



# TOWN OF NORTH HEMPSTEAD

NASSAU COUNTY, NEW YORK

**JENNIFER DeSENA, SUPERVISOR**

[www.northhempsteadny.gov](http://www.northhempsteadny.gov)



## 2023 ANNUAL COMPREHENSIVE FINNICAL REPORT

FOR YEAR ENDED DECEMBER 31, 2023

# **Town of North Hempstead, New York**

Annual Comprehensive Financial Report

Fiscal Year Ended December 31, 2023

Prepared by the Office of the Town Comptroller  
Paul Wood, CPA  
Director of Finance/Acting Comptroller

# Town of North Hempstead, New York

Annual Comprehensive Financial Report  
Fiscal Year Ended December 31, 2023  
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<b>STATISTICAL SECTION (Unaudited)</b>
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This part of the Town's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information reveals about the Town's overall financial health. This section includes the following schedules:

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**Town of North Hempstead, New York**

Annual Comprehensive Financial Report

Fiscal Year Ended December 31, 2023

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**INTRODUCTORY  
SECTION**

**TOWN OF NORTH HEMPSTEAD**

PRINCIPAL OFFICIALS

December 31, 2023

**ELECTED OFFICIALS**

**TOWN BOARD:**

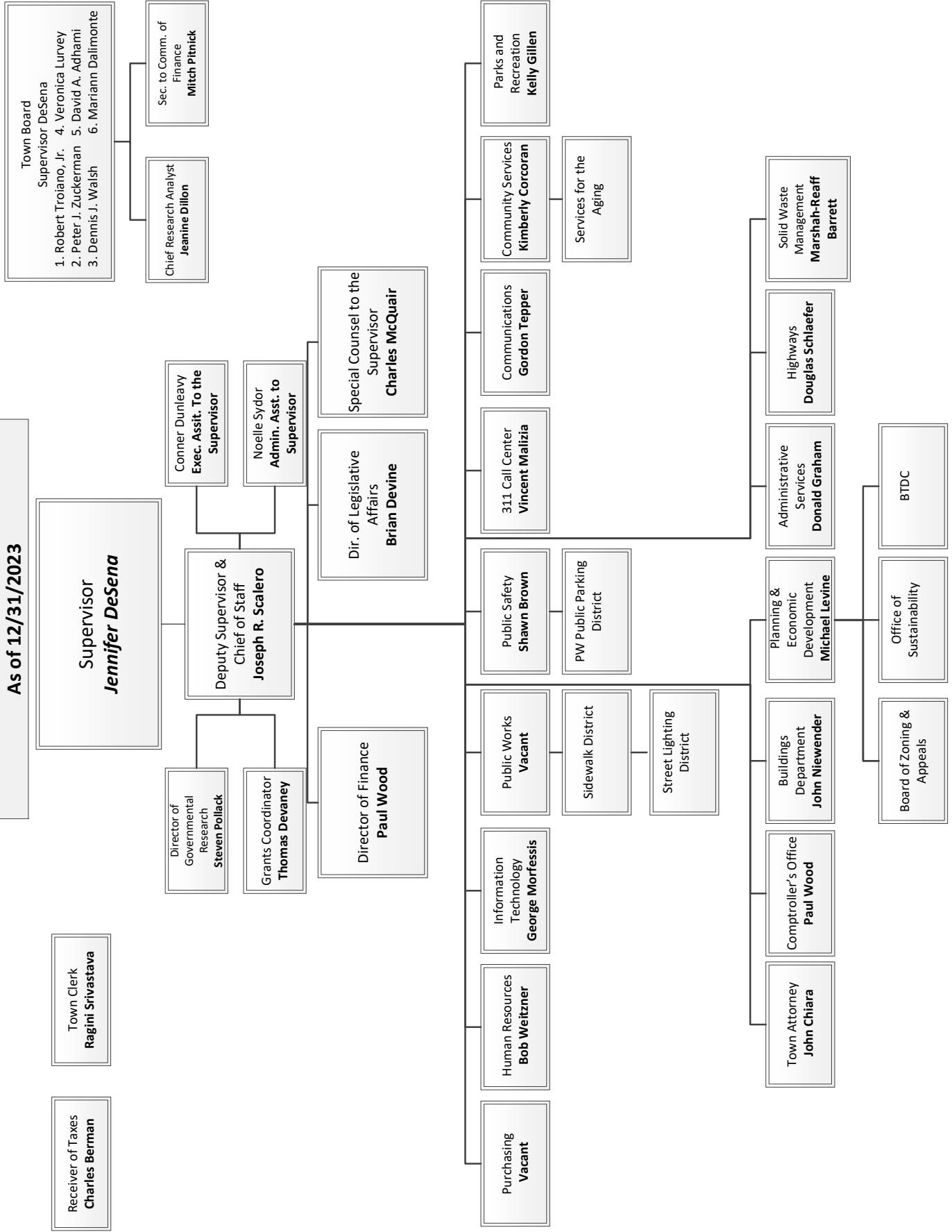
SUPERVISOR	JENNIFER DESENA
DISTRICT 1 - COUNCILMEMBER	ROBERT TROIANO, JR.
DISTRICT 2 - COUNCILMEMBER	PETER J. ZUCKERMAN
DISTRICT 3 - COUNCILMEMBER	DENNIS J. WALSH
DISTRICT 4 - COUNCILMEMBER	VERONICA LURVEY
DISTRICT 5 - COUNCILMEMBER	DAVID A. ADHAMI
DISTRICT 6 - COUNCILMEMBER	MARIANN DALIMONTE
TOWN CLERK	RAGINI SRIVASTAVA
RECEIVER OF TAXES	CHARLES BERMAN

**APPOINTED OFFICIALS**

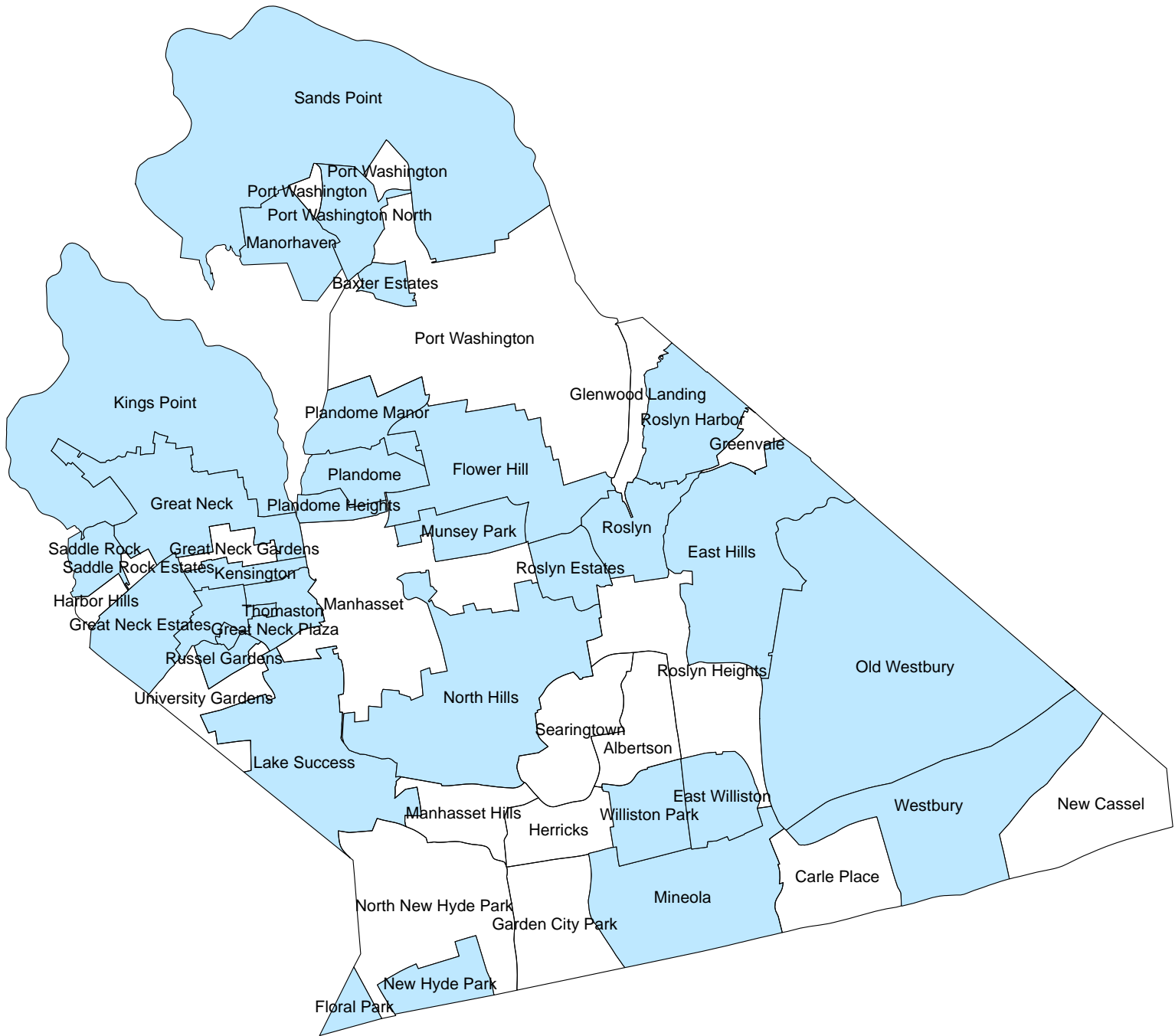
DEPUTY SUPERVISOR / CHIEF OF STAFF	JOSEPH R. SCALERO
TOWN ATTORNEY	JOHN CHIARA
DIRECTOR OF COMMUNICATIONS	GORDON TEPPER
COMMISSIONER OF PUBLIC SAFETY	SHAWN BROWN
COMMISSIONER OF COMMUNITY SERVICE and DEPARTMENT OF SERVICES OF THE AGING	KIMBERLY A. CORCORAN-GALANTE
COMMISSIONER OF PUBLIC WORKS	VACANT
SUPERINTENDENT OF HIGHWAYS	DOUGLAS SCHLAEFER
COMMISSIONER OF INFORMATION TECHNOLOGY	GEORGE MORFESSIS
COMMISSIONER OF ADMINISTRATIVE SERVICES	DONALD GRAHAM
COMMISSIONER OF SOLID WASTE MANAGEMENT	MARSHAH-REAFF BARRETT
COMMISSIONER OF PLANNING	MICHAEL A. LEVINE
COMMISSIONER OF 311 CALL CENTER	VINCENT MALIZIA
COMMISSIONER OF BUILDINGS	JOHN NIEWENDER
COMPTROLLER (acting) / DIRECTOR OF FINANCE	PAUL WOOD
COMMISSIONER OF PARKS & RECREATION	KELLY GILLEN
COMMISSIONER OF HUMAN RESOURCES	ROBERT WEITZNER



# Town of North Hempstead Organizational Chart As of 12/31/2023



# Town of North Hempstead



Note: The areas in white represent the unincorporated portions of the Town of North Hempstead

**TOWN OF NORTH HEMPSTEAD  
OFFICE OF THE SUPERVISOR**

*Town Board*  
ROBERT J. TROIANO  
EDWARD W. SCOTT III  
DENNIS J. WALSH  
CHRISTINE LIU  
DAVID A. ADHAMI  
MARIANN DALIMONTE

*Town Clerk*  
RAGINI SRIVASTAVA

*Receiver of Taxes*  
MARY JO COLLINS



**TOWN HALL  
220 PLANDOME ROAD  
MANHASSET, NY 11030  
(516) 869-6311  
FAX (516) 627-4204**



*Supervisor*  
**JENNIFER DeSENA**

September 27, 2024

Honorable Members of the Town Board  
and Residents of the Town of North Hempstead:

I am pleased to submit the Annual Comprehensive Financial Report (“ACFR”) of the Town of North Hempstead, New York (“the Town”) for the year ended December 31, 2023. The financial statements have been audited by the accounting firm selected by the Town Board, PKF O’Connor Davies, LLP. The auditors’ unmodified opinion is included in this report.

The Town of North Hempstead has a long and notable history of receiving Certificates of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (“GFOA”). Certificates are awarded to those governments whose annual financial reports are judged to conform to generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. It is my belief that the December 31, 2023 financial report continues to meet the requirements of the Certificate of Achievement Program.

Transparency is our priority, and I am proud of the Town’s ability to balance budgets while still providing exceptional services for our residents. We even delivered two consecutive tax cuts totaling more than 10% and still achieved an operating surplus in 2023. This report provides the Town Board, Town employees, residents, bond holders and other interested parties with detailed information concerning the Town’s operations and those financial positions.

Although the Town has been operating without an appointed Comptroller since last August, we have remained up to the task thanks the outstanding efforts of the Comptroller Office staff, my Director of Finance, and the cooperation of other Town departments. Their hard work enhances the accounting and financial reporting of the Town and provides a comprehensive and clear picture for Town residents.

Best regards,

Jennifer DeSena  
North Hempstead Town Supervisor

*Supervisor*  
JENNIFER S. DESENA

*Deputy Supervisor*  
JOSEPH SCALERO

*Town Board*  
ROBERT J. TROIANO  
EDWARD W. SCOTT III  
DENNIS J. WALSH  
CHRISTINE LIU  
DAVID A. ADHAMI  
MARIANN DALIMONTE

*Town Clerk*  
RAGINI SRIVASTAVA

*Receiver of Taxes*  
MARY JO COLLINS

# TOWN OF NORTH HEMPSTEAD

COMPTROLLER'S OFFICE  
220 PLANDOME ROAD  
MANHASSET, NY 11030

PHONE (516) 869-2911  
FAX (516) 869-7762



*Acting Comptroller/Director of  
Finance*  
PAUL WOOD

September 27, 2024

Honorable Members of the Town Board and  
Residents of the Town of North Hempstead:

I am pleased to submit the Annual Comprehensive Financial Report ("ACFR") of the Town of North Hempstead, New York (the "Town") for the year ended December 31, 2023.

The ACFR is prepared by the Comptroller's Office with assistance from many members of the Town government. The Town and its management are responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. The Town has established a comprehensive system of internal controls concerning its finances and the internal controls provide management with confidence in the accuracy of the information presented in the ACFR. Our internal controls have the objective of providing reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

PKF O'Connor Davies, LLP, Certified Public Accountants, have issued an unmodified independent auditors' report dated September 27, 2024 for the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Town as of and for the year ended December 31, 2023. Their report may be found at the beginning of the Financial Section.

Management's Discussion and Analysis ("MD&A") immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Government**

Originally, the Town of North Hempstead was part of the Town of Hempstead, which was a tract of land that was purchased by a group of 30 settlers in 1643. The Town of Hempstead spanned the width of Long Island from the Long Island Sound to the Atlantic Ocean.

In the 1770's, residents in the northern part of the Town predominantly sympathized with the forces for independence. On September 23, 1775, a group of leading residents adopted a declaration seceding from the Town of Hempstead, and British rule generally, creating what would become the Town of North Hempstead. British forces occupied the Town after the Battle of New York in 1776, an occupation that did not end until 1783. The division of Hempstead into North and South was ratified by the New York State Legislature in 1784, and North Hempstead officially became a separate township.

In the 19<sup>th</sup> century, North Hempstead became the seat of Queens County, which included the three eastern Towns of North Hempstead, Hempstead and Oyster Bay. In 1899, these Towns formed the new Nassau County when the remainder of Queens County joined New York City. The Cities of Glen Cove and Long Beach were later created out of portions of Oyster Bay and Hempstead, respectively.

