation Note	3.67%	10/3/2025	\$ 1,013,790	\$ -	\$ 26,790	\$ 987,000
2024 Bond Anticipation Note	3.67%	10/3/2025	-	2,771,000	-	2,771,000
Total			<u>\$ 1,013,790</u>	<u>\$ 2,771,000</u>	<u>\$ 26,790</u>	<u>\$ 3,758,000</u>

12. LONG-TERM LIABILITIES

In the government-wide financial statements, long-term debt and other long-term obligations are reported as noncurrent liabilities in the government-wide financial statements.

In the fund financial statements, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

The Town's outstanding long-term liabilities include serial bonds, installment purchase debt, lease liability, compensated absences, net pension liability—ERS and total pension liability—LOSAP. The serial bonds of the Town are secured by its general credit and revenue raising powers, as per State statute.

A summary of changes in the Town's long-term liabilities at December 31, 2024 is presented below:

	Balance 1/1/2024	Additions	Reductions	Balance 12/31/2024	Due Within One Year
Serial bonds	\$ 4,231,151	\$ -	\$ 171,751	\$ 4,059,400	\$ 176,550
Installment purchase debt	13,926	-	13,926	-	-
Lease liability	13,106	-	4,368	8,738	4,523
Compensated absences*	188,822	25,997	35,534	179,285	17,928
Net pension liability—ERS*	751,475	-	254,762	496,713	-
Total pension liability—LOSAP*	<u>6,277,611</u>	<u>912,796</u>	<u>404,926</u>	<u>6,785,481</u>	<u>-</u>
Total	<u>\$ 11,476,091</u>	<u>\$ 938,793</u>	<u>\$ 885,267</u>	<u>\$ 11,529,617</u>	<u>\$ 199,001</u>

(*Reductions to the compensated absences and pension liability related to ERS and LOSAP are shown net of additions.)

Serial Bonds—The Town issued general obligation bonds to provide funds for the acquisition, construction, and renovation of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Town. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with original maturities that range from 10 to 38 years.

Principal is paid annually, interest is paid semi-annually; these payments are recorded in the associated fund, either being the General Fund or Water Fund. A summary of additions and payments for the year ended December 31, 2024, is presented on the following page.

Description	Year of Issue/Maturity	Original Issue	Interest Rate	Balance 1/1/2024	Additions	Payments	Balance 12/31/2023	Due Within One Year
General Fund								
2012 Troopers Barracks	2012/2034	1,000,000	3.50%	\$ 590,000	\$ -	\$ 45,000	\$ 545,000	\$ 45,000
Total General Fund				590,000	-	45,000	545,000	45,000
Water Fund								
2012 Water #3 Cole Road	2012/2032	125,000	2.80%	56,250	-	6,250	50,000	6,250
2005 Water Rural LT #1	2005/2040	2,168,500	4.13%	1,719,000	-	71,700	1,647,300	74,700
2010 Water District #3	2010/2048	2,394,000	3.00%	1,865,901	-	48,801	1,817,100	50,600
Total Water Fund				3,641,151	-	126,751	3,514,400	131,550
Total governmental activities				\$ 4,231,151	\$ -	\$ 171,751	\$ 4,059,400	\$ 176,550

A default will have occurred if the payment of principal or interest are not paid when due and payable. Upon default in payment in full of the principal or interest on the bonds, a holder of such defaulted bond has a contractual right to sue the Town of the amount then due thereon.

The Town does not have any lines of credit.

Lease Liability—The Town holds long-term capital leases for various equipment. The outstanding balance at December 31, 2024 was \$8,738 Refer to note 9 for additional information related to the Town’s leases.

Compensated Absences—As described in Note 1, the Town records the value of compensated absences in the government-wide financial statements. The annual budgets of the respective funds of which the employees’ payroll is recorded provide for these benefits as they become due. Typically, the Highway—Town Wide Fund have been used in prior years to liquidate the current liability. The liability for compensated absences at December 31, 2024 amounts to \$179,285. While the payments of compensated absences are dependent upon many factors, the Town has estimated that \$17,928 will become due within one year. Since payment of compensated absences is dependent upon many factors, the timing of future payments is not readily available.

Pension Liabilities—The Town reports liabilities for its proportionate share of the net pension liability for the Employees’ Retirement System of \$496,713 and the total pension liability for LOSAP of \$6,785,481. Refer to Notes 6 and 7 for additional information related to the Town’s pension liability.

A maturity schedule of the Town’s indebtedness is presented below:

Year Ending December 31,	Serial Bonds	Lease Liability	Compensated Absences	Net Pension Liability—ERS	Total Pension Liability—LOSAP	Total
2025	176,550	\$ 4,523	\$ 17,928	\$ -	\$ -	\$ 199,001
2026	186,450	3,260	-	-	-	189,710
2027	191,450	955	-	-	-	192,405
2028	196,750	-	-	-	-	196,750
2029	207,150	-	-	-	-	207,150
2030-2034	1,133,150	-	-	-	-	1,133,150
2035-2039	989,900	-	-	-	-	989,900
2040-2044	581,000	-	-	-	-	581,000
2045 and Thereafter	397,000	-	161,357	496,713	6,785,481	7,840,551
Total	\$ 4,059,400	\$ 8,738	\$ 179,285	\$ 496,713	\$ 6,785,481	\$ 11,529,617

Interest requirements on serial bonds payable is as follows:

Year ending December 31,	Serial Bonds
2025	\$ 142,424
2026	135,500
2027	128,544
2028	122,013
2029	114,883
2030-2034	458,428
2035-2039	266,909
2040-2044	105,977
2025 and thereafter	29,966
Total	<u>\$ 1,504,644</u>

13. NET POSITION AND FUND BALANCE

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- ***Net Investment in Capital Assets***—This category groups all capital assets including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. A reconciliation of the Town's governmental activities net investment in capital assets is presented below:

Capital assets, net of accumulated depreciation	\$ 7,596,903
Related debt:	
Serial bonds	\$ (4,059,400)
Bond anticipation notes issued	(3,758,000)
Unspent proceeds from debt	2,645,500
Lease liability	<u>(8,738)</u>
Debt issued and used for capital assets	\$ (5,180,638)
Accounts payable	<u>(6,816)</u>
Net investment in capital assets	<u>\$ 2,409,449</u>

- ***Restricted Net Position***—This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions and enabling legislation.
- ***Unrestricted Net Position***—This category represents the net position of the Town not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance maintained by the Town at December 31, 2024 is presented on the following page.

- **Prepaid Items**—Representing the portion of fund balance, \$35,242 and \$15,042 composed of prepaid items for the General Fund and the Highway—Town Wide Fund, respectively. This balance is nonspendable as the balance does not represent an available source.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grantors, contributors, or laws and regulations of other governments) through constitutional provisions or by enabling legislation. Restricted fund balances of the Town at December 31, 2024 are presented below:

	General Fund	Highway—Town Wide Fund	Fire Protection Fund	Water Fund	Ambulance Fund	Total
LOSAP	\$ -	\$ -	\$ 2,601,939	\$ -	\$ 691,188	\$ 3,293,127
Capital projects	391,047	317,538	-	-	139,076	847,661
Debt	-	-	-	387,651	-	387,651
Tax stabilization	92,724	-	-	-	-	92,724
Total	<u>\$ 483,771</u>	<u>\$ 317,538</u>	<u>\$ 2,601,939</u>	<u>\$ 387,651</u>	<u>\$ 830,264</u>	<u>\$ 4,621,163</u>

- **Restricted for LOSAP**—Represents monies, \$3,293,127 held for the Town’s LOSAP.
- **Restricted for Capital Projects**—Represents \$391,047 in the General Fund, \$317,538 in the Highway—Town Wide Fund and \$139,076 in the Ambulance Fund to be used for construction, reconstruction and/or the acquisition of capital improvements and equipment.
- **Restricted for Debt**—Represents \$387,651 in the Water Fund, restricted for the reduction of future debt service requirements.
- **Restricted for Tax Stabilization**—Represents \$92,724 in the General Fund set aside to lessen or prevent projected increases in excess of 2.5% of the real property tax levy.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the Town’s highest level of decision-making authority. At December 31, 2024, the Town reported no committed fund balance.

In the fund financial statements, assignments are not legally required segregations but are subject to a purpose constraint that represents an intended use established by the Town Board. 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. At December 31, 2024, the fund balances shown below were considered to be assigned.

	General Fund	Highway Town Wide Fund	Fire Protection Fund	Water Fund	Refuse Fund	Nonmajor Governmental Funds	Total
Subsequent year's expenditures	\$ 509,330	\$ 153,433	\$ 26,773	\$ 68,788	\$ -	\$ 3,673	\$ 761,997
Encumbrances	18,045	171,261	-	-	-	-	189,306
Specific use	-	751,991	150,703	681,313	200,742	100,927	1,885,676
Total	<u>\$ 527,375</u>	<u>\$ 1,076,685</u>	<u>\$ 177,476</u>	<u>\$ 750,101</u>	<u>\$ 200,742</u>	<u>\$ 104,600</u>	<u>\$ 2,836,979</u>

- ***Assigned to Subsequent Year's Expenditures***—Represents available fund balance being appropriated to meet expenditure requirements in the 2025 fiscal year.
- ***Assigned to Encumbrances***—Represents commitments related to unperformed contracts or purchase orders for goods or services.
- ***Assigned to Specific Use***—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignment's purpose relates to each fund's operations and represents amounts within funds that are not restricted or committed.

Unassigned fund balance represents the residual classification of the government's General Fund surplus and the Capital Projects Fund deficit.

If the Town must use funds for emergency expenditures, the Board shall authorize the Supervisor to expend funds first from funds classified under GASB as nonspendable (if the funds become available) then restricted funds. The use of committed and assigned funds as classified by GASB will occur after the exhaustion of available restricted funds. Finally, if no other funds are available, the Town will use unassigned fund balance.

14. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short term in nature and exist because of temporary advances or payments made on behalf of other funds. All interfund balances are expected to be collected/paid within the ensuing year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification.

Interfund transfers as of the year ended December 31, 2024 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 331,563
Water Fund	2,706	26,790
Fire Protection Fund	134,624	
Capital Projects Fund	223,729	2,706
Total	<u>\$ 361,059</u>	<u>\$ 361,059</u>

In 2024, the transfer in of \$134,624 in the Fire Protection Fund represents excess sales tax that was received in the general fund to contribute to the Fire LOSAP. \$181,151 was related to ARPA and transferred from the General Fund to the Capital Projects Fund. \$15,788 was a General Fund transfer to the Capital Projects fund. \$2,706 was a BAN premium transferred to the Water Fund to paydown debt. \$26,790 represents interest owed to the General Fund based on borrowing from the General Fund before the BAN financing.

15. LABOR CONTRACTS

Certain Town employees are represented by one bargaining unit, with the balance governed by Town Board rules and regulations. The International Operating Engineers Local 17 AFL-CIO bargaining unit has a negotiated contract in place through December 31, 2026.

16. COMMITMENTS

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the executory contract is expended in the next year) are re-appropriate and become part of the subsequent year's budget pursuant to state regulations.

The Town considers encumbrances significant if they are in excess of \$10,000. At December 31, 2024, the Town encumbered the following significant encumbrances:

Fund	Description	Amount
Highway—Town Wide Fund	Snowplow	\$ 171,261
Ambulance Fund	Ambulance	137,664
Total		<u>308,925</u>

17. CONTINGENCIES

Litigation—The Town is involved in litigation in the ordinary course of its operations. The Town believes that its ultimate liability, if any, in connection with these matters will not have a material effect on the Town's financial condition or results of operations.

Grants—In the normal course of operations, the Town receives grant funds from various Federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any disallowed expenditures resulting from such audits could become a liability of the governmental funds. While the amount of any expenditures which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

Assessments—The Town is a defendant in various litigation under Article 7 of the Real Property Tax Law of the State of New York to review tax assessments. While the Town vigorously defends assessments, the likelihood of success is on a case by case basis, and is dependent upon various factors including market values and appraised amounts. Management believes that the level of potential losses on these cases, if any, would be immaterial and no provisions have been made within the financial statements.

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 4, 2026, which is the date the financial statements are available for issuance, and have determined, except as disclosed above, there are no subsequent events that require disclosure under generally accepted accounting principles.

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REQUIRED SUPPLEMENTARY INFORMATION

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TOWN OF BOSTON, NEW YORK
Schedule of the Town's Proportionate Share of the
Net Pension Liability/(Asset)—Employees' Retirement System
Last Ten Fiscal Years*

	Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Town's proportion of the net pension liability/(asset)	0.0033735	0.0035044	0.0034817	0.0035678	0.0034152	0.0023006	0.0028410	0.0031269	0.0030931	0.0034356
Town's proportionate share of the net pension liability/(asset)	<u>\$ 496,713</u>	<u>\$ 751,475</u>	<u>\$ (284,613)</u>	<u>\$ 3,553</u>	<u>\$ 904,375</u>	<u>\$ 163,008</u>	<u>\$ 91,691</u>	<u>\$ 293,813</u>	<u>\$ 496,444</u>	<u>\$ 116,062</u>
Town's covered payroll	1,168,583	1,154,938	1,077,652	964,410	942,097	\$ 893,282	\$ 601,078	\$ 668,374	\$ 650,874	\$ 635,603
Town's proportionate share of the net pension liability as a percentage of its covered payroll	42.5%	65.1%	-26.4%	0.4%	96.0%	18.2%	15.3%	44.0%	76.3%	18.3%
Plan fiduciary net position as a percentage of the total pension liability	93.9%	90.8%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

TOWN OF BOSTON, NEW YORK
Schedule of the Town's Contributions—
Employees' Retirement System
Last Ten Fiscal Years

	Year Ended December 31,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 160,377	\$ 133,706	\$ 121,681	\$ 139,250	\$ 130,174	\$ 130,693	\$ 112,213	\$ 125,501	\$ 126,517	\$ 135,576
Contributions in relation to the contractually required contribution	(160,377)	(133,706)	(121,681)	(139,250)	(130,174)	(130,693)	(112,213)	(125,501)	(126,517)	(135,576)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	1,316,387	1,162,389	1,140,338	1,017,266	963,132	\$ 938,679	\$ 862,312	\$ 401,820	N/A	N/A
Contributions as a percentage of covered payroll	12.2%	11.5%	10.7%	13.7%	13.5%	13.9%	14.7%	31.2%	14.7%	20.0%

TOWN OF BOSTON, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes and tax items	156,900	156,900	\$ 168,136	\$ 11,236
Non-property tax items	1,085,000	1,085,000	1,090,738	5,738
Departmental income	14,800	14,800	17,528	2,728
Use of money and property	110,994	194,994	204,080	9,086
Licenses and permits	31,400	31,400	59,397	27,997
Fines and forfeitures	175,000	175,000	181,766	6,766
Sale of property and compensation for loss	-	-	7,909	7,909
Miscellaneous	-	-	13,399	13,399
State aid	234,689	244,689	220,684	(24,005)
Federal aid	-	181,151	181,151	-
Total revenues	<u>1,808,783</u>	<u>2,083,934</u>	<u>2,144,788</u>	<u>60,854</u>
EXPENDITURES				
Current:				
General government support	1,118,654	1,098,380	969,196	129,184
Public safety	125,760	125,860	117,720	8,140
Transportation	156,293	168,738	165,802	2,936
Economic assistance and opportunity	48,785	48,985	46,855	2,130
Culture and recreation	307,284	385,995	361,274	24,721
Home and community services	208,780	232,080	198,191	33,889
Employee benefits	281,000	280,400	271,580	8,820
Debt service:				
Principal	45,000	45,000	49,367	(4,367)
Interest and other fiscal charges	<u>20,135</u>	<u>20,135</u>	<u>20,532</u>	<u>(397)</u>
Total expenditures	<u>2,311,691</u>	<u>2,405,573</u>	<u>2,200,517</u>	<u>205,056</u>
Deficiency of revenues over expenditures	<u>(502,908)</u>	<u>(321,639)</u>	<u>(55,729)</u>	<u>265,910</u>
OTHER (USES)				
Transfers out	<u>-</u>	<u>(331,563)</u>	<u>(331,563)</u>	<u>-</u>
Total other (uses)	<u>-</u>	<u>(331,563)</u>	<u>(331,563)</u>	<u>-</u>
Net change in fund balances*	(502,908)	(653,202)	(387,292)	265,910
Fund balances—beginning	<u>2,939,496</u>	<u>2,939,496</u>	<u>2,939,496</u>	<u>-</u>
Fund balances—ending	\$ 2,436,588	\$ 2,286,294	\$ 2,552,204	\$ 265,910