The Town is located at the western end of Nassau County adjacent to the Borough of Queens in New York City. On the East, it is bordered by the Town of Oyster Bay, on the South by the Town of Hempstead and on the North by the Long Island Sound.

North Hempstead includes all of Manhasset Bay and portions of both Little Neck Bay and Hempstead Harbor. The Town has two beaches, one within Manhasset Bay and one within Hempstead Harbor. Manhasset Bay in Port Washington is also the location of the Town Dock, which hosts a public mooring field, a kayak launch, docking facilities, and also serves as a fishing spot and the starting point for a harborside trail. A non-motorized boat dock was added during 2018 in Hempstead Harbor, bringing the total to two non-motorized boat docks at this location. The Town maintains boat launching sites on Manhasset Bay and Hempstead Harbor.

In 1997, the Town opened the Harbor Links golf and athletic complex on a reclaimed sand mine in Port Washington. The complex includes an award-winning, Audubon-certified 18-hole championship golf course, a 9-hole executive course, a miniature golf course and four multi-purpose athletic fields. A clubhouse with a pro shop, men's and women's locker rooms, a grill room and a 300-person capacity ball room was opened in 2006.

Other Town-wide recreational opportunities include seasonal pool facilities in Port Washington, Manhasset, and New Cassel, and numerous athletic fields at parks throughout the Town.

The Town has two major recreational facilities. The "Yes We Can" Community Center in New Cassel opened in 2012 with one NBA-sized basketball court, two high school courts, a fitness center, dance and TV studios, and community meeting rooms. The "Yes We Can" Community Center also serves as the Long Island Nets practice facility. The Tully Center has an indoor pool and offers many recreational classes in exercise rooms.

Water is received from the Water Authority of Western Nassau, the Water Authority of Great Neck North and eight Commissioner Operated Water Districts within the Town. Electricity and natural gas are furnished by PSEG-Long Island, which operates the Long Island Power Authority's transmission and distribution system and National Grid, respectively.

The Town is within easy commuting distance of New York City. The Long Island Rail Road, which has frequently scheduled trains, accommodates daily commutes and trips to New York City on three lines from 10 stations within the Town. The Town is connected with New York City and other nearby points by four main east-west highways: Route 25A (Northern Boulevard), Route 25 (Jericho Turnpike), Northern State Parkway and the Long Island Expressway. Town residents may also travel from nearby John F. Kennedy International, LaGuardia or Long Island-MacArthur Airports.

Colleges and universities located in or near the Town include Adelphi University, Long Island University (C.W. Post University), New York Institute of Technology, SUNY at Old Westbury and the U.S. Merchant Marine Academy at Kings Point.

Town hospitals include Northwell Health Systems (formerly North Shore-Long Island Jewish Medical Center), St. Francis Hospital, and NYU Winthrop Hospital (formerly Winthrop University Hospital).

The Town of North Hempstead is governed by Town Law and other general laws of the State of New York and various local laws and ordinances. It is classified by New York State as a suburban town. The Town includes 31 incorporated villages. In addition, there are 16 unincorporated hamlets in the Town. The Town encompasses an area of over 53.58 square land miles and has a population of 235,781.

The Town of North Hempstead's Receiver of Taxes collects taxes for ten public school districts within the Town of North Hempstead and three school districts that have parcels in North Hempstead, but are largely in other adjacent towns.

The Chief Executive Officer of the Town is the Supervisor, who is elected for a term of two years. The Supervisor is also a member of the Town Board. The other six members of the Town Board are elected to four-year terms. The terms are staggered so that every two years, three council members run for election. There is no limitation on the number of terms that may be served by the Supervisor and members of the Town Board. The Supervisor is elected at large while council members are elected through council districts. The Town Clerk and Receiver of Taxes are elected for four-year terms and, like the Supervisor, are elected at large.

Services are provided to residents by the following Town Departments: 311 Call Center, Administrative Services, Building and Safety Inspection, Community Services, Comptroller, Department of Services for the Aging, Highway, Human Resources, Information Technology, Parks and Recreation, Planning and Economic Development, Public Safety, Public Works (including Lighting and Sidewalks Divisions), Receiver of Taxes, Town Supervisor, Town Attorney, Town Clerk and the Solid Waste Management Division.

Police protection is provided by Nassau County, seven village police departments and by the Port Washington Police District whose patrol area is limited to portions of the Port Washington peninsula. Fire protection is provided by four independent fire districts and seven fire protection districts which are funded through contracts and are considered to be Town operated for financial reporting purposes.

The Town Board appoints the Town Attorney, Comptroller and Superintendent of Highways. The Supervisor appoints the Deputy Supervisor, as well as Commissioners, Department heads and other members of her staff.

The Town has 46 special districts, of which 20 are Town operated and included in Primary Governmental Activities for financial reporting purposes. Of the remaining 26 districts, 20 are reported as "Discretely Presented Non-Major Component Units" and 6 districts (2 library funding and 4 fire) are excluded. Inclusion in or exclusion from the financial statements is determined by whether there is a financial or operational interdependence between the Town and the District. Generally, the interdependence is predicated on the authority or lack of authority of the District to tax and borrow. Where such authority is lacking, the Town taxes and borrows in its own name, on behalf of the District. The Town Board appoints the Town's Community Development Agency ("CDA") Board of Directors and the CDA is included as a discretely presented non-major component unit in the financial statements so as not to be misleading or incomplete.

Each year, the Town Board is required to adopt a budget, no later than November 20, for the following calendar year. It has been the consistent practice of the Town to strive to adopt the budget before Election Day. The budget is prepared by fund, department (which generally equates to function), down to individual expenditure line item. The adopted budget includes major and non-major funds and excludes the CDA, capital projects and debt service funds. The CDA is excluded from the budget, as its principal source of revenue is funding from the U.S. Department of Housing and Urban Development. Capital projects are budgeted on an individual project basis, with debt service and related costs budgeted in the Town operated general, highway, public parking, sidewalk, lighting and three park district funds, respectively. NYS legislation enacted in 2006 permitted the merging of the highway and part town funds into the Town Outside Villages (“TOV”) fund and financial reporting may be done on a combined basis. Department heads may reallocate budgeted amounts within their departments without Town Board approval. Transfers between departments require the approval of the Town Board.

### **Local Economy**

The Town’s award-winning hospitals and other medical providers offer an employment base for a largely highly educated and affluent population. These facilities not only employ thousands of local residents, across a wide spectrum of occupations, but also bring thousands of patients and their families to the Town. This pool of employees and customers further support a wide range of local businesses, from hotels to restaurants to retail establishments.

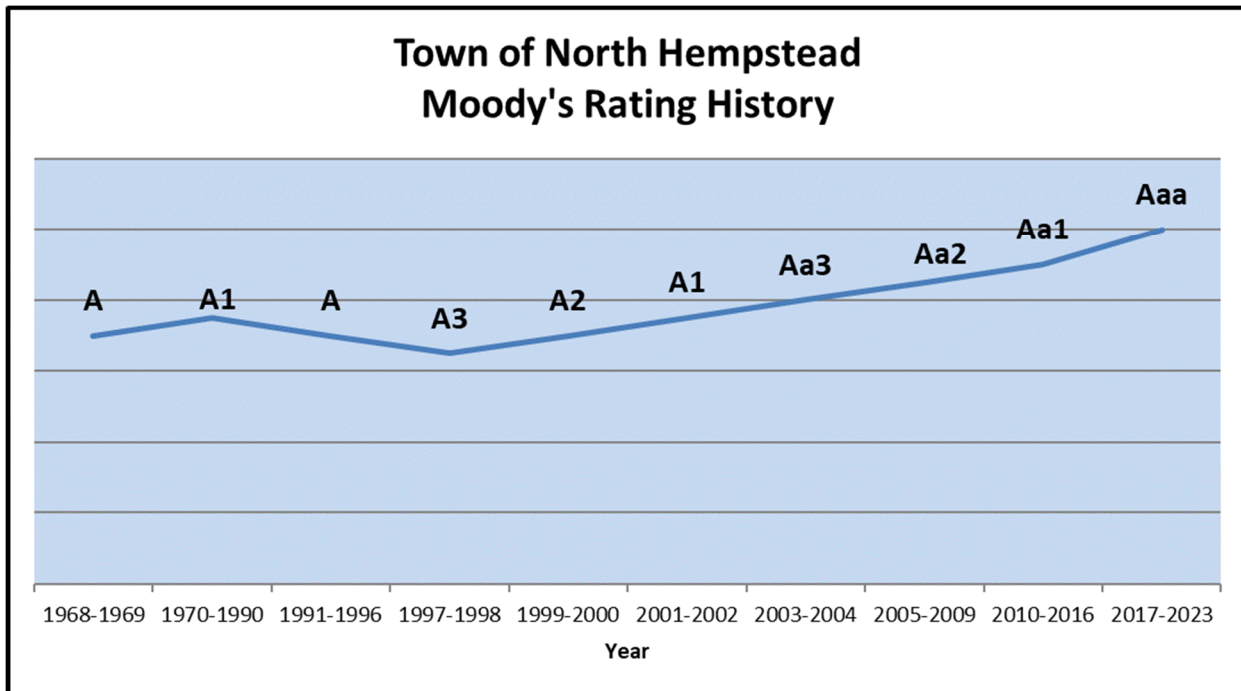
Based on New York State Department of Labor statistics, the Town’s 2023 unemployment rate averaged 2.9%. This average represents a decrease of 4.5% from 2020. This result reflects the Town’s continued recovery from the COVID-19 pandemic and its related financial impact. The Statistical Section of this report lists these and a number of additional economic indices whose trends are also favorable.

The Town’s proximity to New York City also makes it a highly desirable suburban location for commuters, attracted to the ease of access to employment. Residents’ access to the Town’s highly regarded public, private and parochial schools and overall quality of life is another reason why people choose to live in North Hempstead. In addition, the Town residents are less than a one hour drive from New York City’s museums, theaters and other cultural activities.

### **Long-Term Financial Planning**

The Town achieved a Aaa bond rating from Moody’s Investors Service with a stable outlook in March of 2017. This rating reflects strong fiscal management marked by conservative budgeting and maintenance of solid reserve levels. The Town is committed to remaining fiscally responsible with the goal of maintaining its bond rating in future years.





The Town's Capital Plan, which is revised annually, projects the Town's capital projects over the next five years. The estimated cost for each capital project is quantified and the related funding sources identified. This level of granular detail permits Town government to plan with reasonable specificity and budget responsibly, while managing its debt levels.

### Relevant Financial Policies

The Town of North Hempstead is governed by financial policies pursuant to laws of the State of New York. In addition, the Town has adopted and adheres to a set of Financial Management Policies that includes the following: Debt Management, Fund Balance, Investment, Purchasing, Capital Asset, Petty Cash and Change Bank, and Employee Reimbursement and Travel. The annual budgetary process contributes to prudent fiscal planning, by using conservative revenue and expenditure forecasting in the preparation of Town budgets. All policies are designed to strengthen internal controls and are reviewed annually.

### Major Initiatives

The Town has a significant focus on transparency and efficiency in government and has made many changes to make information easily available to residents. Further, the Town continues its commitment to sound financial management. The Town's most recent fiscal stress score is 0.0, which according to data released by the Office of the New York State Comptroller, is one of the lowest of any Town on Long Island.

The Town continues to place special emphasis on ensuring the health and well-being of our senior population. Project Independence, our nationally recognized "aging-in-place" senior program continues to expand throughout North Hempstead, with seven local offices. The program successfully links seniors with services ranging from medical and social service providers to taxi rides for trips to the supermarket and doctor's appointments, to assistance with repairs. Project Independence, which is served by the Town's 311 system, has helped thousands of North Hempstead seniors maintain and improve their quality of life, making it easier for them to remain



in their homes and part of our community. The program also serves disabled riders who are between 21 and 59 years of age.

The Town currently has Intermunicipal Agreements ("IMA's") with municipal entities, including incorporated villages, and school, library, water, water pollution control, and police districts. These agreements cover a broad range of shared services, including repaving, street sweeping, storm basin cleaning, street sanding, salt storage, snow removal, tree pruning, sign making, and dumping services at reduced costs, for the benefit of the taxpayers.

The Town has established a number of recurring festivals and programs that have continued to grow over the year. Parks and Recreation Department have continued to provide exceptional concerts, multicultural events, and myriad recreational opportunities. Our Highway Department provides snow removal, tree trimming, tree planting, street sweeping, and sidewalk repair at current levels, with no cuts to these important "quality of life" services and attention to safety. Moreover, the Town continues to work closely with all of our Local Chambers of Commerce.

With these cornerstones in place, the Town will strive to continue to provide high quality service delivered in a transparent, accountable, and efficient manner.

### **Reporting Achievement**

The Government Finance Officers Association of the United States and Canada ("GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of North Hempstead for its Annual Comprehensive Financial Report ("ACFR") for the year ended December 31, 2021. This was the twelfth consecutive year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Comptroller's Office and the guidance of our independent auditors, PKF O'Connor Davies, LLP. I would like to express my sincere appreciation to all members of the department who assisted in and contributed to its preparation.

Finally, I would like to thank the Supervisor and Members of the Town Board for their continuing support in planning and conducting the financial operations of the Town of North Hempstead in a responsible manner.

Respectfully submitted,



Paul Wood  
Town of North Hempstead  
Acting Comptroller/Director of Finance

**FINANCIAL  
SECTION**



## Independent Auditors' Report

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

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Town of North Hempstead, New York ("Town") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Town, as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparisons for the General, Highway, Part Town and Refuse and Garbage Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Port Washington Garbage District, Glenwood Garbage District, Carle Place Garbage District, Roslyn Garbage District, Great Neck Water Pollution Control District, Belgrave Water Pollution Control District, Port Washington Water Pollution Control District, Albertson Water District, Garden City Park Water District, Port Washington Water District, Westbury Water District, Roslyn Water District, Carle Place Water District, Manhasset-Lakeville Water District, Manhasset Park District, Great Neck Park District, Port Washington Police District, Shelter Rock Public Library District, Town of North Hempstead Community Development Agency and Greater Port Washington Business Improvement District, which represent 99.82% and 99.73%, respectively, of the assets and deferred outflows of resources and revenues of the aggregate discretely presented component units as of December 31, 2023. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for such component units are based solely on the reports of the other auditors.

## ***Basis for Opinions***

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

## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors’ Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

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

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 2024 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York  
September 27, 2024

## **Town of North Hempstead, New York**

Management's Discussion and Analysis  
December 31, 2023

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### **Introduction**

The management of the Town of North Hempstead (the "Town") provides this narrative overview and analysis of the Town's financial statements for the year ended December 31, 2023. We encourage readers to consider the information presented here together with additional information furnished in our letters of transmittal, which can be found in the introductory section of this annual comprehensive financial report (ACFR).

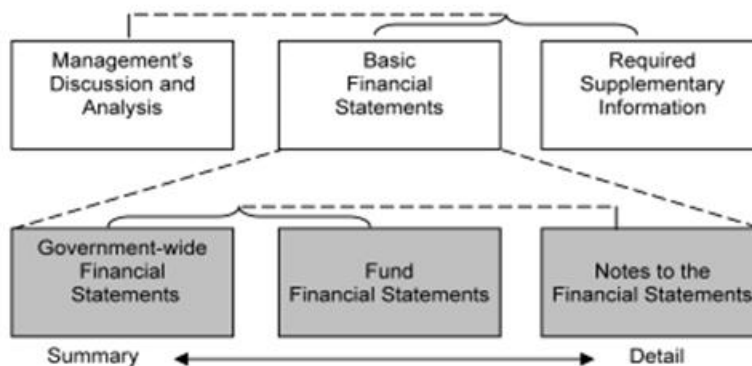
### **Financial Highlights**

- On the government-wide financial statements, the Town closed the year with a positive net position. Its assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of 2023 by \$158,412,920. The Town's total net position as of December 31, 2023 increased by \$32,897,559 versus the 2022 net position increase of \$40,761,033. This swing of \$7,863,474 is primarily due to a decrease in the OPEB liability and related deferred inflows and outflows of resources, which was due to the increase in the discount rate used in the actuarial assumptions.
- As of the close of 2023, the Town's governmental funds reported combined ending fund balance of \$128,675,944, an increase of \$13,201,577 when compared to the fund balance of \$115,474,367 at the end of 2022. The increase is primarily due to the issuance of general obligation bonds and a decrease in capital outlay expenditures.
- The Town's General fund balance was \$40,611,419 at the close of 2023, an increase of \$5,091,629 compared to the prior year fund balance. The restricted, assigned, and unassigned fund balance for the general fund was \$38,438,488 or 42.9% of total general fund actual expenditures and other uses.
- The Town's highway fund balance was \$12,664,322 at the close of 2023, an increase of \$781,090 or up 6.6% from the prior year. The decrease is primarily caused by a one-time payment of a judgment, offset by savings in snow removal costs, transportation administration and employee benefits, as well as conservative spending and strong expenditure control.

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

The discussion and analysis is an introduction to the Town's basic financial statements. The Town's basic financial statements comprise the following components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to basic financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

## Components of the Annual Financial Report



### 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 intent of the government-wide financial statements is to give the reader a long-term view of the Town's financial condition. These statements include both the governmental activities of the Town itself (known as the primary government) and of its legally separate nonmajor component units for which the Town is financially accountable. Financial information for these nonmajor component units is reported separately (discretely presented) from the financial information presented for the primary government.

The Statement of Net Position presents financial information on all of the Town's assets, liabilities and deferred inflows/outflows of resources with the difference between the two reported as net position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's buildings, roads, drainage and other assets to assess the overall health of the Town.

The Statement of Activities presents information showing how the Town's net position changed during the most recent year. Revenues and expenditures are reported by activity to give the reader an understanding of how each of the Town's activities is being supported. 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 expenditures are reported in this statement for some items that will result in cash flows in future periods. This method is known as the accrual basis of accounting and is different from the modified accrual basis of accounting used in the Town's fund financial statements.

### Governmental Activities

The Town's basic services are reported here, including: general government support; highways; sidewalks; public safety; transportation; fire; lighting; parks; refuse and garbage; and community service departments. Property taxes, sales taxes, mortgage taxes, franchise fees, fines, and state and federal grants finance most of these activities. The Town also charges fees to users to help cover the cost of certain services.



Program expenditures for our report purposes are broadly categorized by function in the Statement of Activities. Below is a more comprehensive list of the primary governmental services included within these categories:

- **General governmental support** – captures all other expenditures not included below
- **Education** – community college tuition payments
- **Public safety** – animal shelter, building, code enforcement, emergency management services, fire protection, parking enforcement
- **Health** – registrar of vital statistics
- **Transportation** – highway, lighting, public parking, sidewalk and snow removal
- **Economic assistance and opportunity** – community services, programs for the aging and veterans
- **Culture and recreation** – parks, pools and special recreation facilities, facility security
- **Home and community services** – board of appeals, landfill, planning board, sanitation and water

### **Nonmajor Component Units**

The nonmajor component units are legally separate organizations for which the Town is either financially accountable, or the nature and significance of their relationship with the Town is such that exclusion would cause the Town's financial statements to be misleading or incomplete. These entities are reported in a separate column in the government-wide statements. The Town includes twenty-one separate legal entities in its report (four refuse and garbage districts, three water pollution control districts, eight water districts, two park districts, one police district, one library district, one community development agency, and one business improvement district). They are legally separate entities that are not operating departments of the Town. All of the Town's component units are deemed to be nonmajor.

Information on separately issued financial statements is shown within the other supplementary information in the combining statement of net position and combining statement of activities.

### **Fund Financial Statements**

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities, and residual equity or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The Town, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

#### Governmental Funds

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

Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains twelve (12) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds. The Town has six (6) major funds, however, for purposes of the presentation of the Town's financials and ease of comparison with earlier years, the part town and highway funds, which comprise the town outside village fund, are presented as separate funds. These funds have been combined by operation of State law. The general fund, refuse and garbage districts fund, debt service funds, capital projects fund and part town are reported as major funds. Data from the six (6) other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the other supplementary information section of this report.

The Town adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison schedules for the general fund, highway fund, part town fund and refuse and garbage district fund can be found in the section labeled "Required Supplementary Information Other Than Management's Discussion and Analysis". Budgetary comparison schedules for the nonmajor governmental funds are presented in "Other Supplementary Information". The Town does not adopt budgets for either the capital projects fund or debt service fund.

The governmental funds financial statements can be found in the "Basic Financial Statements".

#### Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The Fiduciary Fund financial statements can be found in the "Basic Financial Statements" section of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found following the basic financial statements.

### **Other Information**

In addition to the basic financial statements this report contains required and other supplementary information immediately following the notes to the financial statements.

### **Government-Wide Financial Analysis**

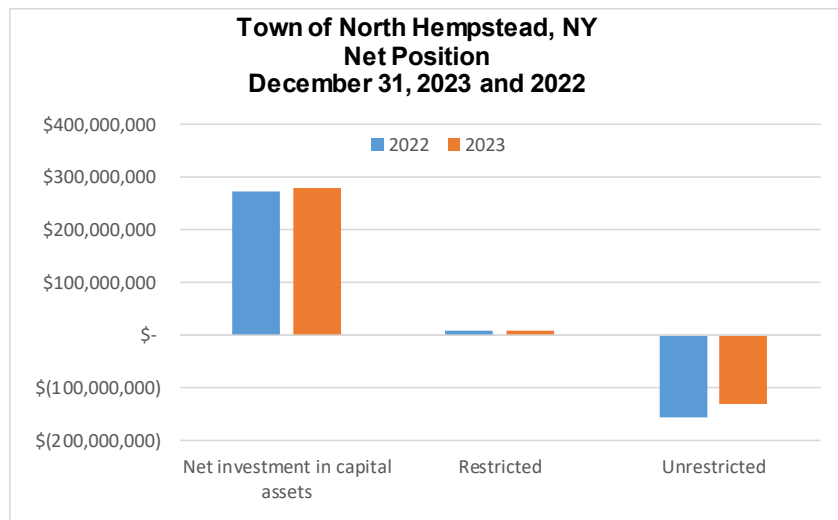
The Town's net position, including all capital assets, all debt, and all known future payment obligations, is positive. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$158,412,920 at the close of 2023.

**Condensed Statement of Net Position  
Governmental Activities – Primary Government  
As of December 31,**

	2023	2022
Current and Other Assets:		
Current Assets	\$ 155,561,255	\$ 140,955,058
Capital Assets, net of depreciation	439,145,881	435,792,352
Other non-current assets	5,214,473	16,686,019
Total Assets	<u>599,921,609</u>	<u>593,433,429</u>
Deferred Outflows of Resources	<u>28,815,646</u>	<u>25,352,143</u>
Current Liabilities	47,666,376	41,956,766
Long-term Liabilities	<u>371,315,058</u>	<u>347,298,163</u>
Total Liabilities	<u>418,981,434</u>	<u>389,254,929</u>
Deferred Inflows of Resources	<u>51,342,901</u>	<u>104,015,282</u>
Net Position:		
Net Investment in capital assets	279,374,908	273,145,819
Restricted	8,938,695	8,023,580
Unrestricted	<u>(129,900,683)</u>	<u>(155,654,038)</u>
Total Net Position	<u>\$ 158,412,920</u>	<u>\$ 125,515,361</u>

By far the largest portion of the Town’s net position, \$279,374,908 reflects its net investment in capital assets (e.g., land, buildings, machinery and equipment, intangibles - software and infrastructure); less any outstanding debt and payables used to acquire these assets. The Town uses its capital assets to provide services to its citizens; consequently, the Town has no plans to sell the assets and it pays the associated principal and interest from its operating budget.

The OPEB liability is the largest component of the Town’s unrestricted net position, which has a deficit balance of \$129,900,683. The other components are primarily similar long-term liabilities, which include bonds payable, future payments due to the employees’ retirement system, compensated absences, claims and judgments, landfill closure and post closure care costs and net pension liability – proportionate share. OPEB and these other long-term obligations will be funded as they become payable in future periods.



**Changes in Net Position  
Governmental Activities – Primary Government  
For the years ended December 31,**

	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 33,544,009	\$ 34,355,509
Operating Grants and Contributions	1,788,059	3,051,815
Capital Grants and Contributions	5,077,012	3,850,946
	40,409,080	41,258,270
General Revenues:		
Real Property Taxes	79,401,169	80,163,836
Other tax items	6,916,970	6,178,989
Non-property taxes	17,629,022	17,517,079
Mortgage tax	6,118,743	11,670,076
Other	9,386,321	1,834,356
	119,452,225	117,364,336
Total Governmental Revenues	159,861,305	158,622,606
Expenses:		
Program Expenses:		
General Government Support	25,918,787	15,823,561
Education	2,640,256	1,763,677
Public Safety	14,652,195	15,439,837
Health	261,697	317,828
Transportation	17,648,137	20,392,584
Economic Opportunity and Development	2,795,001	2,497,347
Culture and Recreation	28,672,321	27,842,281
Home and Community Services	29,264,645	28,535,443
Interest on Debt	5,110,707	5,249,015
	126,963,746	117,861,573
Total Governmental Expenses	126,963,746	117,861,573
Change in Net Position	32,897,559	40,761,033
Net Position - Beginning	125,515,361	84,754,328
Net Position - Ending	\$ 158,412,920	\$ 125,515,361

Net position, from all governmental activities, increased by \$32,897,559 from the prior year ending net position.

Key element(s) of the governmental activities are as follows:

- General revenues increased by \$2,087,889 from the prior year. The largest category is the other category which shows an increase of \$7,551,965, which was mainly due to interest earnings from the high interest rates and settlement payments from Nassau County. This increase was offset by a decrease in current year mortgage tax receipts received from the prior year of \$5,551,333 due to the fluctuation in the housing market.
- Program expenses increased by \$9,102,173 over the prior year.
  - General government support expenses increased by \$10,095,226 primarily due to:
    - An increase of \$2,370,193 in pension expense allocation for GASB 68 activity.
    - An increase in the OPEB liability and related deferred outflows of resources and deferred outflow of resources of \$8,321,866. This change was mainly due to an decrease in the discount rate to 3.8% in 2023 when compared to 4.0% in 2022. A portion of the change is allocated to the general government support function.
    - A decrease of \$429,631 in the retirement incentives and other pension liabilities.
  - Transportation services decreased by \$2,744,447 primarily due to the transportation function's proportionate share in the increase OPEB liability and related deferred outflows of resources and deferred inflows of resources, which was mainly due to a decrease in the discount rate to 3.8% in 2023 when compared to 4.0% in 2022. This was offset by an increase in of \$1,648,923 in pension expense allocation for GASB 68 activity.

The following chart illustrates the total expenses by program function for the Town's governmental funds.

**Net Cost of Services  
For the Years Ended December 31,**

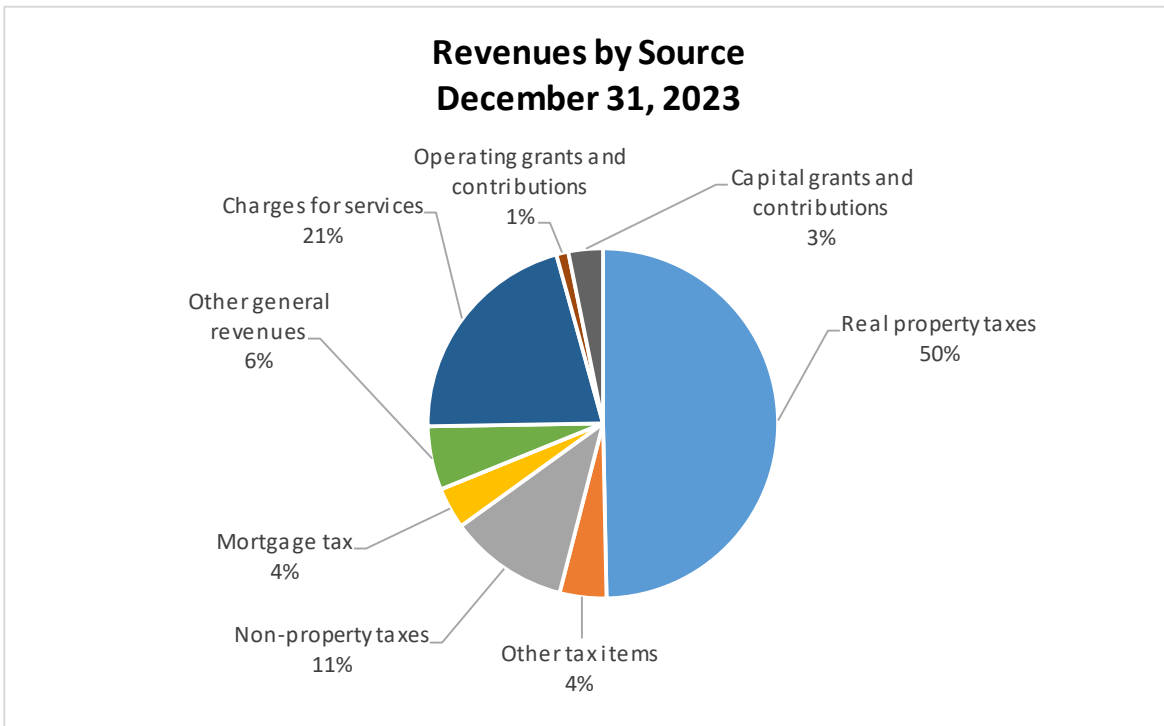
	Total Cost of Services		Program Revenue		Net Cost of Services	
	2023	2022	2023	2022	2023	2022
General government support	\$ 25,918,787	\$ 15,823,561	\$ 852,011	\$ 807,467	\$ 25,066,776	\$ 15,016,094
Education	2,640,256	1,763,677	-	-	2,640,256	1,763,677
Public safety	14,652,195	15,439,837	6,032,449	5,021,099	8,619,746	10,418,738
Health	261,697	317,828	446,890	438,560	(185,193)	(120,732)
Transportation	17,648,137	20,392,584	2,745,360	2,978,916	14,902,777	17,413,668
Economic assistance and opportunity	2,795,001	2,497,347	567,340	206,906	2,227,661	2,290,441
Culture and recreation	28,672,321	27,842,281	10,858,032	12,533,020	17,814,289	15,309,261
Home and community services	29,264,645	28,535,443	16,768,687	18,897,085	12,495,958	9,638,358
Interest on debt	5,110,707	5,249,015	2,138,311	375,217	2,972,396	4,873,798
	<u>\$ 126,963,746</u>	<u>\$ 117,861,573</u>	<u>\$ 40,409,080</u>	<u>\$ 41,258,270</u>	<u>\$ 86,554,666</u>	<u>\$ 76,603,303</u>

The total cost of all governmental activities this year was \$126,963,746. The net cost of these services was \$86,554,666. Program revenues of \$40,409,080 represented 31.8% of the governmental activity cost.