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance and re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF BOSTON, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Highway—Town Wide Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes and tax items	\$ 864,103	\$ 864,103	\$ 864,103	\$ -
Non-property tax items	275,000	275,000	275,000	-
Use of money and property	8,000	8,000	70,426	62,426
Sale of property and compensation for loss	-	-	685	685
Miscellaneous	1,500	1,500	1,571	71
Interfund revenues	65,000	65,000	76,493	11,493
State aid	193,346	193,346	171,166	(22,180)
Total revenues	<u>1,406,949</u>	<u>1,406,949</u>	<u>1,459,444</u>	<u>52,495</u>
EXPENDITURES				
Current:				
Transportation	1,536,526	1,535,726	1,097,116	438,610
Employee benefits	<u>218,000</u>	<u>218,800</u>	<u>198,510</u>	<u>20,290</u>
Total expenditures	<u>1,754,526</u>	<u>1,754,526</u>	<u>1,295,626</u>	<u>458,900</u>
Net change in fund balances*	(347,577)	(347,577)	163,818	511,395
Fund balances—beginning	<u>1,245,447</u>	<u>1,245,447</u>	<u>1,245,447</u>	<u>-</u>
Fund balances—ending	<u>\$ 897,870</u>	<u>\$ 897,870</u>	<u>\$ 1,409,265</u>	<u>\$ 511,395</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance and re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF BOSTON, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Fire Protection Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes and tax items	\$ 809,049	\$ 809,049	\$ 809,049	\$ -
Non-property tax items	150,000	150,000	150,000	-
Use of money and property	<u>4,000</u>	<u>14,000</u>	<u>210,131</u>	<u>196,131</u>
Total revenues	<u>963,049</u>	<u>973,049</u>	<u>1,169,180</u>	<u>196,131</u>
EXPENDITURES				
Current:				
Public safety	686,035	690,035	689,240	795
Employee benefits	<u>315,000</u>	<u>455,624</u>	<u>433,188</u>	<u>22,436</u>
Total expenditures	<u>1,001,035</u>	<u>1,145,659</u>	<u>1,122,428</u>	<u>23,231</u>
Excess (deficiency) of revenues over expenditures	<u>(37,986)</u>	<u>(172,610)</u>	<u>46,752</u>	<u>219,362</u>
OTHER FINANCING USES				
Transfers in	<u>-</u>	<u>134,624</u>	<u>134,624</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>134,624</u>	<u>134,624</u>	<u>-</u>
Net change in fund balances*	(37,986)	134,624	181,376	219,362
Fund balances—beginning	<u>2,598,039</u>	<u>2,598,039</u>	<u>2,598,039</u>	<u>-</u>
Fund balances—ending	<u>\$ 2,560,053</u>	<u>\$ 2,732,663</u>	<u>\$ 2,779,415</u>	<u>\$ 219,362</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF BOSTON, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Water Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes and tax items	472,705	472,705	\$ 473,401	\$ 696
Use of money and property	4,850	4,850	54,584	49,734
Total revenues	<u>477,555</u>	<u>477,555</u>	<u>527,985</u>	<u>50,430</u>
EXPENDITURES				
Home and community services	183,033	182,929	70,427	112,502
Debt service:				
Principal	126,856	126,856	126,752	104
Interest and other fiscal charges	155,695	155,695	155,208	487
Total expenditures	<u>465,584</u>	<u>465,480</u>	<u>352,387</u>	<u>113,093</u>
Excess (deficiency) of revenues over expenditures	<u>11,971</u>	<u>12,075</u>	<u>175,598</u>	<u>(62,663)</u>
OTHER FINANCING USES				
Transfers in	-	-	2,706	2,706
Transfers out	<u>(26,790)</u>	<u>(26,790)</u>	<u>(26,790)</u>	<u>-</u>
Total other financing uses	<u>(26,790)</u>	<u>(26,790)</u>	<u>(24,084)</u>	<u>-</u>
Net change in fund balances*	<u>(14,819)</u>	<u>(14,715)</u>	<u>151,514</u>	<u>(62,663)</u>
Fund balances—beginning	<u>986,238</u>	<u>986,238</u>	<u>986,238</u>	<u>-</u>
Fund balances—ending	<u>\$ 971,419</u>	<u>\$ 971,523</u>	<u>\$ 1,137,752</u>	<u>\$ (62,663)</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF BOSTON, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Garbage and Refuse Fund
Year Ended December 31, 2024

Year Ended December 31, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Real property taxes and tax items	\$ 943,773	\$ 943,773	\$ 943,773	\$ -
Departmental income	1,400	1,400	3,400	2,000
Use of money and property	2,000	2,000	23,065	21,065
Total revenues	<u>947,173</u>	<u>947,173</u>	<u>970,238</u>	<u>23,065</u>
EXPENDITURES				
Current:				
Home and community services	<u>947,173</u>	<u>947,173</u>	<u>904,710</u>	<u>42,463</u>
Total expenditures	<u>947,173</u>	<u>947,173</u>	<u>904,710</u>	<u>42,463</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>65,528</u>	<u>65,528</u>

The notes to the required supplementary information are an integral part of this schedule.

TOWN OF BOSTON, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2024

1. PENSION LIABILITY—LOSAP

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 Fidelity 20-Year GO AA Bond Index and was as follows:

December 31, 2024	4.00%
December 31, 2023	4.31%

Trust Assets—There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73 to pay related benefits.

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—Annual budgets are adopted on a basis consistent with generally accepted accounting principles in the United States of America for all governmental funds, with the exception of the Capital Projects Fund. The Capital Projects Fund does not have appropriated budgets since there are other means to control the use of these resources (e.g., grant awards) and sometimes span a period of more than one year.

The appropriated budget is prepared by fund, function and department. The Town's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Town Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the department level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances.

Actual results of operations presented in accordance with GAAP and the Town's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed or assigned fund balance. Significant encumbrances, if any, are disclosed in the notes to the financial statements.

Excess of Expenditures over Appropriations—The Town's appropriations for the year ended exceeded the December 31, 2024 final budget as follows:

- General fund debt service principal and interest payments exceeded the final budget due to lease payments.

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SUPPLEMENTARY INFORMATION

TOWN OF BOSTON, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2024

	<u>Ambulance</u>	<u>Lighting District</u>	<u>Total Nonmajor Funds</u>
ASSETS			
Cash and cash equivalents	\$ 91,571	\$ 15,962	\$ 107,533
Restricted cash and cash equivalents	139,076	-	139,076
Restricted investments	<u>691,188</u>	<u>-</u>	<u>691,188</u>
Total assets	<u>921,835</u>	<u>15,962</u>	<u>937,797</u>
LIABILITIES			
Accounts payable	<u>\$ 1,455</u>	<u>\$ 1,478</u>	<u>\$ 2,933</u>
Total liabilities	<u>1,455</u>	<u>1,478</u>	<u>2,933</u>
FUND BALANCES			
Restricted	830,264	-	830,264
Assigned	<u>90,116</u>	<u>14,484</u>	<u>104,600</u>
Total fund balances	<u>920,380</u>	<u>14,484</u>	<u>934,864</u>
Total liabilities and fund balances	<u>\$ 921,835</u>	<u>\$ 15,962</u>	<u>\$ 937,797</u>

TOWN OF BOSTON, NEW YORK
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds
Year Ended December 31, 2024

	<u>Ambulance</u>	<u>Lighting District</u>	<u>Total Nonmajor Funds</u>
REVENUES			
Real property taxes	\$ 101,999	\$ 11,268	\$ 113,267
Non-property tax items	90,000	-	90,000
Use of money and property	<u>95,915</u>	<u>924</u>	<u>96,839</u>
Total revenues	<u>287,914</u>	<u>12,192</u>	<u>300,106</u>
EXPENDITURES			
Current:			
Health	107,397	-	107,397
Transportation	135,549	18,113	153,662
Employee benefits	52,431	-	52,431
Debt service:			
Principal	13,926	-	13,926
Interest and other fiscal charges	<u>495</u>	<u>-</u>	<u>495</u>
Total expenditures	<u>309,798</u>	<u>18,113</u>	<u>327,911</u>
Deficiency of revenues over expenditures	<u>(21,884)</u>	<u>(5,921)</u>	<u>(27,805)</u>
Net change in fund balances	(21,884)	(5,921)	(27,805)
Fund balances—beginning	<u>942,264</u>	<u>20,405</u>	<u>962,669</u>
Fund balances—ending	<u>\$ 920,380</u>	<u>\$ 14,484</u>	<u>\$ 934,864</u>

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APPENDIX D

**ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED DECEMBER 31, 2025**



Town of Boston Annual Financial Report

For the Fiscal Period 01/01/2025 - 12/31/2025

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

Authorization

Article 3, Section 30 of the General Municipal Law

1. ***Every Municipal Corporation*** shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation***
5. All reports shall be certified by the officer making the same and shall be filed with the Comptroller*** it shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report***

Certification Statement

I, Jason Keding (LG140308300000A), hereby certify that I am the Chief Financial Officer of the Town of Boston, and that the information provided in the Annual Financial Report of the Town of Boston for the fiscal year ended 12/31/2025, is true and correct to the best of my knowledge and belief.

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Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

Financial Statements

Financial information for the following funds and accounts groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2025 and has been used by the OSC as the basis for preparing this Annual Financial Report for the fiscal year ended 2025:

List of funds being used

- A - General
- DA - Highway Town-wide
- H - Capital Projects
- SF - Special District(s) Fire Protection
- SL - Special District(s) Lighting
- SM - Special District(s) Miscellaneous
- SR - Special District(s) Refuse and Garbage
- SW - Special District(s) Water
- TC - Custodial
- K - Schedule of Non-Current Government Assets
- W - Schedule of Non-Current Government Liabilities

All amounts included in this Annual Financial Report for 2025 represent data filed by your government with OSC as reviewed and adjusted where necessary.

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$602,307.00	\$1,244,815.00	\$1,209,836.00
210 - Petty Cash	\$500.00	\$500.00	\$500.00
Total for Cash and Cash Equivalents	\$602,807.00	\$1,245,315.00	\$1,210,336.00
Investments			
450 - Investments in Securities	\$821,089.00	\$735,108.00	\$1,143,992.00
Total for Investments	\$821,089.00	\$735,108.00	\$1,143,992.00
Restricted Investments			
452 - Investments in Securities Special Reserves	\$503,889.00	\$483,771.00	\$460,013.00
Total for Restricted Investments	\$503,889.00	\$483,771.00	\$460,013.00
Net Taxes Receivable			
250 - Taxes Receivable Current	\$1,500.00	\$1,500.00	-
Total for Net Taxes Receivable	\$1,500.00	\$1,500.00	\$0.00
Net Other Receivables			
380 - Accounts Receivable	\$28,768.00	\$28,900.00	\$30,463.00
454 - Leases Receivable	\$649,300.00	\$710,959.00	\$775,368.00
Total for Net Other Receivables	\$678,068.00	\$739,859.00	\$805,831.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Due From			
391 - Due From Other Funds	\$28,896.00	-	\$250,000.00
440 - Due from Other Governments <i>NYS Trooper Rent, DASNY Grant, Erie County Polling Place, Clerk & Justice Fees</i>	\$103,299.00	\$37,038.00	\$28,926.00
Total for Due From	\$132,195.00	\$37,038.00	\$278,926.00
Other Assets			
480 - Prepaid Expenses	\$39,726.00	\$35,242.00	\$22,417.00
Total for Other Assets	\$39,726.00	\$35,242.00	\$22,417.00
Total for Assets	\$2,779,274.00	\$3,277,833.00	\$3,921,515.00
Total for Assets and Deferred Outflows	\$2,779,274.00	\$3,277,833.00	\$3,921,515.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$111,972.00	\$132,082.00	\$162,550.00
601 - Accrued Liabilities	\$29,111.00	\$26,793.00	\$11,412.00
Total for Payables	\$141,083.00	\$158,875.00	\$173,962.00
Other Liabilities			
688 - Other Liabilities	-	\$5,064.00	\$186,151.00
Total for Other Liabilities	\$0.00	\$5,064.00	\$186,151.00
Total for Liabilities	\$141,083.00	\$163,939.00	\$360,113.00
Deferred Inflows			
Deferred Inflows of Resources			
691 - Deferred Inflow Of Resources <i>Lease of Trooper Barracks / Taxes Receivable</i>	\$504,722.00	\$561,690.00	\$621,906.00
Total for Deferred Inflows of Resources	\$504,722.00	\$561,690.00	\$621,906.00
Total for Deferred Inflows	\$504,722.00	\$561,690.00	\$621,906.00
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$39,726.00	\$35,242.00	\$22,417.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Total for Nonspendable Fund Balance	\$39,726.00	\$35,242.00	\$22,417.00
Restricted Fund Balance			
878 - Capital Reserve	\$407,309.00	\$391,047.00	\$371,843.00
880 - Reserve For Tax Stabilization	\$96,580.00	\$92,724.00	\$88,170.00
Total for Restricted Fund Balance	\$503,889.00	\$483,771.00	\$460,013.00
Assigned Fund Balance			
914 - Assigned Appropriated Fund Balance	\$560,702.00	\$509,330.00	\$399,467.00
915 - Assigned Unappropriated Fund Balance	\$4,411.00	\$18,045.00	\$103,441.00
Total for Assigned Fund Balance	\$565,113.00	\$527,375.00	\$502,908.00
Unassigned Fund Balance			
917 - Unassigned Fund Balance	\$1,024,741.00	\$1,505,816.00	\$1,954,158.00
Total for Unassigned Fund Balance	\$1,024,741.00	\$1,505,816.00	\$1,954,158.00
Total for Fund Balance	\$2,133,469.00	\$2,552,204.00	\$2,939,496.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$2,779,274.00	\$3,277,833.00	\$3,921,515.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$141,964.00	\$141,559.00	\$164,464.00
1030 - Special Assessments	\$992.00	\$1,341.00	\$1,443.00
Total for Property Taxes	\$142,956.00	\$142,900.00	\$165,907.00
Property Tax Items			
1089 - Other Tax Items	\$1,500.00	-	-
1090 - Interest and Penalties on Real Prop Taxes	\$22,555.00	\$25,236.00	\$23,053.00
Total for Property Tax Items	\$24,055.00	\$25,236.00	\$23,053.00
Non-Property Tax Items			
1120 - Non Property Tax Distribution by County	\$1,085,754.00	\$977,191.00	\$1,072,754.00
1170 - Franchise Tax	\$104,788.00	\$113,547.00	\$121,774.00
Total for Non-Property Tax Items	\$1,190,542.00	\$1,090,738.00	\$1,194,528.00
Departmental Income			
1255 - Clerk Fees	\$2,719.00	\$3,319.00	\$3,835.00
1550 - Public Pound Charges Dog Control Fees	\$150.00	\$200.00	\$175.00
1972 - Charges Programs for the Aging	\$2,363.00	\$1,348.00	\$1,739.00
2001 - Park and Recreational Charges	\$7,924.00	\$5,766.00	\$5,123.00
2025 - Special Recreational Facility Charges	\$6,055.00	\$3,695.00	\$975.00
2089 - Other Culture and Recreation Income	\$2,050.00	-	-