The following chart illustrates the revenues by source for the Town's governmental activities. The Town's revenue increased by \$1,238,699 versus the prior year, primarily because of the increase in interest earnings of \$2,373,568, increase in sale of real property of \$1,524,311 and miscellaneous of \$3,654,086. The increase in interest earnings was due to higher interest rates and the increase in miscellaneous is due to the settlement payments from Nassau County. These increases were offset by a decrease in mortgage tax of \$5,551,333 due to the fluctuation in the housing market.

**Revenue by Source – Primary Government  
Year Ended December 31,**

	2023	2022
Real property taxes	\$ 79,401,169	\$ 80,163,836
Other tax items	6,916,970	6,178,989
Non-property taxes	17,629,022	17,517,079
Mortgage tax	6,118,743	11,670,076
Other general revenues	9,386,321	1,834,356
Charges for services	33,544,009	34,355,509
Operating grants and contributions	1,788,059	3,051,815
Capital grants and contributions	5,077,012	3,850,946
	<u>\$ 159,861,305</u>	<u>\$ 158,622,606</u>



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

**Governmental Funds**

The report on the Town’s governmental funds provided information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, spendable fund balance may serve as a useful measure of the Town’s net resources available for spending at the end of the year. There are no restrictions that are expected to have a significant effect on the availability of fund resources for future use.

As of December 31, 2023, the Town’s governmental funds reported \$128,675,944 total ending fund balance as compared to the prior year of \$115,474,367, an increase of \$13,201,577. The increase is due to operating surpluses in the General, Highway, Refuse and Garbage Districts, Debt Service,

Capital Projects and Non-Major Governmental funds of \$5,091,629, \$781,090, \$2,186,756, \$915,115, \$1,628,445 and \$3,454,540, respectively. These surpluses were offset by a decrease in the Part Town fund of \$855,998. The decrease in the debt service fund was budgeted in order to utilize the fund's fund balance to pay down the current debt outstanding.

- **Nonspendable fund balance** – \$3,898,887 (inherently nonspendable) includes the portion of net resources that cannot be spent because they must be maintained intact.
- **Restricted fund balance** – \$54,559,593 (externally enforceable limitations on use) includes amounts subject to limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments.
- **Assigned fund balance** – \$41,709,028 (limitation resulting from intended use) consists of amounts where the intended use is established by the highest level of decision making and the remaining positive fund balance amounts in funds other than the general fund.
- **Unassigned fund balance** – \$28,508,436 (residual net resources) is the total fund balance in the general fund in excess of nonspendable and assigned fund balance.

### General Fund

The general fund is the chief operating fund of the Town. At the end of the current year, the total fund balance of the general fund was \$40,611,419, increasing \$5,091,629 from the prior year's fund balance. The increase in fund balance is mainly due to the increase in sales tax revenue and interest earned during the year, in addition to conservative spending during the year.

Of the total year end fund balance, \$2,172,931 is nonspendable (inventory and prepaids). The remaining \$38,438,488 of the fund balance is spendable as follows: \$9,930,052 has been assigned by the Town Board, (\$6,819,810 designated for subsequent year's expenditures, \$654,477 for workers' compensation, \$876,834 for insurance, \$1,264,094 for senior housing related programs and \$314,837 for capital projects) and \$28,508,436 represents spendable, unassigned fund balance.

The major variances versus the adopted budget were as follows:

- Total Revenues and Other Financing sources were higher than budgeted by \$1,566,518. The primary reasons for this favorable variance were due to the sales tax received and interest earned in amounts greater than the budget of \$3,677,548 and \$1,653,284, which resulted due to strong economic activity. This favorable variance was offset by unfavorable variances in the mortgage tax of \$2,381,257 due to fluctuating markets and in the American Rescue Plan Act funding of \$3,094,993 due to federal aid not spent in the current year.
- Total Expenditures and Other Financing Uses were lower than budgeted by \$7,029,085 due to conservative spending and strong expenditure control. Several departments had favorable spending variances including Comptroller, Public Works, Programs for Aging, Solid Waste Management Department, State Retirement, Hospital Medical Dental and Transfers Out of \$348,056, \$159,563, \$179,007, \$1,044,870, \$748,515, \$243,544 and \$3,121,537, respectively.

### Highway Fund

At the end of 2023, the highway fund balance was \$12,664,322 an increase of \$781,090, or 6.6%, from the prior year. The increase in fund balance is mainly due to the increase in interest earned during the year, in addition to conservative spending during the year in the transportation administration and garage departments.

The portion of the fund balance that is considered nonspendable is \$1,168,798, for inventory and prepaid expenditures (\$558,638 and \$610,160, respectively). The Town Board has assigned \$168,977 in a reserve for accrued employee benefits, \$831,478 for capital projects, \$100,000 for insurance, \$1,232,812 for workers' compensation and \$6,817,617 designated for subsequent year's expenditures. The remaining fund balance is spendable and available for highway operating purposes.

### **Part Town Fund**

At the end of 2023, the part town fund had a total fund balance of \$9,679,185 a decrease of \$855,998 or -8.1%. The decrease in fund balance was planned as part of the budget adoption process, however, less of a decrease occurred than budgeted. This was mainly due to lower rates for the retirement system than anticipated and an increase in the interest earned during the year due to higher rates.

Nonspendable fund balance allocated to prepaid expenditures totaled \$421,173. The Town Board has assigned \$201,550 in a reserve for accrued employee benefits, \$148,385 for capital projects, \$200,000 for insurance and \$2,391,405 designated for subsequent year's expenditures. The remaining \$6,316,672 of the fund balance can be used for general part town purposes.

### **Refuse and Garbage Districts Fund**

At the end of 2023, the refuse and garbage districts fund had a total fund balance of \$3,073,243, an increase of \$2,186,756 or 246.7% from the prior year. The increase in fund balance is mainly attributable to the receipt of the first year's settlement paid by Nassau County. The terms of the settlement agreement requires the County to pay the Town in three equal installments due in 2022, 2023 and 2024.

### **Debt Service Fund**

At the end of 2023, the debt service fund had a total fund balance of \$8,938,695 an increase of \$915,115 or 11.4%. The increase in fund balance was primarily due to the increase in interest earned during the year due to higher rates, offset by a transfer out to other funds. The entire fund balance of the debt service fund is considered to be restricted for future debt service payments.

### **Capital Projects Fund**

At the end of 2023, the total fund balance of the capital projects fund was \$36,865,720. This entire amount is restricted for capital projects.

The balance increased in the capital projects fund by \$1,628,445 during the current year. Primarily because of:

- Proceeds from the sale of bonds in the amount of \$17,310,905.
- Capital outlay and equipment expenditures were \$19,114,398.
- Bond anticipation notes were redeemed from appropriations of \$39,000.
- State and Federal Aid revenues were \$611,272.
- Miscellaneous revenues were \$1,683,161.
- Premiums on obligations in the amount of \$467,308.

### **Nonmajor Governmental Funds**

At the end of 2023, the total fund balance of the nonmajor governmental funds was \$16,843,360, increasing \$3,454,540 or 25.8%, from the prior year. Of this amount, \$135,985 is nonspendable for prepaid expenditures. The fund balance includes \$8,755,178 which is restricted for the length of service



award program and \$763,992 assigned as designated for subsequent year’s expenditures. The remaining \$7,188,205 of the fund balance can be used for general special district purposes.

The major fund balance fluctuations are as follows:

- The Fire Protection Districts’ fund balance increased by \$714,039 primarily due to the increase in interest earned during the year due to higher rates.
- The Lighting District’s fund balance increased by \$1,107,499 primarily due to the transfer in from other funds.
- The Sidewalk District’s fund balance increased by \$1,558,599 primarily due to conservative spending.

### **General Fund Budgetary Highlights**

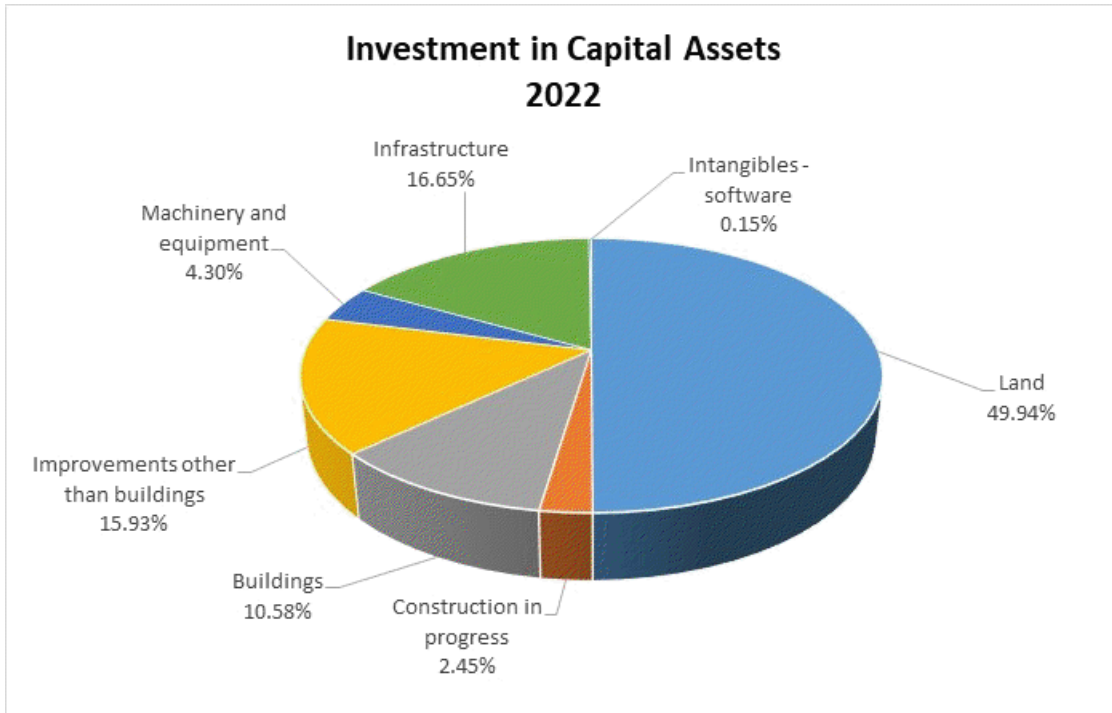
The differences between the 2023 original budget and the final amended budget as adopted by Town Board resolution throughout the year were \$7,425,493. The primary reasons for the increase in budget are due to resolutions where the Town covered overexpended lines and to account for the greater than expected use of American Recovery Plan Act, receipts of funds due to the Town from a litigation settlement and to fund supplemental appropriations. There are no variances that are expected to have a significant effect on future services or liquidity. Please see the “General Fund” section for more details on the comparison of final budgets and actual amounts. Over the course of the year the Town Board revises the budget as needed so that expenditures do not exceed appropriations.

### **Capital Asset and Debt Administration**

#### *Capital Assets*

The Town’s investment in capital assets for its governmental activities as of December 31, 2023 amounts to \$439,145,881. This investment in capital assets includes land, construction in progress, buildings, improvements, machinery and equipment, roads, curb and sidewalks, drainage, street lighting and intangibles net of accumulated depreciation.

	2023	2022
Land	\$ 217,629,085	\$ 217,629,085
Construction in progress	8,449,688	10,713,970
Buildings	44,400,479	46,087,084
Improvements other than buildings	66,033,452	69,426,859
Machinery and equipment	18,054,020	18,746,960
Infrastructure	84,007,689	72,555,969
Intangibles - software	571,468	632,425
 Total	 \$ 439,145,881	 \$ 435,792,352



Additional information of the Town of North Hempstead's capital assets is shown in Note 3C to the financial statements.

The Town has a five-year capital plan. The five-year plan allows for continued improvements to infrastructure, buildings and equipment while issuing and managing Town debt. The capital plan is revised, updated, and re-adopted annually.

***Debt***

At the end of 2023, the Town had decreased total debt outstanding including serial bonds, revenue bonds, and bond anticipation notes (BANs) by \$12,801,676 from the prior year.

**Short-Term Debt**

As of December 31, 2023, the Town had outstanding short-term bond anticipation notes of \$554,000 with maturity dates in 2024. This is a decrease of \$1,433,000, or -72.1% from 2022 primarily due to the timing of construction on projects that are grant reimbursable, which is what the Town primarily uses the short-term debt for.

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Bond Anticipation Notes	<u>\$ 554,000</u>	<u>\$ 1,987,000</u>

**Long-Term Debt**

As of December 31, 2023, the Town had outstanding long-term bonded debt of \$193,948,907. This is an increase of \$1,793,986, or 0.9%, versus the prior year largely due to current year payments offset by general obligation bonds issued in 2023. Outstanding long-term bonds are as follows:

	<u>2023</u>	<u>2022</u>
General obligation bonds	<u>\$ 193,948,907</u>	<u>\$ 192,154,921</u>

In 2023, Moody’s Investment Services rated the Town’s credit rating to “Aaa” with a stable outlook. This is the highest available rating. The town achieved an “Aaa” rating from Moody’s again in 2024.

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 for indebtedness. The Town may contract for indebtedness only for Town purposes.

The State Constitution and statutes limit the amount of general obligation debt a governmental entity may issue to 7% of a 5-year average full valuation. As of December 31, 2023, the Town had exhausted 7.79% of its constitutionally available debt limit, which is \$4,289,026,119.

Additional information on the Town’s debt activity may be found in Note 3.D to the financial statements.

### **Economic Factors and Next Year’s Budgets and Rates**

#### Property Tax

The Town Board adopted a budget for 2023 that stayed within the 2% limit on property tax increases permitted by state law without a super-majority vote.

#### State Aid and Local Assistance

The Town receives financial assistance from New York State and Nassau County. The 2024 budget includes mortgage tax of \$6,000,000, AIM related funding of \$1,023,565 and local government assistance (sales tax) of \$14,500,000. Although the State has adopted its budget timely, if in the future the budget is not adopted in a timely manner, municipalities, and school districts in the State, including the Town, may be affected by a delay in the payment of state aid. The State is not constitutionally obligated to maintain or continue state aid to the Town.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town’s finances for all those with an interest in the government’s finances and to show the Town’s accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Town of North Hempstead, Office of the Comptroller, 220 Plandome Rd., Manhasset, NY 11030.