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
2110 - Zoning Fees	\$3,600.00	\$3,200.00	\$2,000.00
Total for Departmental Income	\$24,861.00	\$17,528.00	\$13,847.00
Use of Money and Property			
2401 - Interest and Earnings	\$107,551.00	\$146,605.00	\$127,981.00
2420 - Natural Gas Leases and Royalties	\$507.00	\$507.00	\$512.00
2421 - Lease Payments Collected	\$56,968.00	\$56,968.00	\$56,968.00
Total for Use of Money and Property	\$165,026.00	\$204,080.00	\$185,461.00
Licenses and Permits			
2530 - Games of Chance	\$196.00	\$526.00	\$292.00
2544 - Dog Licenses	\$7,386.00	\$6,695.00	\$5,727.00
2545 - Licenses Other	\$300.00	\$300.00	\$300.00
2555 - Building and Alteration Permits	\$103,919.00	\$51,051.00	\$38,650.00
2590 - Permits Other	\$9,195.00	\$825.00	\$470.00
Total for Licenses and Permits	\$120,996.00	\$59,397.00	\$45,439.00
Fines and Forfeitures			
2610 - Fines and Forfeited Bail	\$118,100.00	\$181,766.00	\$167,739.00
Total for Fines and Forfeitures	\$118,100.00	\$181,766.00	\$167,739.00
Sales of Property and Compensation for Loss			
2665 - Sales of Equipment	-	-	\$6,700.00
2680 - Insurance Recoveries	-	\$7,909.00	\$4,656.00
Total for Sales of Property and Compensation for Loss	\$0.00	\$7,909.00	\$11,356.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Other Revenues			
2701 - Refunds of Prior Year Expenditures	\$2,851.00	\$5,509.00	\$1,427.00
2705 - Gifts and Donations	\$650.00	\$7,961.00	-
2770 - Unclassified <i>Marriage Officiant Fee</i>	\$100.00	\$50.00	-
Total for Other Revenues	\$3,601.00	\$13,520.00	\$1,427.00
State Aid			
3001 - State Aid Revenue Sharing	\$49,689.00	\$49,689.00	\$49,689.00
3005 - State Aid Mortgage Tax	\$227,631.00	\$146,183.00	\$131,908.00
3089 - State Aid Other <i>Polling Place, NYS Temporary Assistance Funds, NYSEDA</i>	\$10,440.00	\$17,312.00	\$1,900.00
3097 - State Aid Capital Projects	\$75,000.00	-	-
3305 - State Aid Civil Defense	\$5,354.00	-	\$7,200.00
3889 - State Aid Other Culture and Recreation	\$7,500.00	\$7,500.00	\$5,000.00
Total for State Aid	\$375,614.00	\$220,684.00	\$195,697.00
Federal Aid			
4089 - Federal Aid Other	-	\$181,151.00	\$261,731.00
Total for Federal Aid	\$0.00	\$181,151.00	\$261,731.00
Total for Revenues	\$2,165,751.00	\$2,144,909.00	\$2,266,185.00
Total for Revenues and Other Sources	\$2,165,751.00	\$2,144,909.00	\$2,266,185.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Legislative Board			
10101 - Legislative Board - Personal Services	\$40,132.00	\$38,220.00	\$36,400.00
10104 - Legislative Board - Contractual	\$10.00	\$326.00	\$3,273.00
Total for Legislative Board	\$40,142.00	\$38,546.00	\$39,673.00
Judicial			
11101 - Municipal Court - Personal Services	\$138,960.00	\$130,284.00	\$123,798.00
11102 - Municipal Court - Equipment and Capital Outlay	\$5,791.00	-	\$10,147.00
11104 - Municipal Court - Contractual	\$4,394.00	\$3,921.00	\$6,369.00
Total for Judicial	\$149,145.00	\$134,205.00	\$140,314.00
Executive			
12201 - Supervisor - Personal Services	\$175,444.00	\$159,787.00	\$142,344.00
12202 - Supervisor - Equipment and Capital Outlay	-	-	\$316.00
12204 - Supervisor - Contractual	\$4,938.00	\$6,104.00	\$4,971.00
Total for Executive	\$180,382.00	\$165,891.00	\$147,631.00
Finance			
13204 - Auditor - Contractual	\$19,068.00	\$16,328.00	\$14,225.00
13401 - Budget - Personal Services	\$4,275.00	\$3,976.00	\$3,786.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
13551 - Assessment - Personal Services	\$40,946.00	\$46,830.00	\$47,249.00
13552 - Assessment - Equipment and Capital Outlay	\$2,681.00	-	\$321.00
13554 - Assessment - Contractual	\$1,082.00	\$1,548.00	\$3,534.00
13804 - Fiscal Agents Fees - Contractual	\$6,761.00	\$6,701.00	\$5,398.00
Total for Finance	\$74,813.00	\$75,383.00	\$74,513.00
Municipal Staff			
14101 - Clerk - Personal Services	\$122,837.00	\$111,960.00	\$106,536.00
14102 - Clerk - Equipment and Capital Outlay	\$485.00	\$238.00	\$806.00
14104 - Clerk - Contractual	\$2,761.00	\$2,129.00	\$2,335.00
14201 - Law - Personal Services	\$19,785.00	\$18,404.00	\$17,527.00
14204 - Law - Contractual	\$60,388.00	\$46,527.00	\$36,429.00
14304 - Personnel - Contractual	\$6,595.00	\$7,120.00	\$6,500.00
14404 - Engineer - Contractual	\$23,331.00	\$9,140.00	\$14,500.00
14602 - Records Management - Equipment and Capital Outlay	-	-	\$7,600.00
14604 - Records Management - Contractual	\$3,976.00	\$381.00	\$723.00
Total for Municipal Staff	\$240,158.00	\$195,899.00	\$192,956.00
Shared Services			
16201 - Operation of Plant - Personal Services	\$27,924.00	\$30,343.00	\$21,754.00
16202 - Operation of Plant - Equipment and Capital Outlay	\$1,418.00	\$38,183.00	\$43,387.00
16204 - Operation of Plant - Contractual	\$113,517.00	\$120,440.00	\$116,281.00
16502 - Central Communication System - Equipment and Capital Outlay	\$84.00	\$7,705.00	\$5,073.00
16504 - Central Communication System - Contractual	\$32,588.00	\$32,898.00	\$32,649.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
16702 - Central Printing and Mailing - Equipment and Capital Outlay	-	-	\$4,500.00
16704 - Central Printing and Mailing - Contractual	\$13,510.00	\$11,256.00	\$14,753.00
Total for Shared Services	\$189,041.00	\$240,825.00	\$238,397.00
Special Items			
19104 - Unallocated Insurance - Contractual	\$96,236.00	\$86,491.00	\$80,818.00
19204 - Municipal Association Dues - Contractual	\$4,195.00	\$4,145.00	\$4,160.00
19304 - Judgements and Claims - Contractual	\$508.00	\$1,483.00	\$274.00
19504 - Taxes and Assessments on Municipal Property - Contractual	\$4,402.00	\$4,728.00	\$4,016.00
19894 - General Government Support, Other - Contractual <i>Grant Writer</i>	\$22,800.00	\$21,600.00	\$18,000.00
Total for Special Items	\$128,141.00	\$118,447.00	\$107,268.00
Total for General Government Support	\$1,001,822.00	\$969,196.00	\$940,752.00
Public Safety			
Traffic Control			
33104 - Traffic Control - Contractual	\$3,786.00	\$4,523.00	\$5,278.00
Total for Traffic Control	\$3,786.00	\$4,523.00	\$5,278.00
Animal Control			
35101 - Dog Control - Personal Services	\$16,091.00	\$14,968.00	\$14,255.00
35102 - Dog Control - Equipment and Capital Outlay	-	\$562.00	-
35104 - Dog Control - Contractual	\$1,467.00	\$1,267.00	\$2,585.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Animal Control	\$17,558.00	\$16,797.00	\$16,840.00
Other Public Safety			
36201 - Safety Inspection - Personal Services	\$83,579.00	\$91,078.00	\$83,128.00
36202 - Safety Inspection - Equipment and Capital Outlay	\$1,938.00	\$774.00	\$290.00
36204 - Safety Inspection - Contractual	\$7,484.00	\$3,048.00	\$6,064.00
39894 - Public Safety, Other - Contractual	\$1,500.00	\$1,500.00	-
<i>Property Clean-up Charges to be put on Tax Roll</i>			
Total for Other Public Safety	\$94,501.00	\$96,400.00	\$89,482.00
Total for Public Safety	\$115,845.00	\$117,720.00	\$111,600.00
Transportation			
Highway			
50101 - Highway and Street Administration - Personal Services	\$104,779.00	\$100,004.00	\$94,634.00
50104 - Highway and Street Administration - Contractual	\$4,363.00	\$4,235.00	\$3,462.00
51324 - Garage - Contractual	\$25,430.00	\$24,982.00	\$23,630.00
51824 - Street Lighting - Contractual	\$28,761.00	\$36,581.00	\$26,062.00
Total for Highway	\$163,333.00	\$165,802.00	\$147,788.00
Total for Transportation	\$163,333.00	\$165,802.00	\$147,788.00
Economic Assistance and Opportunity			
Economic Opportunity and Development			
64104 - Publicity - Contractual	\$1,419.00	\$3,654.00	-
67721 - Programs for the Aging - Personal Services	\$37,575.00	\$35,041.00	\$30,711.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
67724 - Programs for the Aging - Contractual	\$8,364.00	\$8,160.00	\$11,498.00
Total for Economic Opportunity and Development	\$47,358.00	\$46,855.00	\$42,209.00
Total for Economic Assistance and Opportunity	\$47,358.00	\$46,855.00	\$42,209.00
Culture and Recreation			
Recreation			
71101 - Parks - Personal Services	\$119,963.00	\$112,310.00	\$106,272.00
71102 - Parks - Equipment and Capital Outlay	\$18,875.00	\$84,846.00	\$56,814.00
71104 - Parks - Contractual	\$23,204.00	\$22,790.00	\$20,249.00
72701 - Band Concerts - Personal Services	\$2,760.00	\$2,840.00	\$2,704.00
72704 - Band Concerts - Contractual	\$7,778.00	\$5,692.00	\$10,001.00
73104 - Youth Programs - Contractual	\$75,000.00	\$75,000.00	\$75,000.00
Total for Recreation	\$247,580.00	\$303,478.00	\$271,040.00
Culture			
75101 - Historian - Personal Services	\$4,335.00	\$4,032.00	\$3,840.00
75104 - Historian - Contractual	\$368.00	\$267.00	\$595.00
75202 - Historical Property - Equipment and Capital Outlay	\$4,635.00	\$2,810.00	-
75504 - Celebrations - Contractual	\$17,256.00	\$20,845.00	\$13,678.00
76204 - Adult Recreation - Contractual	\$26,783.00	\$28,842.00	\$31,193.00
79894 - Culture And Recreation, Other - Contractual <i>Library Agreement</i>	\$1,000.00	\$1,000.00	\$1,000.00
Total for Culture	\$54,377.00	\$57,796.00	\$50,306.00
Total for Culture and Recreation	\$301,957.00	\$361,274.00	\$321,346.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Home and Community Services			
General Environment			
80101 - Zoning - Personal Services	\$5,310.00	\$2,968.00	\$1,688.00
80104 - Zoning - Contractual	\$1,994.00	\$1,076.00	\$878.00
80201 - Planning and Surveys - Personal Services	\$1,065.00	\$1,748.00	\$1,835.00
80204 - Planning and Surveys - Contractual	\$6,090.00	\$7,408.00	\$10,042.00
Total for General Environment	\$14,459.00	\$13,200.00	\$14,443.00
Source of Power			
84102 - Electric and Power - Equipment and Capital Outlay	\$6,490.00	\$9,936.00	-
Total for Source of Power	\$6,490.00	\$9,936.00	\$0.00
Natural Resources			
87101 - Conservation - Personal Services	\$557.00	\$662.00	\$588.00
87104 - Conservation - Contractual	\$5,465.00	\$5,759.00	\$4,120.00
Total for Natural Resources	\$6,022.00	\$6,421.00	\$4,708.00
Special Services			
88101 - Cemetery - Personal Services	-	\$300.00	\$300.00
88104 - Cemetery - Contractual	\$300.00	\$900.00	-
89892 - Home and Community Services, Other - Equipment and Capital Outlay	-	\$90,941.00	-
89894 - Home and Community Services, Other - Contractual <i>Brush Collection - Town Wide</i>	\$74,469.00	\$76,493.00	\$78,127.00
Total for Special Services	\$74,769.00	\$168,634.00	\$78,427.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Home and Community Services	\$101,740.00	\$198,191.00	\$97,578.00
Employee Benefits			
Employee Benefits			
90108 - State Retirement System - Employee Benefits	\$120,420.00	\$102,641.00	\$85,286.00
90308 - Social Security - Employee Benefits	\$72,763.00	\$69,330.00	\$64,614.00
90408 - Workers' Compensation - Employee Benefits	\$18,497.00	\$17,592.00	\$17,796.00
90508 - Unemployment Insurance - Employee Benefits	\$5,084.00	\$12,567.00	\$6,403.00
90558 - Disability Insurance - Employee Benefits	\$643.00	\$538.00	\$828.00
90608 - Hospital, Medical and Dental Insurance - Employee Benefits	\$78,719.00	\$68,912.00	\$70,290.00
Total for Employee Benefits	\$296,126.00	\$271,580.00	\$245,217.00
Total for Employee Benefits	\$296,126.00	\$271,580.00	\$245,217.00
Debt Service			
Debt Service			
97106 - Serial Bonds - Debt Principal	\$45,000.00	\$45,000.00	\$45,000.00
97107 - Serial Bonds - Debt Interest	\$18,560.00	\$20,135.00	\$21,485.00
97886 - Leases - Debt Principal	\$4,523.00	\$4,367.00	\$4,436.00
97887 - Leases - Debt Interest	\$242.00	\$397.00	\$548.00
Total for Debt Service	\$68,325.00	\$69,899.00	\$71,469.00
Total for Debt Service	\$68,325.00	\$69,899.00	\$71,469.00
Total for Expenditures	\$2,096,506.00	\$2,200,517.00	\$1,977,959.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Other Uses			
Interfund Transfers			
Interfund Transfers			
99019 - Transfers to Other Funds - Interfund Transfer	-	\$134,624.00	-
99509 - Transfers to Capital Projects Fund - Interfund Transfer	\$487,980.00	\$196,939.00	\$393,144.00
Total for Interfund Transfers	\$487,980.00	\$331,563.00	\$393,144.00
Total for Interfund Transfers	\$487,980.00	\$331,563.00	\$393,144.00
Total for Other Uses	\$487,980.00	\$331,563.00	\$393,144.00
Total for Expenditures and Other Uses	\$2,584,486.00	\$2,532,080.00	\$2,371,103.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$2,552,204.00	\$2,939,496.00	\$3,044,414.00
8015 - Prior Period Adjustment OR Change in Accounting Principle - Decrease in Fund Balance	-	\$121.00	-
8022 - Restated Fund Balance - Beginning of Year	\$2,552,204.00	\$2,939,375.00	\$3,044,414.00
Add Revenues and Other Sources	\$2,165,751.00	\$2,144,909.00	\$2,266,185.00
Deduct Expenditures and Other Uses	\$2,584,486.00	\$2,532,080.00	\$2,371,103.00
8029 - Fund Balance - End of Year	\$2,133,469.00	\$2,552,204.00	\$2,939,496.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Adopted Budget Summary**

	12/31/2026	12/31/2025	12/31/2024
Estimated Revenues and Other Sources			
Estimated Revenue			
1049 - Est Rev - Property Taxes	\$143,692.00	\$141,964.00	\$141,559.00
1099 - Est Rev - Property Tax Items	\$27,446.00	\$35,717.00	\$15,341.00
1199 - Est Rev - Non-Property Tax Items	\$1,145,000.00	\$1,095,000.00	\$1,085,000.00
2199 - Est Rev - Departmental Income	\$16,000.00	\$14,000.00	\$14,800.00
2499 - Est Rev - Use of Money and Property	\$174,464.00	\$174,464.00	\$110,994.00
2599 - Est Rev - Licenses and Permits	\$67,000.00	\$41,500.00	\$31,400.00
2649 - Est Rev - Fines and Forfeitures	\$175,000.00	\$175,000.00	\$175,000.00
3099 - Est Rev - State Aid	\$317,154.00	\$234,689.00	\$234,689.00
Total for Estimated Revenue	\$2,065,756.00	\$1,912,334.00	\$1,808,783.00
Estimated Other Sources			
599 - Appropriated Fund Balance	\$560,702.00	\$509,330.00	\$399,467.00
Total for Estimated Other Sources	\$560,702.00	\$509,330.00	\$399,467.00
Total for Estimated Revenues and Other Sources	\$2,626,458.00	\$2,421,664.00	\$2,208,250.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**A - General
Adopted Budget Summary**

	12/31/2026	12/31/2025	12/31/2024
Estimated Appropriations and Other Uses			
Estimated Appropriations			
1999 - App - General Government Support	\$1,273,102.00	\$1,139,105.00	\$1,108,564.00
3999 - App - Public Safety	\$212,615.00	\$194,085.00	\$125,760.00
5999 - App - Transportation	\$171,495.00	\$161,263.00	\$156,293.00
6999 - App - Economic Assistance and Opportunity	\$53,383.00	\$51,965.00	\$48,785.00
7999 - App - Culture and Recreation	\$354,294.00	\$341,181.00	\$307,284.00
8999 - App - Home and Community Services	\$108,159.00	\$113,505.00	\$115,429.00
9199 - App - Employee Benefits	\$347,000.00	\$327,000.00	\$281,000.00
9899 - App - Debt Service	\$106,410.00	\$93,560.00	\$65,135.00
Total for Estimated Appropriations	\$2,626,458.00	\$2,421,664.00	\$2,208,250.00
Total for Estimated Appropriations and Other Uses	\$2,626,458.00	\$2,421,664.00	\$2,208,250.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$432,902.00	\$716,097.00	\$514,445.00
Total for Cash and Cash Equivalents	\$432,902.00	\$716,097.00	\$514,445.00
Investments			
450 - Investments in Securities	\$606,511.00	\$422,372.00	\$361,799.00
Total for Investments	\$606,511.00	\$422,372.00	\$361,799.00
Restricted Investments			
452 - Investments in Securities Special Reserves	\$330,743.00	\$317,538.00	\$301,944.00
Total for Restricted Investments	\$330,743.00	\$317,538.00	\$301,944.00
Due From			
440 - Due from Other Governments <i>Brush Collection - Paid by General Fund</i>	\$74,693.00	\$77,312.00	\$98,336.00
Total for Due From	\$74,693.00	\$77,312.00	\$98,336.00
Other Assets			
480 - Prepaid Expenses	\$18,229.00	\$15,042.00	\$12,609.00
Total for Other Assets	\$18,229.00	\$15,042.00	\$12,609.00
Total for Assets	\$1,463,078.00	\$1,548,361.00	\$1,289,133.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Total for Assets and Deferred Outflows	\$1,463,078.00	\$1,548,361.00	\$1,289,133.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$47,362.00	\$117,611.00	\$30,397.00
601 - Accrued Liabilities	\$28,554.00	\$21,485.00	\$13,289.00
Total for Payables	\$75,916.00	\$139,096.00	\$43,686.00
Total for Liabilities	\$75,916.00	\$139,096.00	\$43,686.00
Fund Balance			
Nonspendable Fund Balance			
806 - Not In Spendable Form	\$18,229.00	\$15,042.00	\$12,609.00
Total for Nonspendable Fund Balance	\$18,229.00	\$15,042.00	\$12,609.00
Restricted Fund Balance			
878 - Capital Reserve	\$330,743.00	\$317,538.00	\$301,944.00
Total for Restricted Fund Balance	\$330,743.00	\$317,538.00	\$301,944.00
Assigned Fund Balance			
914 - Assigned Appropriated Fund Balance	\$262,380.00	\$153,433.00	\$173,949.00
915 - Assigned Unappropriated Fund Balance	\$775,810.00	\$923,252.00	\$756,945.00
Total for Assigned Fund Balance	\$1,038,190.00	\$1,076,685.00	\$930,894.00
Total for Fund Balance	\$1,387,162.00	\$1,409,265.00	\$1,245,447.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Total for Liabilities, Deferred Inflows and Fund Balances	\$1,463,078.00	\$1,548,361.00	\$1,289,133.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$866,573.00	\$864,103.00	\$853,332.00
Total for Property Taxes	\$866,573.00	\$864,103.00	\$853,332.00
Non-Property Tax Items			
1120 - Non Property Tax Distribution by County	\$275,000.00	\$275,000.00	\$275,000.00
Total for Non-Property Tax Items	\$275,000.00	\$275,000.00	\$275,000.00
Departmental Income			
2801 - Interfund Revenues	\$74,469.00	\$76,493.00	\$78,127.00
Total for Departmental Income	\$74,469.00	\$76,493.00	\$78,127.00
Use of Money and Property			
2401 - Interest and Earnings	\$60,400.00	\$70,426.00	\$49,299.00
Total for Use of Money and Property	\$60,400.00	\$70,426.00	\$49,299.00
Sales of Property and Compensation for Loss			
2650 - Sales of Scrap and Excess Materials	-	\$685.00	-
2665 - Sales of Equipment	\$18,200.00	-	\$72,200.00
Total for Sales of Property and Compensation for Loss	\$18,200.00	\$685.00	\$72,200.00
Other Revenues			