**BASIC FINANCIAL  
STATEMENTS**

**Town of North Hempstead, New York**

Statement of Net Position  
December 31, 2023

	Primary Government	
	Governmental Activities	Non-Major Component Units
<b>ASSETS</b>		
Cash and equivalents	\$ 128,750,260	\$ 91,242,533
Cash and equivalents - restricted	-	54,095,788
Investments - LOSAP	8,755,178	-
Receivables		
Accounts	3,913,633	5,323,940
State and Federal aid	5,141,404	751,014
Due from other governments	5,101,893	22,716,526
Due from primary government	-	36,134,365
Loans	-	936,598
Deposits	-	885
Inventory	932,082	979,833
Prepaid expenses	2,966,805	3,903,472
Notes receivable	3,420,000	-
Due from County of Nassau	1,794,473	-
Property held for resale	-	2,905,201
Lease receivable	-	6,421,883
Capital assets		
Not being depreciated	226,078,773	122,627,134
Being depreciated, net	213,067,108	328,019,092
Total Assets	<u>599,921,609</u>	<u>676,058,264</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding bonds	964,866	92,861
Pension related	18,278,874	22,420,432
OPEB related	5,231,813	3,593,908
Length of service awards programs	4,340,093	-
Total Deferred Outflows of Resources	<u>28,815,646</u>	<u>26,107,201</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	9,828,253	14,519,288
Due to other governments	1,228,108	299,314
Bond anticipation notes payable	554,000	53,086,469
Deposits payable	2,279,330	1,487,945
Unearned revenues	9,383,714	4,933,650
Accrued interest payable	1,859,491	3,559,260
Non-current liabilities		
Due within one year	22,533,480	11,031,909
Due in more than one year	371,315,058	421,797,616
Total Liabilities	<u>418,981,434</u>	<u>510,715,451</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes	-	59,264
Loans receivable	-	345,763
Leases	-	5,999,158
Pension related	1,511,052	40,876,671
OPEB related	43,862,984	1,161,318
Length of service awards programs	5,968,865	-
Total Deferred Inflows of Resources	<u>51,342,901</u>	<u>48,442,174</u>
<b>NET POSITION</b>		
Net investment in capital assets	279,374,908	173,509,905
Restricted for		
Accrued employee benefits	-	233,564
Asset forfeiture	-	879,302
Capital projects	-	61,518,924
Debt service	8,938,695	1,271,611
Herbert Paul memorial fund	-	216,813
Insurance	-	224,474
Maintenance	-	423,173
New York State grant	-	201,005
Property held for redevelopment	-	2,193,496
Repairs	-	11,142,128
Retirement contribution	-	3,445
Unrestricted	<u>(129,900,683)</u>	<u>(108,810,000)</u>
Total Net Position	<u>\$ 158,412,920</u>	<u>\$ 143,007,840</u>

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

**Town of North Hempstead, New York**

Statement of Activities  
Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government</b>				
Governmental activities				
General government support	\$ 25,918,787	\$ 585,344	\$ 266,667	\$ -
Education	2,640,256	-	-	-
Public safety	14,652,195	5,335,739	696,710	-
Health	261,697	446,890	-	-
Transportation	17,648,137	1,473,536	-	1,271,824
Economic opportunity and development	2,795,001	54,382	512,958	-
Culture and recreation	28,672,321	9,329,397	156,288	1,372,347
Home and community services	29,264,645	16,318,721	155,436	294,530
Interest	5,110,707	-	-	2,138,311
<b>Total Primary Government</b>	<b>\$ 126,963,746</b>	<b>\$ 33,544,009</b>	<b>\$ 1,788,059</b>	<b>\$ 5,077,012</b>
<b>Non-major component units</b>				
General government support	\$ 1,927,903	\$ -	\$ -	\$ -
Public safety	20,102,388	94,706	99,625	-
Culture and recreation	23,027,136	7,401,835	8,293	-
Home and community services	63,116,668	30,796,515	1,350,657	25,936,338
Interest	8,540,036	-	-	-
	<b>\$ 116,714,131</b>	<b>\$ 38,293,056</b>	<b>\$ 1,458,575</b>	<b>\$ 25,936,338</b>

General revenues  
 Real property taxes  
 Other tax items  
 Interest and penalties on real property taxes  
 Payments in lieu of taxes  
 Special assessment  
 Other  
 Non-property taxes  
 Nassau County local government assistance  
 Franchise fees  
 Mortgage tax  
 Unrestricted use of money and property  
 Sale of property and compensation for loss  
 Insurance recoveries  
 Miscellaneous

Total General Revenues

Change in Net Position

**NET POSITION**

Net Position - Beginning, as Reported

Prior Period Adjustment

Net Position - Beginning, as Restated

Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Non-Major Component Units
\$ (25,066,776)	\$ -
(2,640,256)	-
(8,619,746)	-
185,193	-
(14,902,777)	-
(2,227,661)	-
(17,814,289)	-
(12,495,958)	-
(2,972,396)	-
<u>\$ (86,554,666)</u>	<u>\$ -</u>
\$ -	\$ (1,927,903)
-	(19,908,057)
-	(15,617,008)
-	(5,033,158)
-	(8,540,036)
<u>\$ -</u>	<u>\$ (51,026,162)</u>
79,401,169	87,525,745
1,291,466	-
4,953,410	4,918,197
546,330	-
125,764	-
15,777,548	-
1,851,474	-
6,118,743	-
2,553,131	8,655,408
1,524,311	-
-	21,754
5,308,879	1,875,369
<u>119,452,225</u>	<u>102,996,473</u>
32,897,559	51,970,311
125,515,361	90,701,125
-	336,404
<u>125,515,361</u>	<u>91,037,529</u>
<u>\$ 158,412,920</u>	<u>\$ 143,007,840</u>

**Town of North Hempstead, New York**

Balance Sheet  
Governmental Funds  
December 31, 2023

	General	Highway	Part Town
<b>ASSETS</b>			
Cash and equivalents	\$ 37,425,414	\$ 11,739,935	\$ 10,119,711
Investments - LOSAP	-	-	-
Other receivables			
Accounts	3,739,291	7,412	67,279
State and Federal aid	1,703,406	258,883	-
Due from other governments	4,986,544	1,409	51,172
Due from other funds	7,798,617	-	-
	<u>18,227,858</u>	<u>267,704</u>	<u>118,451</u>
Inventories	<u>373,444</u>	<u>558,638</u>	<u>-</u>
Prepaid expenditures	<u>1,799,487</u>	<u>610,160</u>	<u>421,173</u>
Total Assets	<u>\$ 57,826,203</u>	<u>\$ 13,176,437</u>	<u>\$ 10,659,335</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable and accrued liabilities	\$ 4,441,746	\$ 402,235	\$ 193,738
Due to other governments	1,170,322	-	57,786
Bond anticipation notes payable	-	-	-
Deposits payable	1,180,155	-	728,221
Due to other funds	55,074	108,726	-
Unearned revenues	9,375,539	1,154	405
Total Liabilities	<u>16,222,836</u>	<u>512,115</u>	<u>980,150</u>
Deferred Inflows of Resources			
Unavailable revenues - State and Federal aid	<u>991,948</u>	<u>-</u>	<u>-</u>
Fund balances			
Nonspendable	2,172,931	1,168,798	421,173
Restricted	-	-	-
Assigned	9,930,052	11,495,524	9,258,012
Unassigned	<u>28,508,436</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>40,611,419</u>	<u>12,664,322</u>	<u>9,679,185</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 57,826,203</u>	<u>\$ 13,176,437</u>	<u>\$ 10,659,335</u>

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



Refuse and Garbage Districts	Debt Service	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 3,423,588	\$ 8,938,695	\$ 47,980,765	\$ 9,122,152	\$ 128,750,260
-	-	-	8,755,178	8,755,178
-	-	44,751	54,900	3,913,633
-	-	3,179,115	-	5,141,404
-	-	59,585	3,183	5,101,893
-	-	102,137	38,000	7,938,754
-	-	3,385,588	96,083	22,095,684
-	-	-	-	932,082
-	-	-	135,985	2,966,805
<u>\$ 3,423,588</u>	<u>\$ 8,938,695</u>	<u>\$ 51,366,353</u>	<u>\$ 18,109,398</u>	<u>\$ 163,500,009</u>
\$ 344,052	\$ -	\$ 3,290,512	\$ 891,349	\$ 9,563,632
-	-	-	-	1,228,108
-	-	554,000	-	554,000
-	-	-	370,954	2,279,330
-	-	7,771,542	3,412	7,938,754
6,293	-	-	323	9,383,714
350,345	-	11,616,054	1,266,038	30,947,538
-	-	2,884,579	-	3,876,527
-	-	-	135,985	3,898,887
-	8,938,695	36,865,720	8,755,178	54,559,593
3,073,243	-	-	7,952,197	41,709,028
-	-	-	-	28,508,436
3,073,243	8,938,695	36,865,720	16,843,360	128,675,944
<u>\$ 3,423,588</u>	<u>\$ 8,938,695</u>	<u>\$ 51,366,353</u>	<u>\$ 18,109,398</u>	<u>\$ 163,500,009</u>

**Town of North Hempstead, New York**

Reconciliation of Governmental Funds Balance Sheet to  
the Government-Wide Statement of Net Position - Governmental Activities  
December 31, 2023

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

Total Fund Balances - Governmental Funds	\$ 128,675,944
Assets applicable to the Town's governmental activities are not due and receivable in the current period, and accordingly, are not reported in the funds. However, these assets are included in the Statement of Net Position.	
Notes receivable	3,420,000
Due from County of Nassau	1,794,473
	<u>5,214,473</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	226,078,773
Capital assets - depreciable	523,062,446
Accumulated depreciation	(309,995,338)
	<u>439,145,881</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	18,278,874
Deferred outflows - OPEB related	5,231,813
Deferred outflows - length of service awards programs	4,340,093
Deferred inflows - pension related	(1,511,052)
Deferred inflows - OPEB related	(43,862,984)
Deferred inflows - length of service awards programs	(5,968,865)
	<u>(23,492,121)</u>
Other long-term assets that are not available to pay for current period expenditures, and, therefore, are either deferred or not reported in the funds.	
State and Federal aid receivables	3,876,527
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(1,859,491)
Retainage payable	(264,621)
General obligation bonds payable	(193,948,907)
Compensated absences	(5,556,787)
Claims payable	(6,011,652)
Landfill closure and postclosure costs	(4,180,078)
Net pension liability	(23,347,637)
Length of service award program liabilities	(12,469,513)
Total OPEB liability	(140,926,047)
	<u>(388,564,733)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amount on refunding bonds	964,866
Premium on general obligation bonds	(7,407,917)
	<u>(6,443,051)</u>
Net Position of Governmental Activities	<u>\$ 158,412,920</u>

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

**Town of North Hempstead, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended December 31, 2023

	General	Highway	Part Town
<b>REVENUES</b>			
Real property taxes	\$ 25,520,225	\$ 21,511,630	\$ 6,520,019
Other tax items	2,605,674	2,138,550	650,043
Non-property taxes	17,572,022	-	57,000
Departmental income	24,675,658	160	1,104,279
Intergovernmental charges	621,142	16,216	-
Use of money and property	1,952,302	370,691	256,012
Licenses and permits	259,463	452,930	4,499,110
Fines and forfeitures	44,113	-	87,398
Sale of property and compensation for loss	1,622,043	103,033	1,698
Interfund revenues	7,916,420	59,955	-
State aid	6,407,514	1,271,824	-
Federal aid	819,416	-	-
Miscellaneous	3,496,357	10,267	21,094
<b>Total Revenues</b>	<b>93,512,349</b>	<b>25,935,256</b>	<b>13,196,653</b>
<b>EXPENDITURES</b>			
Current			
General government support	16,423,053	3,075,249	3,264,168
Education	2,640,256	-	-
Public safety	1,863,712	-	5,470,969
Health	-	-	313,976
Transportation	22,263	10,724,161	-
Economic opportunity and development	2,550,247	-	-
Culture and recreation	20,210,266	-	-
Home and community services	17,929,482	-	1,228,207
Employee benefits	13,075,270	5,392,572	3,575,453
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
<b>Total Expenditures</b>	<b>74,714,549</b>	<b>19,191,982</b>	<b>13,852,773</b>
Excess (Deficiency) of Revenues Over Expenditures	18,797,800	6,743,274	(656,120)
<b>OTHER FINANCING SOURCES (USES)</b>			
General obligation bonds issued	-	-	-
Issuance premium	-	-	-
Transfers in	1,210,724	624,210	-
Transfers out	(14,916,895)	(6,586,394)	(199,878)
<b>Total Other Financing Sources (Uses)</b>	<b>(13,706,171)</b>	<b>(5,962,184)</b>	<b>(199,878)</b>
<b>Net Change in Fund Balances</b>	<b>5,091,629</b>	<b>781,090</b>	<b>(855,998)</b>
<b>FUND BALANCES</b>			
Beginning of Year	35,519,790	11,883,232	10,535,183
End of Year	\$ 40,611,419	\$ 12,664,322	\$ 9,679,185

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

Refuse and Garbage Districts	Debt Service	Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 9,566,126	\$ -	\$ -	\$ 16,283,169	\$ 79,401,169
228,641	-	-	1,294,062	6,916,970
-	-	-	-	17,629,022
-	-	-	1,277,945	27,058,042
-	-	-	-	637,358
87,991	2,129,717	-	878,742	5,675,455
-	-	-	-	5,211,503
-	-	-	-	131,511
-	-	-	-	1,726,774
-	-	-	60,000	8,036,375
-	-	256,742	-	7,936,080
-	-	354,530	-	1,173,946
1,794,473	8,594	1,683,161	49,190	7,063,136
<u>11,677,231</u>	<u>2,138,311</u>	<u>2,294,433</u>	<u>19,843,108</u>	<u>168,597,341</u>
55,768	-	-	1,682,665	24,500,903
-	-	-	-	2,640,256
-	-	-	7,918,553	15,253,234
-	-	-	-	313,976
-	-	-	3,804,999	14,551,423
-	-	-	-	2,550,247
-	-	-	1,277,188	21,487,454
9,434,707	-	-	63,100	28,655,496
-	-	-	1,239,805	23,283,100
-	15,516,919	-	-	15,516,919
-	5,794,414	-	-	5,794,414
-	-	19,114,398	-	19,114,398
<u>9,490,475</u>	<u>21,311,333</u>	<u>19,114,398</u>	<u>15,986,310</u>	<u>173,661,820</u>
<u>2,186,756</u>	<u>(19,173,022)</u>	<u>(16,819,965)</u>	<u>3,856,798</u>	<u>(5,064,479)</u>
-	-	17,310,905	-	17,310,905
-	487,843	467,308	-	955,151
-	21,311,333	670,197	2,475,682	26,292,146
-	(1,711,039)	-	(2,877,940)	(26,292,146)
<u>-</u>	<u>20,088,137</u>	<u>18,448,410</u>	<u>(402,258)</u>	<u>18,266,056</u>
2,186,756	915,115	1,628,445	3,454,540	13,201,577
<u>886,487</u>	<u>8,023,580</u>	<u>35,237,275</u>	<u>13,388,820</u>	<u>115,474,367</u>
<u>\$ 3,073,243</u>	<u>\$ 8,938,695</u>	<u>\$ 36,865,720</u>	<u>\$ 16,843,360</u>	<u>\$ 128,675,944</u>

**Town of North Hempstead, New York**

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2023

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 13,201,577</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	19,241,508
Depreciation expense	<u>(15,887,979)</u>
	<u>3,353,529</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Interest income on note receivable	67,500
Revenue from the County of Nassau	(1,794,473)
State and Federal aid	<u>1,021,294</u>
	<u>(705,679)</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
General obligation bonds issued	(17,310,905)
Issuance premium	(955,151)
Principal paid on general obligation bonds	<u>15,516,919</u>
	<u>(2,749,137)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	(41,019)
Retainage payable	88,815
Retirement incentives and other pension liabilities	32,388
Compensated absences	8,772
Claims and judgments payable	56,539
Landfill closure and postclosure costs	446,537
Changes in pension liabilities and related deferred outflows and inflows of resources	(4,627,271)
Changes in length of service award program liabilities and related deferred outflows and inflows of resources	(207,425)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	23,309,562
Amortization of loss on refunding bonds and issuance premium	<u>730,371</u>
	<u>19,797,269</u>
Change in Net Position of Governmental Activities	<u><u>\$ 32,897,559</u></u>