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
2701 - Refunds of Prior Year Expenditures	\$206.00	-	-
2770 - Unclassified <i>Fuel Reimbursements</i>	\$95.00	\$1,571.00	\$1,841.00
Total for Other Revenues	\$301.00	\$1,571.00	\$1,841.00
State Aid			
3501 - State Aid Consolidated Highway Aid	\$148,447.00	\$171,166.00	\$163,599.00
Total for State Aid	\$148,447.00	\$171,166.00	\$163,599.00
Total for Revenues	\$1,443,390.00	\$1,459,444.00	\$1,493,398.00
Total for Revenues and Other Sources	\$1,443,390.00	\$1,459,444.00	\$1,493,398.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19304 - Judgements and Claims - Contractual	\$30.00	-	\$51.00
Total for Special Items	\$30.00	\$0.00	\$51.00
Total for General Government Support	\$30.00	\$0.00	\$51.00
Transportation			
Highway			
51101 - Maintenance of Roads - Personal Services	\$275,535.00	\$304,366.00	\$220,777.00
51104 - Maintenance of Roads - Contractual	\$265,310.00	\$206,352.00	\$262,709.00
51122 - Permanent Improvements Highway - Equipment and Capital Outlay	\$148,447.00	\$171,166.00	\$163,599.00
51302 - Machinery - Equipment and Capital Outlay	\$173,201.00	\$70,253.00	\$56,814.00
51304 - Machinery - Contractual	\$62,828.00	\$60,872.00	\$69,560.00
51401 - Brush And Weeds - Personal Services	\$31,003.00	\$31,643.00	\$37,560.00
51404 - Brush And Weeds - Contractual	-	\$6,000.00	\$1,939.00
51421 - Snow Removal - Personal Services	\$174,245.00	\$146,820.00	\$149,819.00
51424 - Snow Removal - Contractual	\$109,743.00	\$99,644.00	\$64,805.00
Total for Highway	\$1,240,312.00	\$1,097,116.00	\$1,027,582.00
Total for Transportation	\$1,240,312.00	\$1,097,116.00	\$1,027,582.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Employee Benefits			
Employee Benefits			
90108 - State Retirement System - Employee Benefits	\$69,730.00	\$57,736.00	\$48,421.00
90308 - Social Security - Employee Benefits	\$36,525.00	\$36,318.00	\$30,646.00
90408 - Workers' Compensation - Employee Benefits	\$38,343.00	\$37,134.00	\$37,222.00
90508 - Unemployment Insurance - Employee Benefits	\$4,210.00	-	-
90608 - Hospital, Medical and Dental Insurance - Employee Benefits	\$76,343.00	\$67,322.00	\$71,800.00
Total for Employee Benefits	\$225,151.00	\$198,510.00	\$188,089.00
Total for Employee Benefits	\$225,151.00	\$198,510.00	\$188,089.00
Total for Expenditures	\$1,465,493.00	\$1,295,626.00	\$1,215,722.00
Total for Expenditures and Other Uses	\$1,465,493.00	\$1,295,626.00	\$1,215,722.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$1,409,265.00	\$1,245,447.00	\$967,771.00
8022 - Restated Fund Balance - Beginning of Year	\$1,409,265.00	\$1,245,447.00	\$967,771.00
Add Revenues and Other Sources	\$1,443,390.00	\$1,459,444.00	\$1,493,398.00
Deduct Expenditures and Other Uses	\$1,465,493.00	\$1,295,626.00	\$1,215,722.00
8029 - Fund Balance - End of Year	\$1,387,162.00	\$1,409,265.00	\$1,245,447.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Adopted Budget Summary**

	12/31/2026	12/31/2025	12/31/2024
Estimated Revenues and Other Sources			
Estimated Revenue			
1049 - Est Rev - Property Taxes	\$877,124.00	\$866,573.00	\$864,103.00
1199 - Est Rev - Non-Property Tax Items	\$225,000.00	\$275,000.00	\$275,000.00
2499 - Est Rev - Use of Money and Property	\$65,000.00	\$50,000.00	\$8,000.00
2799 - Est Rev - Other Revenues	-	\$1,500.00	\$1,500.00
2899 - Est Rev - Interfund Revenues	\$71,000.00	\$71,000.00	\$65,000.00
3099 - Est Rev - State Aid	\$205,435.00	\$193,295.00	\$193,346.00
Total for Estimated Revenue	\$1,443,559.00	\$1,457,368.00	\$1,406,949.00
Estimated Other Sources			
599 - Appropriated Fund Balance	\$262,380.00	\$153,433.00	\$173,949.00
Total for Estimated Other Sources	\$262,380.00	\$153,433.00	\$173,949.00
Total for Estimated Revenues and Other Sources	\$1,705,939.00	\$1,610,801.00	\$1,580,898.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**DA - Highway Town-wide
Adopted Budget Summary**

	12/31/2026	12/31/2025	12/31/2024
Estimated Appropriations and Other Uses			
Estimated Appropriations			
5999 - App - Transportation	\$1,459,939.00	\$1,378,801.00	\$1,362,898.00
9199 - App - Employee Benefits	\$246,000.00	\$232,000.00	\$218,000.00
Total for Estimated Appropriations	\$1,705,939.00	\$1,610,801.00	\$1,580,898.00
Total for Estimated Appropriations and Other Uses	\$1,705,939.00	\$1,610,801.00	\$1,580,898.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$348,407.00	\$1,664,019.00	\$433,062.00
Total for Cash and Cash Equivalents	\$348,407.00	\$1,664,019.00	\$433,062.00
Investments			
450 - Investments in Securities	\$488,131.00	\$981,481.00	-
Total for Investments	\$488,131.00	\$981,481.00	\$0.00
Due From			
410 - Due from State and Federal Government	-	-	\$14,429.00
Total for Due From	\$0.00	\$0.00	\$14,429.00
Total for Assets	\$836,538.00	\$2,645,500.00	\$447,491.00
Total for Assets and Deferred Outflows	\$836,538.00	\$2,645,500.00	\$447,491.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$31,607.00	\$6,816.00	\$19,907.00
Total for Payables	\$31,607.00	\$6,816.00	\$19,907.00
Due to			
630 - Due To Other Funds	\$28,896.00	-	\$250,000.00
Total for Due to	\$28,896.00	\$0.00	\$250,000.00
Notes Payable			
626 - Bond Anticipation Notes Payable	\$3,721,000.00	\$3,758,000.00	\$1,013,790.00
Total for Notes Payable	\$3,721,000.00	\$3,758,000.00	\$1,013,790.00
Total for Liabilities	\$3,781,503.00	\$3,764,816.00	\$1,283,697.00
Fund Balance			
Unassigned Fund Balance			
917 - Unassigned Fund Balance	(\$2,944,965.00)	(\$1,119,316.00)	(\$836,206.00)
Total for Unassigned Fund Balance	(\$2,944,965.00)	(\$1,119,316.00)	(\$836,206.00)
Total for Fund Balance	(\$2,944,965.00)	(\$1,119,316.00)	(\$836,206.00)
Total for Liabilities, Deferred Inflows and Fund Balances	\$836,538.00	\$2,645,500.00	\$447,491.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Use of Money and Property			
2401 - Interest and Earnings	\$71,959.00	\$36,199.00	\$26,534.00
Total for Use of Money and Property	\$71,959.00	\$36,199.00	\$26,534.00
Other Revenues			
2710 - Premium on Obligations	-	-	\$2,706.00
Total for Other Revenues	\$0.00	\$0.00	\$2,706.00
State Aid			
3097 - State Aid Capital Projects	\$11,824.00	\$46,747.00	\$4,429.00
Total for State Aid	\$11,824.00	\$46,747.00	\$4,429.00
Total for Revenues	\$83,783.00	\$82,946.00	\$33,669.00
Other Sources			
Operating Transfers			
5031 - Interfund Transfers	\$487,979.00	\$196,939.00	\$393,144.00
Total for Operating Transfers	\$487,979.00	\$196,939.00	\$393,144.00
Proceeds of Obligations			
5731 - BANS Redeemed from Appropriations	\$37,000.00	\$26,790.00	-

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Proceeds of Obligations	\$37,000.00	\$26,790.00	\$0.00
Total for Other Sources	\$524,979.00	\$223,729.00	\$393,144.00
Total for Revenues and Other Sources	\$608,762.00	\$306,675.00	\$426,813.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Municipal Staff			
14402 - Engineer - Equipment and Capital Outlay	\$38,105.00	-	-
Total for Municipal Staff	\$38,105.00	\$0.00	\$0.00
Shared Services			
16202 - Operation of Plant - Equipment and Capital Outlay	\$155,919.00	\$252,048.00	\$32,400.00
Total for Shared Services	\$155,919.00	\$252,048.00	\$32,400.00
Total for General Government Support	\$194,024.00	\$252,048.00	\$32,400.00
Culture and Recreation			
Recreation			
71102 - Parks - Equipment and Capital Outlay	-	\$23,659.00	\$264,512.00
Total for Recreation	\$0.00	\$23,659.00	\$264,512.00
Total for Culture and Recreation	\$0.00	\$23,659.00	\$264,512.00
Home and Community Services			
General Environment			
80202 - Planning and Surveys - Equipment and Capital Outlay	\$2,740.00	\$62,991.00	\$29,139.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for General Environment	\$2,740.00	\$62,991.00	\$29,139.00
Water			
83402 - Water Transportation and Distribution - Equipment and Capital Outlay	\$2,237,647.00	\$231,561.00	\$727,050.00
Total for Water	\$2,237,647.00	\$231,561.00	\$727,050.00
Total for Home and Community Services	\$2,240,387.00	\$294,552.00	\$756,189.00
Debt Service			
Debt Service			
97957 - Interfund Loans - Debt Interest	-	\$16,820.00	-
Total for Debt Service	\$0.00	\$16,820.00	\$0.00
Total for Debt Service	\$0.00	\$16,820.00	\$0.00
Total for Expenditures	\$2,434,411.00	\$587,079.00	\$1,053,101.00
Other Uses			
Interfund Transfers			
Interfund Transfers			
99019 - Transfers to Other Funds - Interfund Transfer	-	\$2,706.00	-
Total for Interfund Transfers	\$0.00	\$2,706.00	\$0.00
Total for Interfund Transfers	\$0.00	\$2,706.00	\$0.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Other Uses	\$0.00	\$2,706.00	\$0.00
Total for Expenditures and Other Uses	\$2,434,411.00	\$589,785.00	\$1,053,101.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**H - Capital Projects
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	(\$1,119,316.00)	(\$836,206.00)	(\$209,918.00)
8022 - Restated Fund Balance - Beginning of Year	(\$1,119,316.00)	(\$836,206.00)	(\$209,918.00)
Add Revenues and Other Sources	\$608,762.00	\$306,675.00	\$426,813.00
Deduct Expenditures and Other Uses	\$2,434,411.00	\$589,785.00	\$1,053,101.00
8029 - Fund Balance - End of Year	(\$2,944,965.00)	(\$1,119,316.00)	(\$836,206.00)

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SF - Special District(s) Fire Protection
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$79,834.00	\$111,714.00	\$123,162.00
Total for Cash and Cash Equivalents	\$79,834.00	\$111,714.00	\$123,162.00
Investments			
450 - Investments in Securities	\$111,850.00	\$65,892.00	\$86,617.00
Total for Investments	\$111,850.00	\$65,892.00	\$86,617.00
Restricted Investments			
461 - Service Award Program Assets	\$2,824,524.00	\$2,601,939.00	\$2,390,755.00
Total for Restricted Investments	\$2,824,524.00	\$2,601,939.00	\$2,390,755.00
Total for Assets	\$3,016,208.00	\$2,779,545.00	\$2,600,534.00
Total for Assets and Deferred Outflows	\$3,016,208.00	\$2,779,545.00	\$2,600,534.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SF - Special District(s) Fire Protection
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$25,197.00	\$130.00	\$2,541.00
Total for Payables	\$25,197.00	\$130.00	\$2,541.00
Total for Liabilities	\$25,197.00	\$130.00	\$2,541.00
Fund Balance			
Restricted Fund Balance			
895 - Restricted for Service Award Program	\$2,824,524.00	\$2,601,939.00	\$2,390,755.00
Total for Restricted Fund Balance	\$2,824,524.00	\$2,601,939.00	\$2,390,755.00
Assigned Fund Balance			
914 - Assigned Appropriated Fund Balance	-	\$26,773.00	\$37,986.00
915 - Assigned Unappropriated Fund Balance	\$166,487.00	\$150,703.00	\$169,252.00
Total for Assigned Fund Balance	\$166,487.00	\$177,476.00	\$207,238.00
Total for Fund Balance	\$2,991,011.00	\$2,779,415.00	\$2,597,993.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$3,016,208.00	\$2,779,545.00	\$2,600,534.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SF - Special District(s) Fire Protection
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$851,345.00	\$809,049.00	\$801,039.00
Total for Property Taxes	\$851,345.00	\$809,049.00	\$801,039.00
Non-Property Tax Items			
1120 - Non Property Tax Distribution by County	\$180,000.00	\$150,000.00	\$100,000.00
Total for Non-Property Tax Items	\$180,000.00	\$150,000.00	\$100,000.00
Use of Money and Property			
2401 - Interest and Earnings	\$344,887.00	\$210,177.00	\$250,941.00
Total for Use of Money and Property	\$344,887.00	\$210,177.00	\$250,941.00
Total for Revenues	\$1,376,232.00	\$1,169,226.00	\$1,151,980.00
Other Sources			
Operating Transfers			
5031 - Interfund Transfers	-	\$134,624.00	-
Total for Operating Transfers	\$0.00	\$134,624.00	\$0.00
Total for Other Sources	\$0.00	\$134,624.00	\$0.00
Total for Revenues and Other Sources	\$1,376,232.00	\$1,303,850.00	\$1,151,980.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SF - Special District(s) Fire Protection
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19304 - Judgements and Claims - Contractual	\$27.00	-	\$37.00
Total for Special Items	\$27.00	\$0.00	\$37.00
Total for General Government Support	\$27.00	\$0.00	\$37.00
Public Safety			
Fire Protection			
34104 - Fire Protection - Contractual	\$714,617.00	\$689,240.00	\$666,666.00
Total for Fire Protection	\$714,617.00	\$689,240.00	\$666,666.00
Total for Public Safety	\$714,617.00	\$689,240.00	\$666,666.00
Employee Benefits			
Employee Benefits			
90254 - Local Pension Fund - Contractual	\$30,310.00	\$26,881.00	\$27,606.00
90258 - Local Pension Fund - Employee Benefits	\$407,836.00	\$392,287.00	\$421,270.00
90408 - Workers' Compensation - Employee Benefits	\$11,846.00	\$14,020.00	\$14,036.00
Total for Employee Benefits	\$449,992.00	\$433,188.00	\$462,912.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SF - Special District(s) Fire Protection
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Employee Benefits	\$449,992.00	\$433,188.00	\$462,912.00
Total for Expenditures	\$1,164,636.00	\$1,122,428.00	\$1,129,615.00
Total for Expenditures and Other Uses	\$1,164,636.00	\$1,122,428.00	\$1,129,615.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SF - Special District(s) Fire Protection
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$2,779,415.00	\$2,597,993.00	\$2,575,628.00
8022 - Restated Fund Balance - Beginning of Year	\$2,779,415.00	\$2,597,993.00	\$2,575,628.00
Add Revenues and Other Sources	\$1,376,232.00	\$1,303,850.00	\$1,151,980.00
Deduct Expenditures and Other Uses	\$1,164,636.00	\$1,122,428.00	\$1,129,615.00
8029 - Fund Balance - End of Year	\$2,991,011.00	\$2,779,415.00	\$2,597,993.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SL - Special District(s) Lighting
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$4,877.00	\$10,040.00	\$13,958.00
Total for Cash and Cash Equivalents	\$4,877.00	\$10,040.00	\$13,958.00
Investments			
450 - Investments in Securities	\$6,832.00	\$5,922.00	\$9,816.00
Total for Investments	\$6,832.00	\$5,922.00	\$9,816.00
Total for Assets	\$11,709.00	\$15,962.00	\$23,774.00
Total for Assets and Deferred Outflows	\$11,709.00	\$15,962.00	\$23,774.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SL - Special District(s) Lighting
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$2,462.00	\$1,478.00	\$3,370.00
Total for Payables	\$2,462.00	\$1,478.00	\$3,370.00
Total for Liabilities	\$2,462.00	\$1,478.00	\$3,370.00
Fund Balance			
Assigned Fund Balance			
914 - Assigned Appropriated Fund Balance	\$1,377.00	\$3,673.00	\$2,683.00
915 - Assigned Unappropriated Fund Balance	\$7,870.00	\$10,811.00	\$17,721.00
Total for Assigned Fund Balance	\$9,247.00	\$14,484.00	\$20,404.00
Total for Fund Balance	\$9,247.00	\$14,484.00	\$20,404.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$11,709.00	\$15,962.00	\$23,774.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SL - Special District(s) Lighting
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$13,527.00	\$11,268.00	\$14,001.00
Total for Property Taxes	\$13,527.00	\$11,268.00	\$14,001.00
Use of Money and Property			
2401 - Interest and Earnings	\$609.00	\$925.00	\$884.00
Total for Use of Money and Property	\$609.00	\$925.00	\$884.00
Total for Revenues	\$14,136.00	\$12,193.00	\$14,885.00
Total for Revenues and Other Sources	\$14,136.00	\$12,193.00	\$14,885.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SL - Special District(s) Lighting
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
Transportation			
Highway			
51824 - Street Lighting - Contractual	\$19,373.00	\$18,113.00	\$15,885.00
Total for Highway	\$19,373.00	\$18,113.00	\$15,885.00
Total for Transportation	\$19,373.00	\$18,113.00	\$15,885.00
Total for Expenditures	\$19,373.00	\$18,113.00	\$15,885.00
Total for Expenditures and Other Uses	\$19,373.00	\$18,113.00	\$15,885.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SL - Special District(s) Lighting
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$14,484.00	\$20,404.00	\$21,404.00
8022 - Restated Fund Balance - Beginning of Year	\$14,484.00	\$20,404.00	\$21,404.00
Add Revenues and Other Sources	\$14,136.00	\$12,193.00	\$14,885.00
Deduct Expenditures and Other Uses	\$19,373.00	\$18,113.00	\$15,885.00
8029 - Fund Balance - End of Year	\$9,247.00	\$14,484.00	\$20,404.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SM - Special District(s) Miscellaneous
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$67,778.00	\$57,598.00	\$41,309.00
Total for Cash and Cash Equivalents	\$67,778.00	\$57,598.00	\$41,309.00
Investments			
450 - Investments in Securities	\$94,960.00	\$33,973.00	\$29,052.00
Total for Investments	\$94,960.00	\$33,973.00	\$29,052.00
Restricted Investments			
452 - Investments in Securities Special Reserves	\$144,860.00	\$139,076.00	\$227,461.00
461 - Service Award Program Assets	\$728,827.00	\$691,188.00	\$646,058.00
Total for Restricted Investments	\$873,687.00	\$830,264.00	\$873,519.00
Total for Assets	\$1,036,425.00	\$921,835.00	\$943,880.00
Total for Assets and Deferred Outflows	\$1,036,425.00	\$921,835.00	\$943,880.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SM - Special District(s) Miscellaneous
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$14,573.00	\$1,455.00	\$1,616.00
Total for Payables	\$14,573.00	\$1,455.00	\$1,616.00
Total for Liabilities	\$14,573.00	\$1,455.00	\$1,616.00
Fund Balance			
Restricted Fund Balance			
878 - Capital Reserve	\$144,860.00	\$139,076.00	\$227,461.00
895 - Restricted for Service Award Program	\$728,827.00	\$691,188.00	\$646,058.00
Total for Restricted Fund Balance	\$873,687.00	\$830,264.00	\$873,519.00
Assigned Fund Balance			
915 - Assigned Unappropriated Fund Balance	\$148,165.00	\$90,116.00	\$68,745.00
Total for Assigned Fund Balance	\$148,165.00	\$90,116.00	\$68,745.00
Total for Fund Balance	\$1,021,852.00	\$920,380.00	\$942,264.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$1,036,425.00	\$921,835.00	\$943,880.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

**SM - Special District(s) Miscellaneous
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$102,222.00	\$101,999.00	\$100,987.00
Total for Property Taxes	\$102,222.00	\$101,999.00	\$100,987.00
Intergovernmental Charges			
2389 - Miscellaneous Revenue Other Governments <i>Sales Tax Distribution by County</i>	\$70,000.00	\$90,000.00	\$80,000.00
Total for Intergovernmental Charges	\$70,000.00	\$90,000.00	\$80,000.00
Use of Money and Property			
2401 - Interest and Earnings	\$86,340.00	\$95,915.00	\$92,990.00
Total for Use of Money and Property	\$86,340.00	\$95,915.00	\$92,990.00
Total for Revenues	\$258,562.00	\$287,914.00	\$273,977.00
Total for Revenues and Other Sources	\$258,562.00	\$287,914.00	\$273,977.00

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**SM - Special District(s) Miscellaneous
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19304 - Judgements and Claims - Contractual	\$4.00	-	-
Total for Special Items	\$4.00	\$0.00	\$0.00
Total for General Government Support	\$4.00	\$0.00	\$0.00
Health			
Other Health			
45402 - Ambulance - Equipment and Capital Outlay	-	\$135,549.00	-
45404 - Ambulance - Contractual	\$108,140.00	\$107,407.00	\$97,754.00
Total for Other Health	\$108,140.00	\$242,956.00	\$97,754.00
Total for Health	\$108,140.00	\$242,956.00	\$97,754.00
Employee Benefits			
Employee Benefits			
90254 - Local Pension Fund - Contractual	\$4,542.00	\$4,600.00	\$4,538.00
90258 - Local Pension Fund - Employee Benefits	\$39,498.00	\$42,990.00	\$30,915.00
90408 - Workers' Compensation - Employee Benefits	\$4,906.00	\$4,841.00	\$4,841.00

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**SM - Special District(s) Miscellaneous
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Employee Benefits	\$48,946.00	\$52,431.00	\$40,294.00
Total for Employee Benefits	\$48,946.00	\$52,431.00	\$40,294.00
Debt Service			
Debt Service			
97856 - Installment Purchase Debt - Debt Principal	-	\$13,916.00	\$13,452.00
97857 - Installment Purchase Debt - Debt Interest	-	\$495.00	\$971.00
Total for Debt Service	\$0.00	\$14,411.00	\$14,423.00
Total for Debt Service	\$0.00	\$14,411.00	\$14,423.00
Total for Expenditures	\$157,090.00	\$309,798.00	\$152,471.00
Total for Expenditures and Other Uses	\$157,090.00	\$309,798.00	\$152,471.00

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**SM - Special District(s) Miscellaneous
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$920,380.00	\$942,264.00	\$820,758.00
8022 - Restated Fund Balance - Beginning of Year	\$920,380.00	\$942,264.00	\$820,758.00
Add Revenues and Other Sources	\$258,562.00	\$287,914.00	\$273,977.00
Deduct Expenditures and Other Uses	\$157,090.00	\$309,798.00	\$152,471.00
8029 - Fund Balance - End of Year	\$1,021,852.00	\$920,380.00	\$942,264.00

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**SR - Special District(s) Refuse and Garbage
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$132,991.00	\$223,806.00	\$166,241.00
Total for Cash and Cash Equivalents	\$132,991.00	\$223,806.00	\$166,241.00
Investments			
450 - Investments in Securities	\$186,326.00	\$132,007.00	\$116,914.00
Total for Investments	\$186,326.00	\$132,007.00	\$116,914.00
Due From			
440 - Due from Other Governments Clerk Fees	\$1,674.00	\$211.00	\$544.00
Total for Due From	\$1,674.00	\$211.00	\$544.00
Total for Assets	\$320,991.00	\$356,024.00	\$283,699.00
Total for Assets and Deferred Outflows	\$320,991.00	\$356,024.00	\$283,699.00

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**SR - Special District(s) Refuse and Garbage
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$82,907.00	\$155,282.00	\$148,486.00
Total for Payables	\$82,907.00	\$155,282.00	\$148,486.00
Total for Liabilities	\$82,907.00	\$155,282.00	\$148,486.00
Fund Balance			
Assigned Fund Balance			
915 - Assigned Unappropriated Fund Balance	\$238,084.00	\$200,742.00	\$135,213.00
Total for Assigned Fund Balance	\$238,084.00	\$200,742.00	\$135,213.00
Total for Fund Balance	\$238,084.00	\$200,742.00	\$135,213.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$320,991.00	\$356,024.00	\$283,699.00

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**SR - Special District(s) Refuse and Garbage
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$967,454.00	\$943,773.00	\$846,727.00
Total for Property Taxes	\$967,454.00	\$943,773.00	\$846,727.00
Departmental Income			
2130 - Refuse and Garbage Charges	\$14,287.00	\$3,400.00	\$4,340.00
Total for Departmental Income	\$14,287.00	\$3,400.00	\$4,340.00
Use of Money and Property			
2401 - Interest and Earnings	\$21,178.00	\$23,066.00	\$16,130.00
Total for Use of Money and Property	\$21,178.00	\$23,066.00	\$16,130.00
Total for Revenues	\$1,002,919.00	\$970,239.00	\$867,197.00
Total for Revenues and Other Sources	\$1,002,919.00	\$970,239.00	\$867,197.00

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**SR - Special District(s) Refuse and Garbage
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
Home and Community Services			
Sanitation			
81604 - Refuse and Garbage - Contractual	\$965,577.00	\$904,710.00	\$876,611.00
Total for Sanitation	\$965,577.00	\$904,710.00	\$876,611.00
Total for Home and Community Services	\$965,577.00	\$904,710.00	\$876,611.00
Total for Expenditures	\$965,577.00	\$904,710.00	\$876,611.00
Total for Expenditures and Other Uses	\$965,577.00	\$904,710.00	\$876,611.00

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**SR - Special District(s) Refuse and Garbage
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$200,742.00	\$135,213.00	\$144,627.00
8022 - Restated Fund Balance - Beginning of Year	\$200,742.00	\$135,213.00	\$144,627.00
Add Revenues and Other Sources	\$1,002,919.00	\$970,239.00	\$867,197.00
Deduct Expenditures and Other Uses	\$965,577.00	\$904,710.00	\$876,611.00
8029 - Fund Balance - End of Year	\$238,084.00	\$200,742.00	\$135,213.00

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**SW - Special District(s) Water
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$333,313.00	\$477,955.00	\$415,768.00
Total for Cash and Cash Equivalents	\$333,313.00	\$477,955.00	\$415,768.00
Investments			
450 - Investments in Securities	\$466,983.00	\$281,910.00	\$292,401.00
Total for Investments	\$466,983.00	\$281,910.00	\$292,401.00
Restricted Investments			
452 - Investments in Securities Special Reserves	\$403,772.00	\$387,651.00	\$368,614.00
Total for Restricted Investments	\$403,772.00	\$387,651.00	\$368,614.00
Total for Assets	\$1,204,068.00	\$1,147,516.00	\$1,076,783.00
Total for Assets and Deferred Outflows	\$1,204,068.00	\$1,147,516.00	\$1,076,783.00

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**SW - Special District(s) Water
Balance Sheet**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Fund Balances			
Liabilities			
Payables			
600 - Accounts Payable	\$64,032.00	\$9,764.00	\$90,546.00
Total for Payables	\$64,032.00	\$9,764.00	\$90,546.00
Total for Liabilities	\$64,032.00	\$9,764.00	\$90,546.00
Fund Balance			
Restricted Fund Balance			
884 - Reserve For Debt	\$403,772.00	\$387,651.00	\$368,614.00
Total for Restricted Fund Balance	\$403,772.00	\$387,651.00	\$368,614.00
Assigned Fund Balance			
914 - Assigned Appropriated Fund Balance	-	\$68,788.00	\$14,715.00
915 - Assigned Unappropriated Fund Balance	\$736,264.00	\$681,313.00	\$602,908.00
Total for Assigned Fund Balance	\$736,264.00	\$750,101.00	\$617,623.00
Total for Fund Balance	\$1,140,036.00	\$1,137,752.00	\$986,237.00
Total for Liabilities, Deferred Inflows and Fund Balances	\$1,204,068.00	\$1,147,516.00	\$1,076,783.00

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**SW - Special District(s) Water
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Property Taxes			
1001 - Real Property Taxes	\$492,071.00	\$473,401.00	\$470,487.00
Total for Property Taxes	\$492,071.00	\$473,401.00	\$470,487.00
Use of Money and Property			
2401 - Interest and Earnings	\$47,529.00	\$54,585.00	\$41,311.00
Total for Use of Money and Property	\$47,529.00	\$54,585.00	\$41,311.00
Sales of Property and Compensation for Loss			
2660 - Sales of Real Property	\$1,673.00	-	-
Total for Sales of Property and Compensation for Loss	\$1,673.00	\$0.00	\$0.00
Total for Revenues	\$541,273.00	\$527,986.00	\$511,798.00
Other Sources			
Operating Transfers			
5050 - Interfund Transfer for Debt Services	-	\$2,706.00	-
Total for Operating Transfers	\$0.00	\$2,706.00	\$0.00
Total for Other Sources	\$0.00	\$2,706.00	\$0.00
Total for Revenues and Other Sources	\$541,273.00	\$530,692.00	\$511,798.00

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**SW - Special District(s) Water
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19304 - Judgements and Claims - Contractual	\$8.00	-	-
Total for Special Items	\$8.00	\$0.00	\$0.00
Total for General Government Support	\$8.00	\$0.00	\$0.00
Home and Community Services			
Water			
83404 - Water Transportation and Distribution - Contractual	\$126,091.00	\$70,429.00	\$153,859.00
Total for Water	\$126,091.00	\$70,429.00	\$153,859.00
Total for Home and Community Services	\$126,091.00	\$70,429.00	\$153,859.00
Debt Service			
Debt Service			
97106 - Serial Bonds - Debt Principal	\$131,550.00	\$126,750.00	\$165,781.00
97107 - Serial Bonds - Debt Interest	\$105,670.00	\$109,714.00	\$114,951.00
97306 - Bond Anticipation Notes - Debt Principal	\$37,000.00	\$26,790.00	-
97307 - Bond Anticipation Notes - Debt Interest	\$138,670.00	\$45,494.00	\$39,234.00

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**SW - Special District(s) Water
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Total for Debt Service	\$412,890.00	\$308,748.00	\$319,966.00
Total for Debt Service	\$412,890.00	\$308,748.00	\$319,966.00
Total for Expenditures	\$538,989.00	\$379,177.00	\$473,825.00
Total for Expenditures and Other Uses	\$538,989.00	\$379,177.00	\$473,825.00

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**SW - Special District(s) Water
Changes in Fund Balance**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Fund Balance			
8021 - Fund Balance - Beginning of Year	\$1,137,752.00	\$986,237.00	\$948,264.00
8022 - Restated Fund Balance - Beginning of Year	\$1,137,752.00	\$986,237.00	\$948,264.00
Add Revenues and Other Sources	\$541,273.00	\$530,692.00	\$511,798.00
Deduct Expenditures and Other Uses	\$538,989.00	\$379,177.00	\$473,825.00
8029 - Fund Balance - End of Year	\$1,140,036.00	\$1,137,752.00	\$986,237.00

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**SW - Special District(s) Water
Adopted Budget Summary**

	12/31/2026	12/31/2025	12/31/2024
Estimated Revenues and Other Sources			
Estimated Revenue			
1049 - Est Rev - Property Taxes	\$585,975.00	\$491,338.00	\$472,705.00
2499 - Est Rev - Use of Money and Property	\$47,450.00	\$50,700.00	\$4,850.00
Total for Estimated Revenue	\$633,425.00	\$542,038.00	\$477,555.00
Estimated Other Sources			
599 - Appropriated Fund Balance	-	\$68,788.00	\$14,715.00
Total for Estimated Other Sources	\$0.00	\$68,788.00	\$14,715.00
Total for Estimated Revenues and Other Sources	\$633,425.00	\$610,826.00	\$492,270.00

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**SW - Special District(s) Water
Adopted Budget Summary**

	12/31/2026	12/31/2025	12/31/2024
Estimated Appropriations and Other Uses			
Estimated Appropriations			
1999 - App - General Government Support	-	\$9.00	-
8999 - App - Home and Community Services	\$134,210.00	\$197,413.00	\$182,929.00
9899 - App - Debt Service	\$499,215.00	\$413,404.00	\$309,341.00
Total for Estimated Appropriations	\$633,425.00	\$610,826.00	\$492,270.00
Total for Estimated Appropriations and Other Uses	\$633,425.00	\$610,826.00	\$492,270.00

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**TC - Custodial
Statement of Net Position**

	12/31/2025	12/31/2024	12/31/2023
Assets and Deferred Outflows			
Assets			
Cash and Cash Equivalents			
200 - Cash	\$5,099.00	\$5,790.00	\$10,000.00
Total for Cash and Cash Equivalents	\$5,099.00	\$5,790.00	\$10,000.00
Total for Assets	\$5,099.00	\$5,790.00	\$10,000.00
Total for Assets and Deferred Outflows	\$5,099.00	\$5,790.00	\$10,000.00

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**TC - Custodial
Statement of Net Position**

	12/31/2025	12/31/2024	12/31/2023
Liabilities, Deferred Inflows and Net Position			
Liabilities			
Payables			
600 - Accounts Payable	-	-	\$1,255.00
735 - Bail Deposits	\$5,099.00	\$2,790.00	-
Total for Payables	\$5,099.00	\$2,790.00	\$1,255.00
Total for Liabilities	\$5,099.00	\$2,790.00	\$1,255.00
Net Position			
Restricted Net Position			
923 - Net Assets Restricted for Other Purposes	-	\$3,000.00	\$8,745.00
Total for Restricted Net Position	\$0.00	\$3,000.00	\$8,745.00
Total for Net Position	\$0.00	\$3,000.00	\$8,745.00
Total for Liabilities, Deferred Inflows and Net Position	\$5,099.00	\$5,790.00	\$10,000.00

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**TC - Custodial
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Revenues and Other Sources			
Revenues			
Miscellaneous			
2770 - Unclassified Escrow Money Received	\$5,548.00	\$11,586.00	\$10,000.00
Total for Miscellaneous	\$5,548.00	\$11,586.00	\$10,000.00
Total for Revenues	\$5,548.00	\$11,586.00	\$10,000.00
Total for Revenues and Other Sources	\$5,548.00	\$11,586.00	\$10,000.00

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**TC - Custodial
Results of Operations**

	12/31/2025	12/31/2024	12/31/2023
Expenditures and Other Uses			
Expenditures			
General Government Support			
Special Items			
19354 - Other Custodial Activities - Contractual Escrow Agreement - Engineer & Legal Fees	\$8,548.00	\$17,331.00	\$1,255.00
Total for Special Items	\$8,548.00	\$17,331.00	\$1,255.00
Total for General Government Support	\$8,548.00	\$17,331.00	\$1,255.00
Total for Expenditures	\$8,548.00	\$17,331.00	\$1,255.00
Total for Expenditures and Other Uses	\$8,548.00	\$17,331.00	\$1,255.00

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**TC - Custodial
Changes in Net Position**

	12/31/2025	12/31/2024	12/31/2023
Analysis of Changes in Net Position			
8021 - Net Position - Beginning of Year	\$3,000.00	\$8,745.00	\$0.00
8022 - Restated Net Position - Beginning of Year	\$3,000.00	\$8,745.00	\$0.00
Add Revenues and Other Sources	\$5,548.00	\$11,586.00	\$10,000.00
Deduct Expenditures and Other Uses	\$8,548.00	\$17,331.00	\$1,255.00
8029 - Net Position - End of Year	\$0.00	\$3,000.00	\$8,745.00

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K - Schedule of Non-Current Government Assets
Schedule of Non-Current Government Assets

	12/31/2025	12/31/2024	12/31/2023
Non-Current Assets			
Non-Depreciable Capital Assets			
101 - Land	\$203,600.00	\$203,600.00	\$203,600.00
105 - Construction Work In Progress	\$2,930,147.00	\$632,855.00	\$1,990,292.00
Total for Non-Depreciable Capital Assets	\$3,133,747.00	\$836,455.00	\$2,193,892.00
Depreciable Capital Assets			
102 - Buildings	\$5,084,557.00	\$5,084,557.00	\$4,569,209.00
103 - Improvements Other Than Buildings	\$1,636,578.00	\$1,295,691.00	\$1,178,658.00
104 - Machinery and Equipment	\$3,611,533.00	\$3,536,606.00	\$3,348,743.00
106 - Infrastructure	\$2,661,399.00	\$2,661,399.00	\$1,270,798.00
107 - Other Capital Assets	\$105,010.00	\$5,505.00	\$1,140.00
124 - Intangible Lease Asset - Machinery and Equipment	\$22,380.00	\$22,380.00	\$22,380.00
Total for Depreciable Capital Assets	\$13,121,457.00	\$12,606,138.00	\$10,390,928.00
Accumulated Depreciation			
112 - Accumulated Depreciation Buildings	(\$2,513,599.00)	(\$2,451,425.00)	(\$2,395,858.00)
113 - Accumulated Depreciation Improvements Other than Buildings	(\$401,659.00)	(\$336,874.00)	(\$277,941.00)
114 - Accumulated Depreciation Machinery and Equipment	(\$2,323,784.00)	(\$2,286,915.00)	(\$2,161,771.00)
116 - Accumulated Depreciation Infrastructure	(\$810,567.00)	(\$756,236.00)	(\$736,671.00)
117 - Accumulated Depreciation Other Capital Assets	(\$3,101.00)	(\$152.00)	(\$82.00)
134 - Accumulated Amortization, Intangible Lease Asset - Machinery and Equipment	(\$18,437.00)	(\$14,090.00)	(\$9,743.00)
Total for Accumulated Depreciation	(\$6,071,147.00)	(\$5,845,692.00)	(\$5,582,066.00)