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

**Town of North Hempstead, New York**

General, Highway, Part Town and Refuse and Garbage Districts Funds

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual  
Year Ended December 31, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 25,468,196	\$ 25,468,196	\$ 25,520,225	\$ 52,029
Other tax items	2,347,934	2,347,934	2,605,674	257,740
Non-property taxes	14,014,934	14,014,934	17,572,022	3,557,088
Departmental income	24,234,369	25,182,699	24,675,658	(507,041)
Intergovernmental charges	621,142	621,142	621,142	-
Use of money and property	183,385	183,385	1,952,302	1,768,917
Licenses and permits	280,300	280,300	259,463	(20,837)
Fines and forfeitures	40,000	40,000	44,113	4,113
Sale of property and compensation for loss	150,000	150,000	1,622,043	1,472,043
Interfund revenues	7,873,069	7,886,818	7,916,420	29,602
State aid	8,700,838	8,824,895	6,407,514	(2,417,381)
Federal aid	599,667	3,427,993	819,416	(2,608,577)
Miscellaneous	1,063,565	3,517,535	3,496,357	(21,178)
<b>Total Revenues</b>	<b>85,577,399</b>	<b>91,945,831</b>	<b>93,512,349</b>	<b>1,566,518</b>
<b>EXPENDITURES</b>				
Current				
General government support	17,719,397	17,679,326	16,423,053	1,256,273
Education	2,300,000	2,640,256	2,640,256	-
Public safety	2,009,480	2,009,980	1,863,712	146,268
Health	-	-	-	-
Transportation	-	22,263	22,263	-
Economic opportunity and development	2,809,727	2,801,249	2,550,247	251,002
Culture and recreation	20,157,542	20,347,231	20,210,266	136,965
Home and community services	18,113,455	19,013,455	17,929,482	1,083,973
Employee benefits	13,953,584	14,108,337	13,075,270	1,033,067
<b>Total Expenditures</b>	<b>77,063,185</b>	<b>78,622,097</b>	<b>74,714,549</b>	<b>3,907,548</b>
Excess (Deficiency) of Revenues Over Expenditures	8,514,214	13,323,734	18,797,800	5,474,066
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,210,724	1,210,724	1,210,724	-
Transfers out	(12,171,851)	(18,038,432)	(14,916,895)	3,121,537
<b>Total Other Financing Sources (Uses)</b>	<b>(10,961,127)</b>	<b>(16,827,708)</b>	<b>(13,706,171)</b>	<b>3,121,537</b>
Net Change in Fund Balances	(2,446,913)	(3,503,974)	5,091,629	8,595,603
<b>FUND BALANCES</b>				
Beginning of Year	2,446,913	3,503,974	35,519,790	32,015,816
End of Year	\$ -	\$ -	\$ 40,611,419	\$ 40,611,419

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

Highway Fund				Part Town Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 21,500,517	\$ 21,500,517	\$ 21,511,630	\$ 11,113	\$ 6,520,348	\$ 6,520,348	\$ 6,520,019	\$ (329)
1,720,097	1,720,097	2,138,550	418,453	565,288	565,288	650,043	84,755
-	-	-	-	57,000	57,000	57,000	-
-	-	160	160	843,000	843,000	1,104,279	261,279
15,000	15,000	16,216	1,216	-	-	-	-
99,000	99,000	370,691	271,691	30,000	30,000	256,012	226,012
550,000	550,000	452,930	(97,070)	4,654,000	4,654,000	4,499,110	(154,890)
-	-	-	-	150,000	150,000	87,398	(62,602)
40,500	40,500	103,033	62,533	-	-	1,698	1,698
50,000	50,000	59,955	9,955	-	-	-	-
1,380,666	1,380,666	1,271,824	(108,842)	-	-	-	-
-	-	-	-	-	-	-	-
20,000	20,000	10,267	(9,733)	-	-	21,094	21,094
<u>25,375,780</u>	<u>25,375,780</u>	<u>25,935,256</u>	<u>559,476</u>	<u>12,819,636</u>	<u>12,819,636</u>	<u>13,196,653</u>	<u>377,017</u>
3,259,423	3,259,423	3,075,249	184,174	3,350,959	3,327,759	3,264,168	63,591
-	-	-	-	-	-	-	-
-	-	-	-	5,423,751	5,477,522	5,470,969	6,553
-	-	-	-	325,917	313,976	313,976	-
14,986,693	14,986,693	10,724,161	4,262,532	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,213,352	1,228,207	1,228,207	-
5,732,972	5,956,962	5,392,572	564,390	3,797,053	3,763,568	3,575,453	188,115
<u>23,979,088</u>	<u>24,203,078</u>	<u>19,191,982</u>	<u>5,011,096</u>	<u>14,111,032</u>	<u>14,111,032</u>	<u>13,852,773</u>	<u>258,259</u>
1,396,692	1,172,702	6,743,274	5,570,572	(1,291,396)	(1,291,396)	(656,120)	635,276
624,210	624,210	624,210	-	-	-	-	-
(6,586,394)	(6,586,394)	(6,586,394)	-	(96,384)	(199,879)	(199,878)	1
(5,962,184)	(5,962,184)	(5,962,184)	-	(96,384)	(199,879)	(199,878)	1
(4,565,492)	(4,789,482)	781,090	5,570,572	(1,387,780)	(1,491,275)	(855,998)	635,277
4,565,492	4,789,482	11,883,232	7,093,750	1,387,780	1,491,275	10,535,183	9,043,908
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,664,322</u>	<u>\$ 12,664,322</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,679,185</u>	<u>\$ 9,679,185</u>

(Continued)

**Town of North Hempstead, New York**  
 General, Highway, Part Town and Refuse and Garbage Districts Funds

Statement of Revenues, Expenditures and Changes  
 in Fund Balances - Budget and Actual (Concluded)  
 Year Ended December 31, 2023

	Refuse and Garbage Districts Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 9,565,104	\$ 9,565,104	\$ 9,566,126	\$ 1,022
Other tax items	198,224	198,224	228,641	30,417
Non-property taxes	-	-	-	-
Departmental income	-	-	-	-
Intergovernmental charges	-	-	-	-
Use of money and property	1,410	1,410	87,991	86,581
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	-	-
Interfund revenues	-	-	-	-
State aid	-	-	-	-
Federal aid	-	-	-	-
Miscellaneous	-	-	1,794,473	1,794,473
<b>Total Revenues</b>	<b>9,764,738</b>	<b>9,764,738</b>	<b>11,677,231</b>	<b>1,912,493</b>
<b>EXPENDITURES</b>				
Current				
General government support	55,767	55,768	55,768	-
Education	-	-	-	-
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	-
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	9,708,971	9,777,773	9,434,707	343,066
Employee benefits	-	-	-	-
<b>Total Expenditures</b>	<b>9,764,738</b>	<b>9,833,541</b>	<b>9,490,475</b>	<b>343,066</b>
Excess (Deficiency) of Revenues Over Expenditures	-	(68,803)	2,186,756	2,255,559
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(68,803)</b>	<b>2,186,756</b>	<b>2,255,559</b>
<b>FUND BALANCES</b>				
Beginning of Year	-	68,803	886,487	817,684
End of Year	\$ -	\$ -	\$ 3,073,243	\$ 3,073,243

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



**Town of North Hempstead, New York**

Statement of Fiduciary Net Position  
Fiduciary Fund  
December 31, 2023

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	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 4,238,169</u>
<b>LIABILITIES</b>	
Due to other governments	<u>4,236,298</u>
<b>NET POSITION</b>	
Restricted for other governments	<u><u>\$ 1,871</u></u>

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

**Town of North Hempstead, New York**

Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
Year Ended December 31, 2023

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	Custodial Fund
<b>ADDITIONS</b>	
Real property taxes collected for other governments	\$ 1,127,339,796
Other fees collected for other governments	<u>22,924</u>
Total Additions	<u>1,127,362,720</u>
<b>DEDUCTIONS</b>	
Payments of real property taxes to other governments	1,127,339,796
Payments of other fees to other governments	<u>21,994</u>
Total Deductions	<u>1,127,361,790</u>
Net Change in Fiduciary Net Position	930
<b>NET POSITION</b>	
Beginning of Year	<u>941</u>
End of Year	<u><u>\$ 1,871</u></u>

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

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

The Town of North Hempstead, New York ("Town") was established in 1784, is governed by Town Law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations. The Town Board consists of the Supervisor, who is elected for a term of two years, and six council members who are elected for terms of four years. The Town Clerk and Receiver of Taxes are elected and serve for four years. The Town Board appoints the Town Attorney, Comptroller and Superintendent of Highways. The Supervisor appoints the Deputy Supervisor, as well as the Commissioners, Department heads and other members of her staff. The Supervisor serves as the Chief Executive Officer and Chief Fiscal Officer of the Town.

The Town provides a range of municipal services, including education, public safety, health, transportation, economic opportunity and development, home and community services, public works and road maintenance, recreation and parks, and general and administrative services.

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

**A. Financial Reporting Entity**

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Component units are classified as either blended component units or discretely presented component units. Based upon the application of these criteria, the following is a summary of certain entities considered in determining the Town's reporting entity.

Discretely Presented Component Units – are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Town. They are financially accountable to the Town, or have a relationship such that exclusion would cause the Town's financial statements to be misleading or incomplete. These discrete component units serve or benefit those outside of the Town. See Note 1C for a complete list of the discretely presented component units.

Based on the application of the above criteria, the following entities are considered nonmajor discretely presented component units of the Town ("nonmajor component units") providing refuse and garbage, water pollution control, water, park, police, library, community development and business improvement services to residents and businesses within the districts.

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Town has four discretely presented garbage districts: Port Washington, Glenwood, Carle Place and Roslyn. They were established as political subdivisions of the Town. Garbage Districts are governed by Town Law and other general laws of the State of New York. The Board of Commissioners is the legislative body responsible for overall operations. The Board of Commissioners consists of three members, all of whom are elected by the residents of the districts for terms of three years. The primary functions of the districts are to provide garbage collection and disposal services to district residents. Special districts cannot issue bonded debt without the approval and the backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of these districts, which are responsible for the payment of the annual debt service on the obligations. Budgets and tax rates are approved by the Town. Tax levies of the special districts are collected by the Town Receiver of Taxes. These garbage and refuse districts are included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

The Town has three discretely presented water pollution control districts: Great Neck, Belgrave and Port Washington. They were established as political subdivisions of the Town. Water Pollution Control Districts are governed by Town Law and other general laws of the State of New York. The Board of Commissioners is the legislative body responsible for overall operations. The Board of Commissioners consists of three members, all of whom are elected by the residents of the districts for terms of three years. The primary functions of the districts are to provide water pollution control services to district residents. Special districts cannot issue bonded debt without the approval and the backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of these districts which are responsible for the payment of annual debt service on the obligations. Budgets and tax rates are approved by the Town. Tax levies of the special districts are collected by the Town Receiver of Taxes. These water pollution control districts are included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

The Town has eight discretely presented water districts: Glenwood, Albertson, Garden City Park, Port Washington, Westbury, Roslyn, Carle Place and Manhasset-Lakeville. They were established as political subdivisions of the Town. Water Districts are governed by Town Law and other general laws of the State of New York. The Board of Commissioners is the legislative body responsible for overall operations. The Board of Commissioners consists of three members, all of whom are elected by the residents of the districts for terms of three years. The primary functions of the districts are to provide water services to district residents. Special districts cannot issue bonded debt without the approval and the backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of these districts which are responsible for the payment of annual debt service on the obligations. Budgets and tax rates are approved by the Town. Tax levies of the special districts are collected by the Town Receiver of Taxes. These water districts are included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

The Town has two discretely presented park districts: Manhasset and Great Neck. They were established as political subdivisions of the Town. Park Districts are governed by Town Law and other general laws of the State of New York. The Board of Commissioners is the legislative body responsible for overall operations. The Board of Commissioners consists of three members, all of whom are elected by the residents of the districts for terms of three years. The Great Neck Park District offers numerous services including camps, adult and youth classes, ice skating rink, marina movies, pool hockey and tennis programs. The Manhasset Park District provides park and parking service to district residents. Special districts cannot issue bonded debt without the approval and the

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of these districts which are responsible for the payment of annual debt service on the obligations. Budgets and tax rates are approved by the Town. Tax levies of the special districts are collected by the Town Receiver of Taxes. These park districts are included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

The Port Washington Police District is organized under the provisions of the State of New York. The District is governed by the Nassau County Civil Divisions Act, as amended in March 1998, and the laws of the State of New York. The Port Washington Police Department provides a multitude of services to the community in a number of areas including traffic safety; adult, juvenile, and youth programs; investigative, crime prevention and general administration. Sworn personnel consist of the Chief of Police and the Captain of Administration, representing the Administrative Division. The Patrol and Investigative Division is staffed by the Captain of Operations and two Lieutenants, supervising thirteen patrol officers. The Port Washington Police District cannot issue bonded debt without the approval and the backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of the district which is responsible for the payment of annual debt service on its obligations. Budgets and tax rates are approved by the Town. Tax levies of the district are collected by the Town Receiver of Taxes. This police district is included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

The Shelter Rock Public Library District was established in 1962 as a special district of the Town by an act of the New York State Legislature. The Library provides and maintains free library services to the Shelter Rock Public Library District in accordance with the New York State Department of Education. The Library is administered by a Board of Trustees that is elected by the Library District's residents. The Shelter Rock Public Library District cannot issue bonded debt without the approval and the backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of the district which is responsible for the payment of annual debt service on the obligations. Budgets and tax rates are approved by the Town. Tax levies of the district are collected by the Town Receiver of Taxes. This library district is included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

The Town of North Hempstead Community Development Agency ("Agency") is a separate public benefit corporation, created by state legislation, to promote the safety, health and welfare of the Town's inhabitants and to promote the sound growth and development of the Town. The Agency provides a full range of community development services, including construction of affordable housing, residential and commercial land acquisition, code enforcement services, and public facility improvements. The Agency's Board of Directors is the legislative body responsible for overall operations. The Executive Director serves as the chief executive officer. The Town Board appoints the Agency Board of Directors. The Agency's management is designated by the Town Board. Due to the nature and significance of the relationship between the Town and the Agency, exclusion would cause the financial statements to be misleading.

The Greater Port Washington Business Improvement District Association, Inc. ("BID") is a district management association established to carry out the activities of the business improvement district. The BID is a not-for-profit corporation under Section 501 (c)(3) of the Internal Revenue Code, and was incorporated in 1996. The purpose of the BID is to spur business improvement and neighborhood stability in the area thereby business activity in its downtown area. The BID is a special assessment district of the Town and operates pursuant to Town Law, the Local Finance Law and other general laws of the State of New York. The BID cannot issue bonded debt without

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

the approval and the backing of the full faith and credit of the Town. The Town issues indebtedness on behalf of the district which is responsible for the payment of annual debt service on the obligations. Budgets and tax rates are approved by the Town. Tax levies of the district are collected by the Town Receiver of Taxes. This BID is included in the Town's reporting entity since the Town is able to impose its will, as demonstrated through the ability to approve budgets.