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K - Schedule of Non-Current Government Assets
Schedule of Non-Current Government Assets

	12/31/2025	12/31/2024	12/31/2023
Total for Non-Current Assets	\$10,184,057.00	\$7,596,901.00	\$7,002,754.00

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W - Schedule of Non-Current Government Liabilities
Schedule of Non-Current Government Liabilities

	12/31/2025	12/31/2024	12/31/2023
Long-Term Obligations			
Debt Obligations			
628 - Bonds Payable	\$3,882,850.00	\$4,059,400.00	\$4,231,150.00
685 - Installment Purchase Contract Debt	-	-	\$13,927.00
Total for Debt Obligations	\$3,882,850.00	\$4,059,400.00	\$4,245,077.00
Other Long-Term Obligations			
638 - Net Pension Liability Proportionate Share	\$457,441.00	\$496,713.00	\$751,475.00
682 - Lease Liability	\$4,216.00	\$8,738.00	\$13,106.00
687 - Compensated Absences	\$163,013.00	\$179,285.00	\$188,822.00
713 - Service Award Program Payable	\$6,489,644.00	\$6,785,481.00	\$6,277,611.00
Total for Other Long-Term Obligations	\$7,114,314.00	\$7,470,217.00	\$7,231,014.00
Total for Long-Term Obligations	\$10,997,164.00	\$11,529,617.00	\$11,476,091.00

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Supplemental Schedules

The Supplemental Schedules includes the following schedules:

- Statement of Indebtedness
- Bond Repayment
- Bank Reconciliation
- Employee and Retiree Benefits

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**Statement of Indebtedness
Debt Summary**

Debt Type	Beginning Balance	Debt Issued	Principal Paid	Paid From debt Proceeds	Accreted Interest	Prior Year Adjustment	Ending Balance
Bond	\$4,059,400.00	\$0.00	\$176,550.00	\$0.00	\$0.00	\$0.00	\$3,882,850.00
Bond Anticipation Note	\$3,758,000.00	\$0.00	\$37,000.00	\$0.00	\$0.00	\$0.00	\$3,721,000.00
Total	\$7,817,400.00	\$0.00	\$213,550.00	\$0.00	\$0.00	\$0.00	\$7,603,850.00

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**Statement of Indebtedness
Debt Records**

Debt Type/ Purpose	Lender Name	Issue Date	Maturity Date	Beginning Balance	Debt Issued	Principal Paid	Paid From Debt Proceeds	Prior Year Adjustment	Accreted Interest	Ending Balance
Bond Water #3 Extension	Evans Bank	7/11/12	7/11/32	\$50,000.00	\$0.00	\$6,250.00	\$0.00	\$0.00	\$0.00	\$43,750.00
Bond Water District #3	USDA	12/10/10	7/21/48	\$1,817,100.00	\$0.00	\$50,600.00	\$0.00	\$0.00	\$0.00	\$1,766,500.00
Bond Water District #3	USDA	7/24/05	7/24/40	\$1,647,300.00	\$0.00	\$74,700.00	\$0.00	\$0.00	\$0.00	\$1,572,600.00
Bond Trooper Barracks		3/1/12	9/1/26	\$545,000.00	\$0.00	\$45,000.00	\$0.00	\$0.00	\$0.00	\$500,000.00
Bond Anticipation Note Water Tank Repairs	Bank of Greene County	10/6/22	10/2/26	\$987,000.00	\$0.00	\$37,000.00	\$0.00	\$0.00	\$0.00	\$950,000.00
Bond Anticipation Note Waterline Replacements - Phase 1	Bank of Greene County	10/3/24	10/2/26	\$2,771,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,771,000.00

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

Bond Repayment

Fiscal Year Ending	Bond Principal Due	Bond Interest Due	Total Due	Remaining Principal Balance
2026	\$186,450.00	\$135,500.00	\$321,950.00	\$3,696,400.00
2027	\$191,450.00	\$128,544.00	\$319,994.00	\$3,504,950.00
2028	\$196,750.00	\$122,013.00	\$318,763.00	\$3,308,200.00
2029	\$207,150.00	\$114,883.00	\$322,033.00	\$3,101,050.00
2030	\$212,950.00	\$107,556.00	\$320,506.00	\$2,888,100.00
2031	\$218,750.00	\$99,958.00	\$318,708.00	\$2,669,350.00
2032	\$229,950.00	\$92,119.00	\$322,069.00	\$2,439,400.00
2033	\$230,000.00	\$83,670.00	\$313,670.00	\$2,209,400.00
2034	\$241,500.00	\$75,125.00	\$316,625.00	\$1,967,900.00
2035	\$183,300.00	\$67,418.00	\$250,718.00	\$1,784,600.00
2036	\$190,400.00	\$60,755.00	\$251,155.00	\$1,594,200.00
2037	\$197,700.00	\$53,637.00	\$251,337.00	\$1,396,500.00
2038	\$205,300.00	\$46,340.00	\$251,640.00	\$1,191,200.00

Town of Boston
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Fiscal Year Ending	Bond Principal Due	Bond Interest Due	Total Due	Remaining Principal Balance
2039	\$213,200.00	\$38,759.00	\$251,959.00	\$978,000.00
2040	\$221,400.00	\$30,952.00	\$252,352.00	\$756,600.00
2041	\$86,200.00	\$22,698.00	\$108,898.00	\$670,400.00
2042	\$89,100.00	\$20,112.00	\$109,212.00	\$581,300.00
2043	\$90,100.00	\$17,439.00	\$107,539.00	\$491,200.00
2044	\$94,200.00	\$14,776.00	\$108,976.00	\$397,000.00
2045	\$97,400.00	\$11,910.00	\$109,310.00	\$299,600.00
2046	\$99,600.00	\$8,988.00	\$108,588.00	\$200,000.00
2047	\$98,000.00	\$6,000.00	\$104,000.00	\$102,000.00
2048	\$102,000.00	\$3,068.00	\$105,068.00	\$0.00
Total	\$3,882,850.00	\$1,362,220.00	\$5,245,070.00	
\$3,882,850.00 Total Bond Ending Balance for Statement of Indebtedness.				

Town of Boston
Annual Financial Report
For the Fiscal Period 01/01/2025 - 12/31/2025

Bank Reconciliation

Accounts

Account No.	Account Type	Associated Fund(s)	Bank Balance	Deposits In Transit	Outstanding Checks	Adjustments	Total
8021	Savings	A, DA, H, SF, SL, SM, SR, SW, TC	\$1,607,375.00	\$400,133.00	\$0.00	\$0.00	\$2,007,508.00
5621	Checking	TC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3973	Checking	A, DA, H, SF, SL, SM, SR, SW	\$300,214.00	\$0.00	(\$300,214.00)	\$0.00	\$0.00
3961	Checking	A, DA	\$152,974.00	\$0.00	(\$152,974.00)	\$0.00	\$0.00
3779	Checking	A, DA	\$33,711.00	\$0.00	(\$33,711.00)	\$0.00	\$0.00
Total			\$2,094,274.00	\$400,133.00	(\$486,899.00)	\$0.00	\$2,007,508.00
Total Cash From Financials							\$2,007,508.00

Town of Boston
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Bank Reconciliation

Collateralization of Cash

Total Bank Balance	\$2,094,274.00
FDIC Insurance	\$250,000.00
Collateralized with Securities held in possession of the municipality or its agent or otherwise secured	\$1,844,274.00
Total of FDIC Insurance and Collateralized with securities held in possession of the municipality or its agent or otherwise secured	\$2,094,274.00

Investments and Collateralization of Investments

Investments From Financials	\$4,165,946.00
Market Value as of Fiscal Year End Date	\$4,165,946.00
Collateralized with Securities held in possession of the municipality or its agent or otherwise secured	\$4,165,946.00

Town of Boston
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For the Fiscal Period 01/01/2025 - 12/31/2025

Employee and Retiree Benefits

Total Number

Full Time Employees	Part Time Employees	Volunteers with Paid Benefits	Retirees with Paid Benefits
16	28	92	

Number Receiving Benefits

Benefit	Amount	Full Time	Part Time	Volunteer	Retiree
State Retirement System	\$190,150.00	16	15		
Police Retirement					
Fire Retirement					
Local Pension Fund	\$447,334.00			92	
Social Security	\$109,288.00		8		
Worker's Compensation	\$73,592.00	1			
Life Insurance					
Unemployment Insurance	\$9,294.00	2			
Disability Insurance	\$643.00	0			
Hospital, Medical and Dental Insurance	\$155,062.00	10			
Union Welfare Benefits					
Supplemental Benefit Payments to Disabled Firefighters					
Employee Benefits, Other					
Total Employee Benefits Paid	\$985,363.00				

TOWN OF BOSTON, NEW YORK
Notes to the Annual Financial Report (Unaudited)
Year Ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The New York State Annual Financial Report Document (the “AFR”) of the Town of Boston, New York (the “Town”) has been prepared in conformity with the format prescribed by the New York State Office of the State Comptroller Annual Update Document guidelines. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town’s accounting policies are described below.

Reporting Entity

The Town is a unit of local government created by the State of New York. The Town operates under provisions of New York State law and various local laws. The five-member Town Board is the legislative body responsible for overall operations. The Supervisor serves as both Chief Executive Officer and Chief Fiscal Officer.

Independently elected officials of the Town include:

Supervisor	Town Clerk / Receiver of Taxes
Councilmembers (4)	Superintendent of Highways
Town Justices (2)	

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

Basis of Presentation—AFR

The AFR provides information about the Town’s governmental and fiduciary funds. Separate statements for each fund category are presented.

Governmental Funds – Governmental funds are those which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and related liabilities are accounted for through governmental funds. The Town reports the following governmental funds:

- *General Fund*—this is the principal operating fund of the Town and accounts for all financial resources of the general government, except those accounted for in another fund. The principal source of revenue is non-property tax items.
- *Highway Fund*—this is used to record all revenues and expenditures related to road maintenance and construction throughout the Town. Major revenue sources include real property taxes, sales tax and State aid.
- *Water Fund*—this is used to record all revenues and expenditures related to operation and maintenance of the Town’s water districts. Major revenue sources consist primarily of real property taxes.

- *Ambulance Fund*—this is used to record all revenues and expenditures related to emergency medical services within the Town. Major sources of revenue for the Ambulance Fund are real property taxes and sales tax.
- *Garbage and Refuse Fund*—this is used to record all activity related to the garbage pickup and recycling within the Town. The principal source of revenue for the Garbage and Refuse Fund is real property taxes.
- *Lighting Fund*—this is used to record the revenues and expenditures related to lighting maintenance in the Town’s lighting districts. The principal source of revenue for the Lighting Fund is real property taxes.
- *Fire Protection Fund*—this is used to record the revenues and expenditures related to fire protection in the Town. The principal source of revenue for the Fire Protection Fund is real property taxes.
- *Capital Projects Fund*—this is used to account for financial resources to be used for the acquisition and construction of major capital assets.

During the course of operations the Town has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds.

Further, certain activity occurs during the year involving transfers of resources between funds. In the AFR these amounts are reported at gross amounts as transfers in/out.

Fiduciary Funds – Fiduciary funds are those used to account for assets held by the local government in a trustee or custodial capacity. The Town reported the following fiduciary fund:

- *Custodial Fund*—This is used to record the activity of any escrow accounts entered into by the town. This fund was established in 2023 due to a large scale solar project and it’s related escrow agreement. Additionally, in 2024, the Town recorded the turnover of unclaimed exonerated bail deposits that need to be held for six years after exoneration before the bail becomes the property of the town.

Measurement Focus and Basis of Accounting

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* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the AFR.

The AFR is reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, 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.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period of availability. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Fund Balances

Cash, Cash Equivalents and Investments—The Town’s cash, cash equivalents, and investments consist of cash on hand, demand deposits, time deposits and short-term, highly liquid investments with original maturities of three months or less from the date of acquisition. New York State law governs the Town’s investment policies. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Restricted Investments—The Town’s restricted investments consist of annuity contracts related to the Town’s Length of Service Award Programs (“LOSAPs”) and investments in New York Cooperative Liquid Assets Securities System (“NYCLASS”) for amounts that support fund balance restrictions and amounts with constraints placed on their use by either external parties and/or statute. The Town records investments at fair value based on quoted market value.

Receivables—Receivables include amounts due from state and federal governments which represent amounts owed to the Town to reimburse it for expenditures incurred pursuant to state and federally funded programs. Receivables are recorded and revenues recognized as earned. Allowances are recorded when appropriate.

Prepaid Items—Certain payments reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

Capital Assets—Capital assets, which include land, buildings, improvements, equipment, right-to-use leased equipment, construction in progress, and infrastructure assets, are reported in Schedule K to the AFR.

Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and a value equal to or greater than the capitalization thresholds stated below. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. The reported value excludes normal maintenance and repairs, which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value. Major outlays for capital assets and improvements are capitalized as projects are completed. Right-to-use leased equipment are initially measured as the amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial costs and are amortized on a straight-line basis over their useful lives.

Land and construction in progress are not depreciated. The other capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

	Capitalization Threshold	Useful Life (years)
Improvements	\$ 5,000	20
Buildings	\$ 5,000	40
Machinery and Equipment	\$ 1,000	3-20
Right-to-use leased equipment	\$ 5,000	5-20
Infrastructure	\$ 5,000	20-50
Art and Historical Treasures	\$ 1,000	3-50

Deferred Outflows/Inflows of Resources—*Deferred outflows of resources* represent a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2025, in Note 6 and Note 7 to the AFR, the Town discloses a deferred outflow related to pensions. This represents the effect of the net change in the Town's proportion of the collective net pension asset or liability, and the difference during the measurement period between the Town's contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense and any contributions to the pension systems made subsequent to the measurement date.

In addition to liabilities, *deferred inflows of resources* represent an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At December 31, 2025, in Note 6 and Note 7 to the AFR, the Town discloses a deferred inflow representing the effect of the net change in the Town's proportion of the collective net pension liability and the difference during the measurement periods between the Town's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and it is reported on the government-wide statements. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The Town also recognizes in Note 10 to the AFR, a lease receivable and associated deferred inflow of resources on the balance sheet of governmental funds at the commencement of a lease and amortized over the life of the lease.

Fund Balance Flow Assumptions—Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the AFR; a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The Town Board is the highest level of decision-making authority for the government that can, by Town Board resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the

limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Town Board has authorized the Supervisor to assign fund balance. The Town Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Leases—The Town is contracted with other entities which qualify as lessor and lessee relationships. The amount within lease receivable includes the lease of the Trooper Barracks building to the State Troopers. Amounts within the lease liability includes a postage machine and an office printer. Additional information regarding leases is discussed in Note 10.

Revenues and Expenditures

Property Taxes—The Erie County Legislature prepares the levy in late December of each year and jointly bills the Town levy and Erie County real property taxes. Property taxes are levied and become a lien as of January 1 based on assessed property values as of that date.

For 2025, tax payments were due January 1st to March 16th without penalty; March 17th to April 30th had a 7.5% penalty; and 1.5% additional penalty added each month thereafter.

The tax roll is returned to the Erie County Commissioner of Finance after July 1st at which time all unpaid taxes and penalties are payable to that office. The Town retains their full tax levies for all unpaid items that are returned to the County. Thus, the Town is assured of receiving 100% of its tax levy. The County enforces all liens.

Pensions—The Town is mandated by New York State law to participate in the New York State Local Employees' Retirement System ("ERS"). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 6 to the AFR.

Length of Service Awards Program ("LOSAP")—The Town has adopted a Service Awards Program for firefighters and ambulance personnel that serve on a volunteer basis. The Program is administered by an outside agency, with the Town as trustee. More information on the Town's defined benefit and contribution plans and the related net pension liability related to LOSAP are included in Notes 7 and 8 to the AFR.

Other

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

Adoption of New Accounting Pronouncements—During the year ended December 31, 2025, the Town implemented GASB Statements No. 103, *Financial Reporting Model Improvements*; and No. 105, *Subsequent Events*.

- GASB Statement No. 103 improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability, focusing on the Management's Discussion and Analysis, reporting of unusual or infrequent items, presentation of Proprietary Fund Statements and Major Component Units, and providing a single method for budgetary comparison.
- GASB Statement No. 105 improves the financial reporting requirements for subsequent events, clarifying the date through which subsequent events shall be reported as well as differentiating recognized and non-recognized events and establishing specific note disclosures for non-recognized events.

The implementation of GASB Statements No. 103 and 105 did not have a material impact on the Town's financial position or results from operations.

Future Impacts of Accounting Pronouncements—The Town has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; No. 96, *Subscription-Based Information Technology Arrangements*; and No. 99, *Omnibus 2022*, effective for the year ending December 31, 2023, and No. 104, *Disclosure of Certain Capital Assets*, effective for the year ending December 31, 2026. The Town is, therefore, unable to disclose the impact that adopting GASB Statements No. 94, 96, 99, and 104 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability – Legal Compliance – Budgets

Legal Compliance—Budgets—The Town follows these procedures in establishing the budgetary data reflected in the AFR:

- Prior to September 30th, the Town's Budget Director files a "tentative" budget with the Town Clerk for the following fiscal year to commence on January 1st. This budget, which includes appropriations and estimated revenues, is then presented to the full Town Board by October 5th.
- The full Town Board reviews the tentative budget and may adjust before approving a "preliminary" budget and calling for a public hearing, which is generally held in October.
- Following the public hearing, revisions may again be made by the Town Board before filing an adopted budget with Erie County by November 20th.
- Formal annual budgetary accounts are employed as a management control device for the General and Special Revenue Funds

- During the fiscal year, the Town Board can legally amend the operating budgets and is empowered to implement supplemental appropriations. Budget amendments are required for the departmental budgetary control. All budget amendments and budget transfers require Town Board approval.

Deficit Fund Balance—The Town’s Capital Projects Fund reported a deficit fund balance of \$2,944,965 at December 31, 2025. The Town anticipates this deficit will be remedied through future issuance of long-term debt.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The Town’s investment policies are governed by State statutes. Town monies must be deposited in FDIC-insured commercial banks or trust companies located within New York State. The Town is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligation that may be pledged as collateral. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Total cash and cash equivalents at December 31, 2025, are shown below:

	Governmental Funds
Petty Cash (uncollateralized)	\$ 500
Deposits	<u>2,094,274</u>
Total	<u>\$ 2,094,774</u>

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2025 as follows:

	Carrying Amount
Insured (FDIC)	\$ 250,000
Uninsured:	
Collateral held by bank's agent in the Town's name	<u>1,844,274</u>
Total	<u>\$ 2,094,274</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. As noted above, by State statute all deposits in excess of FDIC insurance coverage must be collateralized. At December 31, 2025, the Town’s deposits were either FDIC insured or collateralized with securities held by the pledging bank’s agent in the Town’s name.

Interest Rate Risk—Deposits—In accordance with its investment policy, the Town manages exposures by limiting investments to low risk type investments governed by New York State statute.

Investments—The Town holds short term investments in New York Cooperative Liquid Assets Securities System (NYCLASS) which is a municipality-based investment pool. The portfolio holdings are collateralized on a pro rata share of the overall collateral. Within the NYCLASS portfolio, U.S. treasuries are backed by the full faith and credit of the United States Government, repurchase agreements are collateralized 102% by either U.S. Treasuries or U.S. Agencies, and bank deposits are collateralized by Federal Home Loan Bank (FHLB) Letters of Credit (LOC).

Total investments at December 31, 2025, are shown below:

	Governmental Funds
Investment in Securities	\$ 2,782,682
Investment in Securities - Special Reserves	\$ 1,383,264
Total	<u>\$ 4,165,946</u>

The Town has chosen to invest the funds of all legally created reserve accounts. At December 31, 2025, the Town reported \$1,383,264 in Investment in Securities for Special Reserves relating to fund balance constraints across the General, Highway, Water, and Ambulance Funds.

Restricted Investments—All investments are reported using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are presented below:

- Level 1. Quoted prices for identical assets or liabilities in active markets to which the Town has access at the measurement date.
- Level 2. Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets in markets that are not active;
 - Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - Inputs derived principally from, or corroborated by, observable market data correlation or by other means
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value to the extent that observable inputs are not available.

The Town’s restricted investments consist of annuity contracts related to the Town’s Length of Service Award Programs (“LOSAP”), a defined benefit volunteer firefighter award program (See Note 7) and a defined contribution volunteer ambulance worker program (See Note 8). These annuities are guaranteed fixed annuities. The interest on each annuity varies but they are all fixed rate with a guaranteed minimum rate for a specific period.

As of December 31, 2025, the Town has annuity funds that are valued using observable inputs other than quoted prices and inputs derived from observable market data correlation (level 2 input) in the amounts of \$2,824,524 recorded within the Fire Protection Fund, and \$728,827 recorded within the Ambulance Fund.

3. RECEIVABLES

Major revenues accrued by the Town at December 31, 2025 include:

Receivables—Represents amounts due from various sources. The Town's significant accounts receivable at December 31, 2025 are presented below:

	General Fund
Franchise Fee	\$ 24,811
Miscellaneous	3,957
	<u>\$ 28,768</u>

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State, County of Erie or other local governments. Amounts due to the Town at December 31, 2025 are:

	General Fund	Highway Fund	Garbage and Refuse Fund	Total
NYS - Trooper Rent, DASNY Grant	\$ 83,247	\$ -	\$ -	\$ 83,247
Erie County - Polling place, Aging Clean-up	1,421	-	-	1,421
Various Town Departments	18,631	74,693	1,674	94,998
	<u>\$ 103,299</u>	<u>\$ 74,693</u>	<u>\$ 1,674</u>	<u>\$ 179,666</u>

Lease Receivable—During the year ended December 31, 2025, the Town recognized the lease of a building to a third party. The lease has just under ten remaining years and the Town receives monthly payments that are currently \$8,247. The Town recognized \$56,968 in lease revenue and \$37,305 in interest revenue during the current fiscal related to this lease. As of December 31, 2025 the Town's receivable for lease payments was \$649,300. Also, the Town has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2025 the balance of the deferred inflow of resources was \$503,222.

Taxes Receivable—During the year ended December 31, 2025, the Town incurred expenses related to property clean up charges where a property was deemed to have unsafe conditions. These charges will be placed on the tax roll as a lien on the property that received the service. As of December 31, 2025, a tax receivable in the amount of \$1,500 is recorded in the General Fund.

4. CAPITAL ASSETS

The Town's capital asset activity for Schedule K to the AFR for the year ended December 31, 2025, is as follows:

	Balance 1/1/2025	Increases	Decreases	Balance 12/31/2025
Capital assets, not being depreciated:				
Land	\$ 203,600	\$ -	\$ -	\$ 203,600
Construction Work in Progress	632,855	2,733,049	(435,757)	2,930,147
Total capital assets, not being depreciated	836,455	2,733,049	(435,757)	3,133,747
Capital assets, being depreciated:				
Buildings	5,084,557	-	-	5,084,557
Improvements	1,295,691	340,887	-	1,636,578
Machinery & Equipment	3,536,606	206,506	(131,579)	3,611,533
Right-to-use leased equipment	22,380	-	-	22,380
Infrastructure	2,661,399	-	-	2,661,399
Art and Historical Treasures	5,505	99,505	-	105,010
Total capital assets, being depreciated	12,606,138	646,898	(131,579)	13,121,457
Less accumulated depreciation for:				
Buildings	(2,451,425)	(62,174)	-	(2,513,599)
Improvements	(336,874)	(64,785)	-	(401,659)
Machinery & Equipment	(2,286,915)	(154,340)	117,471	(2,323,784)
Right-to-use leased equipment	(14,090)	(4,347)	-	(18,437)
Infrastructure	(756,236)	(54,331)	-	(810,567)
Art and Historical Treasures	(152)	(2,949)	-	(3,101)
Total accumulated depreciation	(5,845,692)	(342,926)	117,471	(6,071,147)
Total capital assets, being depreciated, net	6,760,446	303,972	(14,108)	7,050,310
Total capital assets, net	\$ 7,596,901	\$ 3,037,021	\$ (449,865)	\$ 10,184,057

5. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at the Town as of December 31, 2025, were as follows:

	General Fund	Highway Fund	Total Governmental Funds
Salary and employee benefits	\$ 29,111	\$ 28,554	\$ 57,665
Total	\$ 29,111	\$ 28,554	\$ 57,665

6. RETIREMENT SYSTEM PENSION PLAN

Plan Descriptions and Benefits Provided

New York State and Local Employees' Retirement System ("ERS")—The Town participates in the ERS (the "System"). The System provides retirement benefits as well as death and disability benefits. The net position of the Systems are held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the Systems. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the Systems. System benefits are established under the provisions of 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 ("GLIP"), which provides death benefits in the form of life insurance. ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The ERS is noncontributory, except for employees who joined the ERS after July 27, 1976, who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute three percent (3%) to six percent (6%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2025, the Town reported the following liability for its proportionate share of the net pension liability for the ERS. The net pension liability was measured as of March 31, 2025. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of April 1, 2024, with update procedures used to roll forward the total pension liability to the measurement date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the Town.

	ERS
Measurement date	March 31, 2025
Net pension liability (asset)	\$ 457,441
Town's portion of the Plan's total net pension liability	0.0026680%

For the year ended December 31, 2025, the Town recognized a pension expense of \$85,979 for ERS. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown on the following page.

	Deferred Outflows of Resources	Deferred Inflows of Resources
	ERS	
Differences between expected and actual experiences	\$ 113,540	\$ 5,356
Changes of assumptions	19,184	-
Net difference between projected and actual earnings on pension plan investments	35,890	-
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	37,739	79,929
Town contributions subsequent to the measurement date	148,366	-
Total	\$ 354,719	\$ 85,285

Town contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	ERS
2026	\$ 64,767
2027	108,166
2028	(47,560)
2029	(4,305)

Actuarial Assumptions—The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions presented below:

	ERS
Measurement date	March 31, 2025
Actuarial valuation date	April 1, 2024
Interest rate	5.90%
Salary scale	4.30%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.9%
Cost-of-living adjustments	1.5%

Demographic assumptions used in the April 1, 2024 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020 for the period April 1, 2015 – March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

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 each the target asset allocation percentage and by adding expected inflation. The best

estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Measurement date	ERS	
	Target Allocation	Long-Term Expected
		Real Rate of Return
	March 31, 2025	
Asset class:		
Domestic equities	25.0 %	3.54 %
International equities	14.0	6.57
Private equity	15.0	7.25
Real estate	12.0	4.95
Opportunistic/Absolute Return Strategy	3.0	5.25
Credit	4.0	5.40
Real assets	4.0	5.55
Fixed Income	22.0	2.00
Cash	1.0	0.25
Total	100.0 %	

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

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption—The following chart presents the Town's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

	Decrease (4.9%)	Assumption (5.9%)	Increase (6.9%)
Employer's proportionate share of the net pension liability (asset)—ERS	\$ 1,323,891	\$ 457,441	\$ (266,046)

Pension Plan Fiduciary Net Position—The components of the current-year net pension liability of all participating employers as of March 31, 2025, are as follows:

	(Dollars in Thousands)
	ERS
Employers' total pension liability	\$ 247,600,239
Plan fiduciary net position	(230,454,512)
Employers' net pension liability (asset)	\$ 17,145,727
Ratio of fiduciary net position to the employers' total pension liability	93.08%

7. PENSION OBLIGATIONS—FIRE LOSAP

Plan Description—The Town established a defined benefit Length of Service Awards Program (“LOSAP”) for the active volunteer firefighters of Boston Volunteer Fire Company, North Boston Volunteer Fire Company, and Patchin Volunteer Fire Company. The Program was established pursuant to Article 11-A of the NYS General Municipal Law effective January 1, 1992. The Program provides municipally funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Town is the sponsor of the program and the Program Administrator.

Participation, Vesting and Service Credit—Active volunteer firefighters who have reached the age of eighteen and who have completed one year of firefighting service are eligible to participate in the program. A participant acquires a non-forfeitable right to be paid a benefit from the Program after earning five years of service credit, upon attaining the Entitlement Age, becoming totally and permanently disabled, or dying while an active volunteer. In general, an active volunteer firefighter earns service credit for each calendar year after the establishment of the Program in which he or she accumulates 50 points. Points are granted for attending various activities of the fire company in accordance with a Point System adopted by the Town in accordance with the General Municipal Law.

Benefits—Participants become eligible to be paid a benefit at the Entitlement Age, which is age 60. The benefit payable is equal to \$20 for each year of service credit earned, up to a maximum of \$800 for 40 years of service credit (including any Prior Service Credit). This benefit is paid as a lifetime, monthly annuity, guaranteed for ten years. The monthly benefit of a participant who remains active after the entitlement age and earns additional service credit is increased by \$20 beginning with the January 1 payment after the year in which the service credit was earned.

The Program provides a pre-entitlement age death benefit of a lump sum equal to the actuarial present value of the accrued benefit. If the Participant is an active volunteer firefighter at the time of death and has earned a year of service credit in at least one of the last three program years, the minimum death benefit payable is \$20,000. If a participant dies after the entitlement age, the beneficiary has the option to continue receiving the remaining guaranteed monthly payments, if any, or be paid a one-time lump sum equal to the actuarial present value of the remaining guaranteed payments. The Program provides a pre-entitlement age disability benefit of a lump sum equal to the actuarial present value of the accrued benefit.

Contributions—New York State General Municipal Law § 219(d) requires the Town to engage an actuary to determine the annual amount required to be contributed to the Trust Fund.

Trust Assets—Plan assets are held in trust for the exclusive purpose of providing plan benefits; however, the Trust is 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.

Participants Covered by the Benefit Terms—At the December 31, 2024 measurement date, the participants covered by the benefit terms were as follows:

Participants currently receiving benefit payments	92
Inactive participants entitled to but not yet receiving benefit payments	38
Active participants	59
Total	<u>189</u>

Measurement of Total Pension Liability

Actuarial Methods & Assumptions—The total pension liability has been determined by an actuarial valuation as of the measurement date. The following actuarial methods and assumptions applied to all periods included in the measurement:

Valuation Date:	January 1, 2025
Measurement Date:	December 31, 2024
Actuarial Cost Method:	Entry Age Normal
Discount Rate:	4.28%
Inflation Rate:	0.00%
Salary Scale:	Not applicable
Mortality Rates:	RP-2014 male/female without prjection for mortality improvement

The discount rate is the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of the Valuation Date. 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 of assumptions or other inputs

	12/31/2023	12/31/2024
Discount Rate	4.00%	4.28%

Changes in Total Pension Liability

	Total Pension Liability
Balance as of 12/31/2023 measurement date	<u>\$ 6,785,481</u>
Changes for the year:	
Service Cost	166,347
Interest	270,156
Changes of assumptions of other inputs	(218,709)
Differences between expected and actual experience	(113,855)
Benefit payments	<u>(399,776)</u>
Net change in Total Pension Liability	<u>(295,837)</u>
Balance as of 12/31/2024 measurement date	<u><u>\$ 6,489,644</u></u>

Sensitivity of the Total Pension Liability to changes in the Discount Rate—The following chart shows the Total Pension Liability of the Town as of the December 31, 2024 measurement date, calculated using the discount rate of 4.28%, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.28%) or 1-percentage point higher (5.28%) than the current rate:

	1% Decrease 3.28%	Current Discount Rate 4.28%	1% Increase 5.28%
Total pension liability	\$ 7,329,279	\$ 6,489,644	\$ 5,797,125

Pension Expense—For the fiscal year ended December 31, 2025, the Town recognized a pension expense of \$343,684. The following is a breakout of the Pension Expense:

Service Cost	\$ 166,347
Interest on Total Pension Liability	270,156
Changes of Assumptions or Other Inputs	(103,943)
Difference in Expected & Actual	1,048
Administrative Costs	10,076
Pension Expense	<u>\$ 343,684</u>

Deferred Outflows and Inflows of Resources Related to Pensions—At December 31, 2025 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 119,295	\$ 91,010
Changes of assumptions or other inputs	\$ 542,723	\$ 1,138,165
Benefit payments & administrative expenses subsequent to the measurement date	409,800	-
Total	<u>\$ 1,071,818</u>	<u>\$ 1,229,175</u>

The amount reported as deferred outflows of resources related to pensions resulting from transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2026	\$ (102,895)
2027	(219,649)
2028	(244,614)
2029	-
Thereafter	-

Fiduciary Investment and Control—Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the governing board. The governing board of the sponsor has retained and designated Firefly Admin, Inc. to assist in the administration of the program.

Authority to invest program assets is vested in the Investment Committee. Subject to restrictions in the program document, program assets are invested in accordance with a statutory “prudent person” rule.

The sponsor is required to retain an actuary to determine the amount of the sponsor’s contributions to the plan. The actuary retained by the sponsor for this purpose was Firefly Admin, Inc. Portions of the following information regarding the plan assets are derived from the most recent report prepared by the actuary, dated January 1, 2025.

Statement of Net Program Assets

Actuarial present value of benefits at January 1, 2025		\$ 5,751,269
Less: Assets available for benefits		
<i>Investments at fair value:</i>		
Equities	37.1%	975,630
International stock	14.5%	381,953
Bonds	33.2%	871,792
Balanced	10.6%	277,673
Specialty	3.6%	94,890
<i>Liabilities:</i>		
January payments made in December	1.2%	32,368
Benefits payable	-0.3%	<u>(7,300)</u>
Net program assets available for benefits		<u>2,627,007</u>
Current total unfunded benefits		<u><u>\$ 3,124,262</u></u>

Statement of Changes in Net Program Assets

Plan net assets, January 1, 2024		\$2,422,623
Changes during the year:		
Add: Plan contributions	\$ 434,624	
Net investment income	169,536	
Less: Plan benefit withdrawals	(392,976)	
Changes in benefits payable	<u>(6,800)</u>	
Net change		<u>204,384</u>
Plan net assets, December 31, 2024		<u>\$ 2,627,007</u>

Funding Methodology

Town contributions and fees amounted to \$325,000 and \$30,310, respectively, during the year ended December 31, 2025.

The Town accounts for service award program assets within its Fire Protection Fund. The fair value of these program assets as of December 31, 2025 is \$2,824,524.

8. PENSION OBLIGATIONS—EMS LOSAP

Plan Description—The Town established a defined contribution Length of Service Awards Program (the “LOSAP”) for the active ambulance volunteers of the Boston Emergency Squad. The Program was established pursuant to Article 11-A of the General Municipal Law. The Program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer ambulance workers. The Town is the sponsor of the program.

Program Description—

Participation, vesting and service credit—Active volunteers are eligible to participate in the program and become fully vested upon earning five (5) years of service credits or upon being awarded a total and permanent disability. The program’s entitlement age is age sixty (60) and the maximum service credit allowable is forty (40) years.

Benefits—A participant’s benefit under the program is equal to \$700 per year of service. The program provides statutorily mandated death and disability benefits.

Fiduciary Investment and Control—Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by the Emergency Squad. The governing board of the sponsor has retained and designated Penflex, Inc. to assist in the administration of the program.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program.