Complete financial statements of the individual nonmajor component units may be obtained from their respective administrative offices:

Carle Place Garbage District P.O. Box 11 Carle Place, NY 11514	Glenwood Garbage District P.O. Box 262 Glenwood Landing, NY 11547	Port Washington Garbage District P.O. Box 608 Pt. Washington, NY 11050
Roslyn Garbage District P.O. Box 1366 Roslyn Heights, NY 11577	Belgrave Water Pollution Control District P.O. Box 408 Great Neck, NY 11023	Port Washington Water Pollution Control District 70 Harbor Road Pt. Washington, NY 11050
Great Neck Water Pollution Control District 236 East Shore Road Great Neck, NY 11023	Albertson Water District P.O. Box 335 Albertson, NY 11507	Carle Place Water District 578 Mineola Avenue Carle Place, NY 11514
Garden City Park Water District 333 Marcus Avenue Garden City Park, NY 11040	Glenwood Water District 6 Third Street Glenwood Landing, NY 11547	Manhasset-Lakeville Water District 170 E. Shore Road Great Neck, NY 11023
Port Washington Water District 38 Sandy Hollow Road Pt. Washington, NY 11050	Roslyn Water District 24 West Shore Drive Roslyn, NY 11576	Westbury Water District 160 Drexel Avenue Westbury, NY 11590
Great Neck Park District 5 Beach Road Great Neck, NY 11023	Manhasset Park District 62 Manhasset Avenue Manhasset, NY 11030	Port Washington Police District 500 Pt. Washington Blvd. Pt. Washington, NY 11050
Shelter Rock Public Library District 165 Searingtown Road Albertson, NY 11507	Town of North Hempstead Community Development Agency 51 Orchard Street Roslyn Heights, NY 11577	Greater Port Washington Business Improvement District Association, Inc. 329 Main Street P.O. Box 121 Port Washington, NY 11050

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

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

The Statement of Net Position presents the financial position of the Town and its discretely presented component units at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are

**Note 1 - Summary of Significant Accounting Policies (Continued)**

reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

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

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

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

Highway Fund - is used to account for revenues and expenditures for highway purposes. The major areas of expenditures are repairs and improvements, machinery, and garage. The major source of revenues is real property taxes.

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Refuse and Garbage Districts Fund – is used to account for the operation and maintenance of the Town’s refuse and garbage districts. The major source of revenue is real property taxes. The fund consists of a number of separate districts, which are administered by the Town Board: Albertson – Searingtown – Herricks, Great Neck, New Hyde Park – Garden City Park – Floral Park Centre, New Cassel and Manhasset.

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

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

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

Special District Funds – are used to account for taxes or other revenues, which are raised or received to provide special services to areas that encompass less than the whole Town. The Special District Funds consist of a number of separate districts, which are administered by the Town Board as follows:

Fire Protection Districts as follows:

Albertson	Great Neck
Carle Place	Port Washington
Floral Park Centre	Roslyn
Glenwood	

Town of North Hempstead Lighting District

Park Districts as follows:

Harbor Hills  
Levitt Park at Roslyn Heights  
Manhasset Bay  
New Hyde Park – Clinton G. Martin

Town of North Hempstead Sidewalk District

Port Washington Public Parking District

Great Neck Water District

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



**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Discretely Presented Nonmajor Component Units**

Certain special districts that have separately elected or appointed boards and provide services to residents and businesses within these districts follow government fund accounting principles. These districts, which are accounted for as discretely presented nonmajor component units, are as follows:

Garbage Districts:	Water Districts:
Port Washington	Glenwood
Glenwood	Albertson
Carle Place	Garden City Park
Roslyn	Port Washington
	Westbury
Water Pollution Control Districts:	Roslyn
Great Neck	Carle Place
Belgrave	Manhasset - Lakeville
Port Washington	
	Park Districts:
Port Washington Police District	Manhasset
	Great Neck
Town of North Hempstead Community Development Agency	Shelter Rock Public Library District
	Greater Port Washington Business Improvement District

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the Fiduciary fund. 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenue when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability

**Note 1 - Summary of Significant Accounting Policies (Continued)**

period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences, net pension liability, landfill closure costs and other post employment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

**Component Units**

Component units are presented on the basis of accounting that most accurately reflects their activities. The component units are accounted for on the modified accrual basis of accounting, but have been reflected on the accrual basis of accounting in the government-wide financial statements.

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

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

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

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

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks which hold its deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal subdivisions. The Town was undercollateralized for \$68,856 for funds held in Wells Fargo as of December 31, 2023.

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

The Town follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs

**Note 1 - Summary of Significant Accounting Policies (Continued)**

which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Investments of the Length of Service Award Program (“LOSAP”) are invested in accordance with a statutory prudent person rule and in accordance with an investment policy adopted by the Town. The Town is a sole sponsor of two LOSAP plans and is a joint sponsor for four LOSAP plans. The assets are held in trust accounts in the name of the award programs. The details of those investments and their related risk are described in Note 3A.

**Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. GASB Statement No. 40, “*Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3*”, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution’s trust department but not in the Town’s name. The Town’s aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2023.

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

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

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

**Due From/To Other Funds** - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2023, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Interfund Transactions** - Interfund transactions, exclusive of interfund services provided and used, have been eliminated from the government-wide financial statements. In the funds statements interfund transactions include:

**Interfund Revenues** - Interfund revenues in the General Fund, Highway Fund and Non-major Governmental funds represent amounts charged for services or facilities provided by these funds based on a two year lookback of actual expenditures. The amounts paid by the fund receiving the benefit of the service or facilities are reflected as an expenditure of that fund.

**Transfers** - Transfers represent payments to the General, Highway, Debt Service, Capital Projects and Non-major Governmental funds from the other funds for their appropriate share of the debt service or capital project costs and recognition of premiums, accrued interest and interest earnings to service debt.

**Inventory** - Inventoriable items in the General Fund and Highway Fund consist of materials and supplies, which are recorded on a weighted average cost basis. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the time individual inventory items are purchased. The Town uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets. Purchases of inventoriable items in other funds are recorded as expenditures at the time of purchase and year end balances at these locations are not material.

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

**Notes Receivable** - The Town holds a note receivable in the amount of \$1,500,000 from a limited liability company and a housing development fund company for premises of an affordable housing development conveyed to the partnership by the Town in 1992. The original note was set to mature in 2023 with all principal and interest accrued at 4% annum (simple interest), due on the maturity date. In 2015, the note and mortgage agreement were modified to extend the maturity date to January 1, 2045 with an interest rate of 4.5% per annum for the remainder of the note term. All principal and accrued interest are payable on the extended maturity date. The Town's note and mortgage are subordinated to a construction and permanent loan financing for the housing development located at the property. The value of the note and all accrued interest at December 31, 2023 of \$3,420,000 has been reported as a note receivable in the government-wide financial statements.

**Due From County of Nassau** – A number of cases against the Town and the Commissioner-operated garbage districts within the Town challenging *ad valorem* garbage district taxes brought by several local utilities have been settled with the plaintiffs. The Town paid the settlement to the plaintiff and obtained a judgment against the County for a refund plus interest. A decision was issued in 2019 affirming the judgment in the Town's favor and a settlement agreement was signed for the County to

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

make payments in three equal installments over three years. The value of the receivable at December 31, 2023 of \$1,794,473 is included in the government-wide financial statements.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., road, bridges, sidewalks and similar items) are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at cost if purchased or constructed, or at estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Infrastructure assets are reported at historical cost as of 1980.

Major outlays for capital assets and improvements are capitalized as projects are completed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life, is not capitalized.

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

<u>Class</u>	<u>Life in Years</u>
Buildings	45
Improvements other than buildings	7-20
Machinery and equipment	5-30
Infrastructure:	
Roads, curbs and sidewalks	20-25
Drainage systems	20-25
Street lighting	20
Parks	12-45
Intangible assets	5-10

Infrastructure assets, consisting of certain improvements other than buildings, including roads, curbs, sidewalks, drainage systems, street lighting and park structures, are capitalized along with other capital assets.

Intangible assets lack physical substance, are nonfinancial in nature, and have an estimated useful life extending beyond a single reporting period. The term depreciation, as used in these financial statements, includes amortization of intangible assets.

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

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues in the General Fund of \$9,375,539, which is made up of \$264,125 for gift cards, \$694 for PILOT payments received in advance, \$51,983 for grant revenue received in advance of eligible expenditures, and \$9,058,737 for American Rescue Plan Act monies received in advance of eligible expenditures. The Town has also reported unearned revenues in the Highway Fund of \$1,154, the Part Town Fund of \$405, the Refuse and Garbage Districts Fund of \$6,293, and the non-major governmental funds for \$323 for PILOT payments received in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

The Town has reported deferred inflows of resources in the General Fund of \$991,948 and the Capital Projects Fund of \$2,884,579 for state and federal aid not expected to be collected within one year of the subsequent fiscal year. Those amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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

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

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Compensated Absences** - The collective bargaining agreement provides for the payment of accumulated vacation leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide financial statements as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

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

**Length of Service Awards Program ("LOSAP") Pension Liability** - The Town, along with the respective Fire Districts and other municipalities, as required, sponsor six volunteer firefighters LOSAP programs, all of which are defined benefit service award programs, for its volunteer firefighters of the respective fire companies. Of the six individual plans, two are single-employer plans and the Town reports the total LOSAP liability. The four remaining plans have multiple sponsors all of whom are legally responsible for annual contributions to the plan and as such is considered a special funding situation, and accordingly, the Town reports its proportionate share of the total LOSAP service award liability. The programs are administered through a nonqualifying trust as defined by GASB guidance. Payments under the programs are made from the general assets of the sponsors which are subject to the claims of the Town's creditors.

The LOSAP pension liability represents the Town's liability for LOSAP. The financial reporting of this amount is presented in accordance with the provision of GASB Statement No. 73 *"Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68 and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68"* that establishes requirements for defined benefit pensions that are not within the scope of GASB Statement No. 68. See Note 3F for more information on the programs.

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

**Real Property Tax Assessment and Collection Procedures** - In Nassau County ("County"), the assessment and lien of real property for taxation is performed by the County Department of Assessment, except for villages and cities. The County assessment rolls are used for the levy of real property taxes by the Town and the School Districts, as well as by the County and by Special Districts of the County and the Town. The Town Receiver of Taxes collects all real property taxes for the Town, the County, Town Special Districts and School Districts. Real property taxes become a lien on January 1st for general taxes and October 1st for school taxes.

Town and County taxes are levied on January 1, and are due in two installments, 50% on January 1 and 50% on July 1, payable without penalty to February 10 and August 10, respectively. Penalties are imposed thereafter at the rate of 1 % per month, from January 1 and July 1 until August 31, after which taxes are payable to the County Treasurer. The Town retains

**Note 1 - Summary of Significant Accounting Policies (Continued)**

the total amount of the Town, Highway, Part Town and Town Special Districts' levies from the amounts collected, and forwards the remaining balance collected to the County, which assumes collection responsibility. The Town and Town's Special Districts therefore realize annually 100% collection of real property taxes.

School District property taxes are levied on October 1, and are also payable in two installments; however, a separate tax bill is sent out for school tax purposes. School property taxes are due in two installments, 50% on October 1 and 50% on April 1, payable without penalty to November 10 and May 10, respectively. The County is also responsible for uncollected school taxes. The Town has the fiduciary responsibility to collect school property taxes and turn them over to the County, however, the ultimate responsibility for collection rests at the County level. County and school property taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "Fiduciary Activities", and therefore have been accounted for within the Custodial Fund.

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

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

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

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

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial 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 Balances** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:



**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

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

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

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

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

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

**Fund Balance Policies** – The Town has adopted a fund balance policy that states the Town must maintain a minimum unrestricted (the total of committed, assigned and unassigned) fund balance equal to ten percent of the General Fund operating budget and five percent of the remaining funds operating budgets. Unrestricted fund balance below the minimum should be replenished within three years.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 27, 2024.

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

**A. Budgetary Data**

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

- a) On or before September 20th, each department, officer or district submits to the Comptroller and the Director of Finance a detailed estimate of the budget known as "departmental estimates" for the amount of revenue to be received and expenditures to be made for the ensuing year.
- b) On or before September 30th, the Director of Finance files with the Town Clerk and the Comptroller and presents to the Town Board a tentative budget for the ensuing year.
- c) On or before October 5th, the Town Board receives the tentative budget from the Town Clerk. After review, it adopts the tentative budget as preliminary and sets a date for a budget hearing.
- d) The Town Board conducts a public hearing on the preliminary budget and on or before November 20th, the Town Board meets to adopt the budget then known as the "adopted budget".
- e) Formal budgetary integration is employed during the year as a management control device for the general and certain special revenue funds. The Town Board adopts the budget and establishes legal level of control of the budget at the function level of expenditures. All budgetary amendments and transfers of appropriation require Town Board approval. Appropriations for all governmental funds except the capital projects fund lapse at year end.

In order to show the full legal budgetary compliance for the general and certain special revenue funds, detailed individual statements of revenues, expenditures and changes in fund balances - budget and actual, are presented in a separate budget report.

- f) Budgets for the General and certain Special Revenue funds, including the Highway Fund, the Part Town Fund, Refuse and Garbage Districts, the Fire Protection Districts, the Lighting District, the Park Districts, the Sidewalk District, the Public

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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### **Note 2 - Stewardship, Compliance and Accountability (Continued)**

Parking District and the Water District are legally adopted for each year. The budgets are adopted on a basis of accounting consistent with GAAP except that outstanding encumbrances are re-appropriated in the subsequent year. In the event that actual revenues received exceed budgeted amounts, additional budgetary appropriations may be made. The Town also utilizes an encumbrance system during the year and closes all open purchase orders before fiscal year end.

- g) Annual budgets are not prepared for the capital projects fund and the debt service fund. Capital projects funds are budgeted on a project basis.

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

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

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

#### **C. New Accounting Pronouncement**

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements (SBITA's)*", established a single model for SBITA accounting based on the concept that SBITA's are a financing of a "right-to-use" underlying asset. This statement requires a subscriber to recognize a subscription liability and an intangible right-to-use subscription asset. The requirements of GASB Statement No. 96 are effective for the Town's fiscal year ended December 31, 2023. The Town has completed its evaluation of the financial impact of GASB Statement No. 96 and determined that the implementation of this standard was not required as it did not have a material impact on its financial statements.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

**D. Prior Period Adjustment**

Adjustments were made to the discretely presented non-major component units as of December 31, 2022 to reclassify the bond anticipation notes payable balances as long-term based on the timing of reissuance of the bond anticipation note being before the auditors' opinion. The net impact of these adjustments had no impact on the net position.