Authority to invest program assets is vested in the Investment Committee. Subject to restrictions in the program document, program assets are invested in accordance with a statutory “prudent person” rule.

The sponsor is required to retain an actuary to determine the amount of the sponsor’s contributions to the plan. The actuary retained by the sponsor for this purpose is Penflex, Inc. Portions of the following information are derived from the most recent report prepared by the actuary, dated December 31, 2025.

Program Financial Condition

Asset Reconciliation

Share of Trust Account, January 1, 2025		\$ 691,188
Changes during the year:		
Add: Plan contributions	\$ 6,207	
Net investment income	75,473	
Less: Administrative Charges	(1,605)	
Trustee Fees	(2,937)	
Distributions Made to Participant/Beneficiaries	<u>(39,498)</u>	
Net change		<u>37,639</u>
Share of Trust Account, December 31, 2025		<u>\$ 728,827</u>

Contributions and Administrative Fees

The actuary determined that the Town contributions owed during the 2025 calendar year totaled \$6,207. Administrative and Trustee Fees taken out of the account during the year ending December 31, 2025 were \$4,542 with an additional \$39,498 of distributions made to beneficiaries.

Plan Assets

The Town accounts for service award program assets within its Ambulance Fund. The fair value of these program assets as of December 31, 2025 is \$728,827.

9. RISK MANAGEMENT

The Town is exposed to various risks of loss related to damage and destruction of assets, vehicle liability, injuries to employees, health insurance, workers' compensation, and unemployment insurance. The Town purchases commercial insurance to cover such potential risks. There have not been any settlements which have exceeded commercial insurance coverage in the past three fiscal years.

The Town purchases insurance for: general property and liability, municipal crime, automobile, public officials liability, law enforcement liability, contractor's protective liability, excess catastrophe liability, inland marine, ground pollution relating to fuel storage tanks, and cyber coverage. General property is insured at a full replacement cost agreed upon at \$14,434,575. General liability insurance is limited to \$1 million per occurrence, with a general aggregate \$3 million limit. General liability had an add on rider for Builder's Risk at the North Boston shelter valued at \$450,000. Municipal crime coverage ranges from \$25,000 to \$200,000 per occurrence. Automobile insurance is limited to \$1 million per accident. Public Officials Liability, Law Enforcement Liability, and Contractor's Protective Liability are all limited to \$1 million per occurrence and \$2 million in the aggregate. Excess liability is limited to \$1 million per occurrence and \$3 million in the aggregate. Inland marine has various limits for each individually scheduled property and equipment with the largest limit being \$905,100. Fuel storage tanks have a ground pollution liability of \$1 million. A separate cyber policy was added in 2024 with various limits ranging from \$50,000 to \$1 million per incident.

10. LEASES

Lease Receivable—The Town is a lessor for a noncancellable lease of buildings. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

As the lessor, the Town recognizes a long-term lease receivable and deferred inflow of resources for the use of the Trooper Barracks Building by the state police. The lease agreement runs for 20 years starting December 1, 2009 and ending November 30, 2029 with a five year renewal option beginning on December 1, 2029 and ending November 30, 2034. The agreement states that the remaining monthly payments will be \$8,247 per month through November 30, 2029, and then if the renewal is

granted, the additional five-year term will be negotiated at the time of the renewal request. As the Town built this building as part of the lease agreement, to the specifications agreed upon with the lessee, the Town reasonably expects the lease agreement to be renewed and thus includes the five-year renewal as part of the lease term. The discount rate applied to this lease is 3.5% as determined by the bond issued to finance the construction of the building. The value of the lease receivable as of December 31, 2025 is \$649,300. The value of the deferred inflow of resources is \$503,222 at December 31, 2025.

The future payments included in the measurement of the lease receivable at December 31, 2025 were as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	\$ 63,852	\$ 35,112	\$ 98,964
2027	66,123	32,841	98,964
2028	68,474	30,490	98,964
2029	70,910	28,054	98,964
2030	73,432	25,532	98,964
2030 and thereafter	306,510	72,852	379,362
	<u>\$ 649,300</u>	<u>\$ 224,882</u>	<u>\$ 874,182</u>

Lease Payable—The Town is a lessee for a noncancellable lease of various equipment. The town recognizes a liability and an intangible right-to-use asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the right-to-use asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

As the lessee, the Town reports lease assets with other capital assets and lease liabilities with long-term debt on the schedule of long-term liabilities. The Town is lessee for office equipment such as printers and postage machines.

As of December 31, 2025, the value of the lease liability was \$4,216. The Town is required to make annual principal and interest payments on the equipment. The leases have imputed interest rates of 3.5%. The value of the right-to-use lease assets as of the end of the current fiscal year was \$22,380 and had accumulated amortization of \$18,437 for a net asset value of \$3,943.

The future principal and interest payments as of December 31, 2025, were as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	\$ 3,260	\$ 87	\$ 3,348
2027	956	10	965
2028	-	-	-
	<u>\$ 4,216</u>	<u>\$ 97</u>	<u>\$ 4,313</u>

11. SHORT-TERM DEBT

Liabilities for bond anticipation notes (“BANs”) are generally accounted for in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the life of the permanent financing, provided that annual reductions of principal are made. A summary of the Town’s short-term debt for the year ended December 31, 2025 is as follows:

Description	Interest Rate	Maturity Date	Balance 1/1/2025	Issues	Redemptions	Balance 12/31/2025
Capital Projects Fund:						
BAN - Water Tanks	3.49%	10/2/2026	\$ 987,000	\$ -	\$ 37,000	\$ 950,000
BAN - Waterline Phase 1	3.49%	10/2/2026	<u>\$ 2,771,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,771,000</u>
Total			<u>3,758,000</u>	<u>-</u>	<u>37,000</u>	<u>3,721,000</u>

12. LONG-TERM LIABILITIES

The Town’s outstanding long-term liabilities reported in Schedule W to the AFR include serial bonds, lease liabilities, pension liabilities, and compensated absences. Long-term liabilities as of December 31, 2025 aggregated \$10,997,164.

The Town’s outstanding indebtedness as of December 31, 2025 aggregated \$7,603,850. Of this amount, \$3,382,850 relates to serial bonds issued for the purpose of water supply and distribution and \$500,000 relates to a serial bond issued on the construction of a Trooper Barracks building. All long-term debts are exempt from the constitutional debt limit other than the \$500,000 serial bond which represents approximately 0.7% of the town’s debt limit. Further, the Trooper Barracks serial bond is eligible for redemption prior to maturity starting after March 1, 2022 at 100% of the par amount of the bonds to be redeemed, plus accrued interest to the date of redemption. All bonds payable of the Town are secured by its general credit and revenue raising powers, as per State statute.

A default will have occurred if the payment of principal or interest are not paid when due and payable. In the event of a default a provision is made for contract creditors (including the

Bondholders) of the Town to enforce payments upon such contracts, if necessary, through court action, although the present statute limits interest on the amount adjudged due to creditors to nine per centum per annum from the date due to the date of payment. 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 current funds or the proceeds of a tax levy.

The Town does not hold any lines of credit.

A summary of changes in the Town's long-term liabilities at December 31, 2025 is presented below:

	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Due Within One Year
Serial bonds	\$ 4,059,400	\$ -	\$ 176,550	\$ 3,882,850	\$ 186,450
Lease liability	8,738	-	4,522	4,216	3,260
Net pension liability-ERS*	496,713	-	39,272	457,441	-
Pension liability-Fire LOSAP	6,785,481	436,503	732,340	6,489,644	-
Compensated absences	179,285	31,754	48,026	163,013	47,101
Total	<u>\$ 11,529,617</u>	<u>\$ 468,257</u>	<u>\$ 1,000,710</u>	<u>\$ 10,997,164</u>	<u>\$ 236,811</u>

(*Reductions to the net pension liability are shown net of additions.)

Serial Bonds—The Town issues general obligation bonds to provide funds for the acquisition, construction, and renovation of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Town. These bonds generally are issued as serial bonds with equal amounts of principal maturing each year with maturities that range from 10 to 38 years.

Principal is paid annually, interest is paid semi-annually; these payments are recorded in the associated fund, either being General or Water Funds. A summary of additions and payments for the year ended December 31, 2025, is presented below:

Description	Original Issue	Interest Rate (%)	Year of Issue/ Maturity	Balance 1/1/2025	Additions	Reductions	Balance 12/31/2025	Due Within One Year
General Fund:								
Trooper Barracks	\$ 1,000,000	3.5	2012/2034	\$ 545,000	\$ -	\$ 45,000	\$ 500,000	\$ 50,000
Total General Fund				<u>545,000</u>	<u>-</u>	<u>45,000</u>	<u>500,000</u>	<u>50,000</u>
Water Fund:								
Water #3	125,000	2.8	2012/2032	50,000	-	6,250	43,750	6,250
Rural Development #1	2,618,500	4.125	2005/2040	1,647,300	-	74,700	1,572,600	77,800
Rural Development #2	2,394,000	3	2010/2048	1,817,100	-	50,600	1,766,500	52,400
Total Water Fund				<u>3,514,400</u>	<u>-</u>	<u>131,550</u>	<u>3,382,850</u>	<u>136,450</u>
Total governmental activities				<u>\$ 4,059,400</u>	<u>\$ -</u>	<u>\$ 176,550</u>	<u>\$ 3,882,850</u>	<u>\$ 186,450</u>

Lease Liability—The Town holds long-term capital leases for various equipment. The outstanding balance at December 31, 2025 was \$4,216. Refer to Note 10 for additional information related to the Town’s leases.

Net Pension Liability—ERS—In Schedule W to the AFR, the Town reported a liability of \$457,441, for its proportionate share of the net pension liability related to the Employee Retirement System. Refer to Note 6 for additional information related to the Town’s net pension liability.

Pension Liability—Fire LOSAP—In Schedule W to the AFR, the Town reported a liability of \$6,489,644, for its pension liability related to the Fire Length of Service Award Program (LOSAP). Refer to Note 7 for additional information related to the Town’s pension liability.

Compensated Absences—As explained in Note 1, the Town accrues the value of governmental fund type compensated absences. The value accrued at December 31, 2025 is \$163,013 and relates to sick time earned each month that carries over at the end of the fiscal year up to the limit of 165 days per employee. Employees who retire or resign can choose to receive a cash payout for their unused sick time or roll it towards additional service credit in the New York State Retirement System. Management estimates that \$47,101 is due within one year. Since payments of compensated absences are dependent upon many factors, timing of future payments is not readily determinable.

A maturity schedule of the Town’s indebtedness is presented below:

Year ending December 31,	Serial Bonds	Lease Liability	Pension Liability ERS	Pension Liability Fire LOSAP	Compensated Absences	Total
2026	\$ 186,450	\$ 3,260	\$ -	\$ -	\$ 47,101	\$ 236,811
2027	191,450	956	-	-	-	192,406
2028	196,750	-	-	-	-	196,750
2029	207,150	-	-	-	-	207,150
2030	212,950	-	-	-	-	212,950
2031-2035	1,103,500	-	-	-	-	1,103,500
2036-2040	1,028,000	-	-	-	-	1,028,000
2041-2045	457,000	-	-	-	-	457,000
2046 and thereafter	299,600	-	457,441	6,489,644	115,912	7,362,597
Total	<u>\$ 3,882,850</u>	<u>\$ 4,216</u>	<u>\$ 457,441</u>	<u>\$ 6,489,644</u>	<u>\$ 163,013</u>	<u>\$ 10,997,164</u>

Interest requirements on serial bonds payable are as follows:

Year ending December 31,	Interest
2026	\$ 135,500
2027	128,544
2028	122,013
2029	114,883
2030	107,556
2031-2035	418,290
2036-2040	230,443
2041-2045	86,935
2046 and thereafter	18,056
Total	<u>\$ 1,362,220</u>

13. FUND BALANCE

In the AFR, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Town maintained the following nonspendable fund balance at December 31, 2025:

- ***Prepaid items***—Represents amounts prepaid to the retirement system that are applicable to future accounting periods. The General Fund and the Highway Fund reported amounts of \$31,226 and \$18,229, respectively relating to the retirement system. Further, in 2024, the Town entered into a Subscription Based IT Agreement for \$8,500 but subsequently put the account on hold prior to implementation. The first payment made will be recognized as an expense in the General Fund when implementation begins.

In the AFR, restricted fund balances are amounts constrained to specific purposes (such as creditors, grantors, contributors, or laws and regulations of other governments) through constitutional provisions or by enabling legislation.

At December 31, 2025, the Town reported the following restricted fund balances:

- ***Restricted for General Capital Projects***—Represents amounts, \$407,309, restricted for the construction of various general fund capital projects.
- ***Restricted for Tax Stabilization***—Represents amounts, \$96,580, restricted by the Town Board in accordance with general municipal law section 6-e to be used for future unanticipated events.
- ***Restricted for Highway Equipment***—Represents amounts, \$330,743, restricted for the purchase of highway equipment.
- ***Restricted for Water Debt***—Represents amounts, \$403,772, restricted for the reduction of future debt service requirements.
- ***Restricted for Ambulance Equipment***—Represents amounts, \$144,860, restricted for the purchase of ambulance equipment.

- ***Restricted for Fire LOSAP***—Represents amounts, \$2,824,524, for the administration of the Town’s Fire LOSAP.
- ***Restricted for EMS LOSAP***—Represents amounts, \$728,827, for the administration of the Town’s Ambulance LOSAP.

In the AFR, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the Town’s highest level of decision-making authority. As of December 31, 2025 the Town did not report any commitments.

In the AFR, assignments are not legally required segregations but are segregated for a specific purpose by the Town. At December 31, 2025, the Town reported the following fund balance assignments:

	Subsequent Year's Expenditures	Specific Use	Total Assigned
General Fund	\$ 560,702	\$ 4,411	\$ 565,113
Highway Fund	262,380	775,810	1,038,190
Fire Protection Fund	-	166,487	166,487
Lighting Fund	1,377	7,870	9,247
Ambulance Fund	-	148,165	148,165
Garbage and Refuse Fund	-	238,084	238,084
Water Fund	-	736,264	736,264
Total	<u>\$ 824,459</u>	<u>\$ 2,077,091</u>	<u>\$ 2,901,550</u>

- ***Assigned to Subsequent Year’s Expenditures***—Represents available fund balance being appropriated to meet expenditure requirements in the 2026 fiscal year.
- ***Assigned to Specific Use***—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignment’s purpose relates to each fund’s operations and represents amounts within funds that are not restricted or committed.

Unassigned fund balance represents the residual classification of the government’s General Fund surplus and Capital Projects Fund deficit.

If the Town must use funds for emergency expenditures the Board shall authorize the Supervisor to expend funds first from funds classified as nonspendable (if funds become available) then restricted funds. The use of committed and assigned funds will occur after the exhaustion of available restricted funds. Finally, if no other fund balances are available, the Town will use unassigned fund balance.

14. ENCUMBRANCES

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expended in the next year) are re-appropriated and become part of the subsequent year’s budget pursuant to state regulations.

At December 31, 2025, the Town reported the following encumbrances:

- ***Encumbrance for General Fund Purchases*** —Represents amounts, \$4,411, for the purchase of a building code design and construction document, radio for the emergency manager and other small office supplies purchases as agreed upon by board resolution or purchase order.
- ***Encumbrance for Highway Equipment*** —Represents amounts, \$178,476, for the purchase of a highway pickup truck with plow and dump box as agreed upon by board resolution.
- ***Encumbrance for Ambulance Equipment*** —Represents amounts, \$137,664, for the remaining payments on the purchase of a gas-powered Ambulance as agreed upon by board resolution.

The Town considers encumbrances significant if they are in excess of \$10,000. Significant encumbrances as of December 31, 2025 are listed below:

Fund	Purpose	Amount Encumbered
Highway	Highway Pickup Truck with Plow & Dump Box	\$ 178,476
Total Highway Fund		<u>\$ 178,476</u>
Ambulance	Gas-Powered Ambulance - 2nd half of contract	\$ 137,664
Total Ambulance Fund		<u>\$ 137,664</u>

15. INTERFUND ACTIVITY

Interfund receivables and payables are short-term in nature and exist because of temporary advances or payments made on behalf of other funds. The composition of interfund balances as of December 31, 2025 is as follows:

Fund	Interfund	
	Receivables	Payables
Governmental funds:		
General Fund	\$ 28,896	\$ -
Capital Projects Fund	<u>-</u>	<u>28,896</u>
Total	<u>\$ 28,896</u>	<u>\$ 28,896</u>

The outstanding balances between funds result from payments made on behalf of other funds or temporary advances. All of these balances are expected to be collected/paid within the subsequent year.

The Town made the following transfers between funds during the year ended December 31, 2025:

Fund	Transfers out:
	General Fund
Transfers in:	
Capital Projects Fund	487,980
Total	<u>\$ 487,980</u>

The interfund transfer totaling \$487,980 represents funding supplied by the general fund towards current capital projects.

16. LABOR CONTRACTS

Certain Town employees are represented by one bargaining unit, with the balance governed by Town Board rules and regulations. The International Operating Engineers Local 17 AFL-CIO bargaining unit has a current negotiated contract in place through December 31, 2026.

17. CONTINGENCIES

Litigation—The Town is involved in litigation in the ordinary course of its operations. The Town believes that its ultimate liability, if any, in connection with these matters will not have a material effect on the Town’s financial condition or results of operations.

Assessments—The Town is a defendant in litigation under Article 7 of the Real Property Tax Law of the State of New York to review tax assessments. While the Town vigorously defends assessments, the likelihood of success is on a case by case basis, and is dependent upon various factors including market values and appraised amounts. No potential amount or potential range of loss is determinable. However, management believes that level of such potential loss, if any, would be immaterial and no provisions have been made within the financial statements.

Grants—In the normal course of operations, the Town receives grant funds from various Federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any disallowed expenditures resulting from such audits could become a liability of the governmental funds. While the amount of any expenditures which may be disallowed cannot be determined at this time, management expects any amounts to be immaterial.

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through April 27, 2026, which is the date the AFR is available for issuance, and have determined there are no subsequent events that require disclosure in conformity with the format prescribed by the Office of the State Comptroller of the State of New York.

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