Beginning net position of the discretely presented non-major component units as of December 31, 2022 was restated for a prior period adjustment, increasing net position by \$336,404 as follows:

	Port Washington Garbage District	Roslyn Garbage District	Garden City Park Water District	Port Washington Water District	Westbury Water District	Total
Adjustments to correct:						
Due from other governments	\$ 285,235	\$ (317,699)	\$ -	\$ (4,751)	\$ -	\$ (37,215)
Capital assets, net	-	-	(410,210)	-	783,829	373,619
Total Prior Period Adjustments	<u>\$ 285,235</u>	<u>\$ (317,699)</u>	<u>\$ (410,210)</u>	<u>\$ (4,751)</u>	<u>\$ 783,829</u>	<u>\$ 336,404</u>

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

**A. Investments**

At December 31, 2023, the Town has the following investments and average maturities:

Type of investment	Fair Value	N/A	Less Than 1	1-5 Years	5-10 Years	More Than 10 Years
Money market and bank deposits	\$ 179,046	\$ 179,046	\$ -	\$ -	\$ -	\$ -
Certificates of deposits	788,828	-	-	788,828	-	-
Group annuity contracts	841,881	-	841,881	-	-	-
Common stock	519,402	519,402	-	-	-	-
U.S. and international equities funds	2,756,982	2,683,233	-	73,749	-	-
Bonds and bond funds	3,104,346	738,572	357,228	191,949	1,599,485	217,112
Corporate bonds	6,574	-	-	6,574	-	-
U.S. and International Mixed Asset	394,097	394,097	-	-	-	-
Other Misc Assets/Liabilities	164,022	13,382	-	-	150,640	-
	<u>\$ 8,755,178</u>	<u>\$ 4,527,732</u>	<u>\$ 1,199,109</u>	<u>\$ 1,061,100</u>	<u>\$ 1,750,125</u>	<u>\$ 217,112</u>

The investments had the following average credit ratings:

Type of investment	Fair Value	N/A	A or Better	BBB	BB	B or Lower	Unrated
Money market and bank deposits	\$ 179,046	\$ 179,046	\$ -	\$ -	\$ -	\$ -	\$ -
Certificates of deposits	788,828	788,828	-	-	-	-	-
Group annuity contracts	841,881	-	841,881	-	-	-	-
Common stock	519,402	519,402	-	-	-	-	-
U.S. and international equities funds	2,756,982	2,683,233	-	-	-	73,749	-
Bonds and bond funds	3,104,346	738,572	1,613,900	695,940	-	6,133	49,801
Corporate bonds	6,574	-	-	6,574	-	-	-
U.S. and International Mixed Asset	394,097	394,097	-	-	-	-	-
Other Misc Assets/Liabilities	164,022	164,022	-	-	-	-	-
	<u>\$ 8,755,178</u>	<u>\$ 5,467,200</u>	<u>\$ 2,455,781</u>	<u>\$ 702,514</u>	<u>\$ -</u>	<u>\$ 79,882</u>	<u>\$ 49,801</u>

All of the Town's investments listed above are valued using level 1 inputs.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**B. Due From/To Other Funds**

The balances reflected as due from/to other funds of the primary government at December 31, 2023 were as follows:

Fund	Due From	Due To
General	\$ 7,798,617	\$ 55,074
Highway	-	108,726
Capital Projects	102,137	7,771,542
Non-Major Governmental	38,000	3,412
	<b>\$ 7,938,754</b>	<b>\$ 7,938,754</b>

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

**C. Capital Assets**

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

Class	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
<b>Primary Government</b>				
Governmental Activities -				
Capital Assets, not being depreciated:				
Land - other than landfills	\$ 217,629,085	\$ -	\$ -	\$ 217,629,085
Construction-in-progress	10,713,970	10,320,287	12,584,569	8,449,688
Total Capital Assets, not being depreciated	<b>\$ 228,343,055</b>	<b>\$ 10,320,287</b>	<b>\$ 12,584,569</b>	<b>\$ 226,078,773</b>
Capital Assets, being depreciated:				
Buildings	\$ 86,544,266	\$ 165,000	\$ -	\$ 86,709,266
Improvements other than buildings	115,596,501	1,095,251	-	116,691,752
Machinery and equipment	53,296,578	2,301,361	749,871	54,848,068
Infrastructure	243,708,080	17,879,187	-	261,587,267
Intangibles - software	3,161,102	64,991	-	3,226,093
Total Capital Assets, being depreciated	<b>502,306,527</b>	<b>21,505,790</b>	<b>749,871</b>	<b>523,062,446</b>
Less Accumulated Depreciation for:				
Buildings	40,457,182	1,851,605	-	42,308,787
Improvements other than buildings	46,169,642	4,488,658	-	50,658,300
Machinery and equipment	34,549,618	2,994,301	749,871	36,794,048
Infrastructure	171,152,111	6,427,467	-	177,579,578
Intangibles - software	2,528,677	125,948	-	2,654,625
Total Accumulated Depreciation	<b>294,857,230</b>	<b>15,887,979</b>	<b>749,871</b>	<b>309,995,338</b>
Total Capital Assets, being depreciated, net	<b>\$ 207,449,297</b>	<b>\$ 5,617,811</b>	<b>\$ -</b>	<b>\$ 213,067,108</b>
<b>Primary Government Capital Assets, net</b>	<b>\$ 435,792,352</b>	<b>\$ 15,938,098</b>	<b>\$ 12,584,569</b>	<b>\$ 439,145,881</b>

The Town evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Town's policy is to record an impairment loss in the period when the Town determines that the carrying amount of the asset will not be recoverable. At December 31, 2023, the Town has not recorded any such impairment losses.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

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

Governmental Activities	
General Government Support	\$ 1,053,763
Public Safety	250,390
Transportation	5,862,308
Culture and Recreation	7,251,548
Home and Community Services	<u>1,469,970</u>
<b>Total Depreciation Expense - Governmental Activities</b>	<b><u>\$ 15,887,979</u></b>

**Capital Assets - Component Unit**

Changes in the capital assets for the nonmajor component units are as follows:

Class	Balance, as Reported January 1, 2023	Prior Period Adjustment	Balance, as Restated January 1, 2023	Additions	Deletions	Balance December 31, 2023
<b>Nonmajor Component Units</b>						
Capital Assets, not being depreciated:						
Land	\$ 14,051,129	\$ -	\$ 14,051,129	\$ 5,058,051	\$ 300	\$ 19,108,880
Construction-in-progress	52,092,518	783,829	52,876,347	61,983,742	11,341,835	103,518,254
Total Capital Assets, not being depreciated	<u>\$ 66,143,647</u>	<u>\$ 783,829</u>	<u>\$ 66,927,476</u>	<u>\$ 67,041,793</u>	<u>\$ 11,342,135</u>	<u>\$ 122,627,134</u>
Capital Assets, being depreciated:						
Buildings	\$ 194,631,157	\$ -	\$ 194,631,157	\$ 9,590,137	\$ -	\$ 204,221,294
Improvements other than buildings	41,333,465	-	41,333,465	656,385	116,700	41,873,150
Parking meters	188,979	-	188,979	-	-	188,979
Water mains	7,613,113	-	7,613,113	152,445	-	7,765,558
Library collection materials	1,083,110	-	1,083,110	80,450	146,408	1,017,152
Machinery and equipment	180,420,128	(420,729)	179,999,399	7,074,564	3,652,512	183,421,451
Vehicles	4,022,639	-	4,022,639	445,524	111,951	4,356,212
Infrastructure	147,558,504	-	147,558,504	6,580,563	-	154,139,067
Right-to-use leased equipment	9,807	-	9,807	7,030,405	1,430	7,038,782
Subscription assets	-	-	-	140,514	-	140,514
Total Capital Assets, being depreciated	<u>576,860,902</u>	<u>-</u>	<u>576,440,173</u>	<u>31,750,987</u>	<u>4,029,001</u>	<u>604,162,159</u>
Less Accumulated Depreciation/Amortization for:						
Buildings	75,829,123	-	75,829,123	5,347,629	-	81,176,752
Improvements other than buildings	23,787,947	-	23,787,947	1,489,400	90,600	25,186,747
Parking meters	181,494	-	181,494	3,846	-	185,340
Water mains	4,993,782	-	4,993,782	188,463	-	5,182,245
Library collection materials	858,659	-	858,659	89,781	146,408	802,032
Machinery and equipment	96,300,676	(10,519)	96,290,157	7,107,931	2,351,812	101,046,276
Vehicles	2,415,313	-	2,415,313	277,260	90,560	2,602,013
Infrastructure	55,924,925	-	55,924,925	3,922,554	-	59,847,479
Right-to-use leased equipment	3,697	-	3,697	85,102	-	88,799
Subscription assets	-	-	-	25,384	-	25,384
Total Accumulated Depreciation/Amortization	<u>260,295,616</u>	<u>-</u>	<u>260,285,097</u>	<u>18,537,350</u>	<u>2,679,380</u>	<u>276,143,067</u>
Total Capital Assets, being depreciated/amortized, net	<u>\$ 316,565,286</u>	<u>\$ -</u>	<u>\$ 316,155,076</u>	<u>\$ 13,213,637</u>	<u>\$ 1,349,621</u>	<u>\$ 328,019,092</u>
<b>Nonmajor Component Units</b>						
<b>Capital Assets, net</b>	<u>\$ 382,708,933</u>	<u>\$ 783,829</u>	<u>\$ 383,082,552</u>	<u>\$ 80,255,430</u>	<u>\$ 12,691,756</u>	<u>\$ 450,646,226</u>

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**D. Short-Term Capital Borrowings**

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

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance January 1, 2023	Issued	Redemptions	Balance December 31, 2023
Various Capital Projects	2018	n/a	n/a	\$ 394,000	\$ -	\$ 394,000	\$ -
Various Capital Projects	2019	03/22/24	3.00 %	233,000	-	9,000	224,000
Various Capital Projects	2019	09/20/24	4.50	6,285,000	-	6,285,000	-
Various Capital Projects	2020	09/20/24	4.50	4,790,000	2,000,000	4,790,000	2,000,000
Various Capital Projects	2021	03/22/24	3.00	1,360,000	-	1,030,000	330,000
Various Capital Projects	2021	09/20/24	4.50	34,670,000	16,000,000	8,845,000	41,825,000
Various Capital Projects	2023	09/20/24	4.50	-	9,261,469	-	9,261,469
Total Primary Government and Non-Major Component Units				<u>\$ 47,732,000</u>	<u>\$ 27,261,469</u>	<u>\$ 21,353,000</u>	<u>\$ 53,640,469</u>

These bond anticipation notes are summarized as follows:

	Balance January 1, 2023	Issued	Redeemed	Balance December 31, 2023
<b>Primary Government:</b>				
Capital Projects Fund	<u>\$ 1,987,000</u>	<u>\$ -</u>	<u>\$ 1,433,000</u>	<u>\$ 554,000</u>
<b>Non-Major Component Units:</b>				
Water District	29,925,000	27,261,469	4,100,000	53,086,469
Water Pollution Control Districts	<u>15,820,000</u>	<u>-</u>	<u>15,820,000</u>	<u>-</u>
	<u>45,745,000</u>	<u>27,261,469</u>	<u>19,920,000</u>	<u>53,086,469</u>
	<u>\$ 47,732,000</u>	<u>\$ 27,261,469</u>	<u>\$ 21,353,000</u>	<u>\$ 53,640,469</u>

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

Interest expenditures of \$59,610 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$30,335 was recorded in the government-wide financial statements.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**E. Long-Term Liabilities**

The following table summarizes changes in the Town's long-term liabilities for the year ended December 31, 2023:

	Balance January 1, 2023	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2023	Due Within One Year
<b>Primary Government</b>					
Bonds Payable:					
General obligation	\$ 192,154,921	\$ 17,310,905	\$ 15,516,919	\$ 193,948,907	\$ 15,689,521
Plus					
Unamortized premium on bonds	7,247,461	955,151	794,695	7,407,917	-
	<u>199,402,382</u>	<u>18,266,056</u>	<u>16,311,614</u>	<u>201,356,824</u>	<u>15,689,521</u>
Retirement incentives and other pension obligations	32,388	-	32,388	-	-
Compensated absences	5,565,559	-	8,772	5,556,787	555,679
Claims and judgments payable	6,068,191	1,512,827	1,569,366	6,011,652	601,000
Estimated liability for landfill closure and postclosure care costs	4,626,615	-	446,537	4,180,078	455,467
Net Pension Liability	-	23,347,637	-	23,347,637	-
Length of service awards program liabilities	16,158,247	-	3,688,734	12,469,513	-
Other Post Employment Benefit Liability	132,604,181	9,516,101	1,194,235	140,926,047	5,231,813
	<u>165,055,181</u>	<u>34,376,565</u>	<u>6,940,032</u>	<u>192,491,714</u>	<u>6,843,959</u>
Primary Government Long-Term Liabilities	<u>\$ 364,457,563</u>	<u>\$ 52,642,621</u>	<u>\$ 23,251,646</u>	<u>\$ 393,848,538</u>	<u>\$ 22,533,480</u>
<b>Non-major Component Units</b>					
Bonds Payable - General Obligation	\$ 189,888,385	\$ 27,460,095	\$ 9,086,863	\$ 208,261,617	\$ 9,778,345
Plus					
Unamortized premium on bonds	3,031,386	666,048	268,690	3,428,744	249,787
	<u>192,919,771</u>	<u>28,126,143</u>	<u>9,355,553</u>	<u>211,690,361</u>	<u>10,028,132</u>
Bond anticipation notes payable	37,582,000 *	16,550,000	5,178,000	48,954,000	-
Compensated absences	13,357,716	478,237	537,798	13,298,155	488,525
Lease payable	6,022	7,028,975	29,117	7,005,880	30,739
Subscription liabilities	-	13,634	-	13,634	3,447
Installment purchase debt	-	-	-	-	-
Net Pension Liability	1,322,146	25,691,813	859,080	26,154,879	-
Other Post Employment Benefit Liability	118,980,136	11,187,971	4,455,491	125,712,616	481,066
	<u>118,980,136</u>	<u>11,187,971</u>	<u>4,455,491</u>	<u>125,712,616</u>	<u>481,066</u>
Non-major Component Units Long-Term Liabilities	<u>\$ 364,167,791</u>	<u>\$ 89,076,773</u>	<u>\$ 20,415,039</u>	<u>\$ 432,829,525</u>	<u>\$ 11,031,909</u>

\* See prior period adjustment footnote at Note 2D.

Each governmental fund's liability for bonds is liquidated by the Debt Service Fund, which is funded by transfers from other funds. Each governmental fund's liability for retirement incentives and other pension obligations, compensated absences, claims and judgments, landfill closure costs, net pension liability, length of service awards program and other postemployment benefit obligations is liquidated by the General, Highway, Part Town, Refuse and Garbage Districts, Lighting District, Park Districts, Sidewalk District and Public Parking District Funds.



**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**General Obligation Bonds Payable**

General obligation bonds payable at December 31, 2023 are comprised of the following individual issues:

Purpose	Original Issue Amount	Final Maturity Date	Interest Rates	Amount Outstanding at December 31, 2023
New York State EFC Bonds-2003 Series A	\$ 1,160,000	April, 2031	4.711-4.901 %	\$ 405,000
New York State EFC Bonds-2006 Series C	3,442,810	April, 2036	4.671-4.861	1,820,000
NYS EFC Bonds-2008, Series A: 1, B-1, A-2, B-2 (2011 C)	1,783,412	April, 2038	4.270	380,000
EFC Serial Bonds-2010 Series C	15,173,760	October, 2039	3.405-4.603	8,860,000
EFC 2012 Series E Bonds	54,148,000	November, 2042	2.382-4.098	36,935,000
Refunding Serial Bonds 2004 & 2005 Ref. 2014 Series A	25,220,000	February, 2025	2.500-3.000	1,585,000
Various Purpose Serial Bond 2014 Series D	25,108,147	October, 2030	2.250-3.000	12,020,000
Refunding 2015 Series A (2006,2007A,2007B)	21,245,000	February, 2027	2.125-4.000	5,425,000
Public Improvement 2015 Series B	4,390,000	April, 2035	2.125-3.000	3,030,000
EFC - Clean Water Statutory Installment Bond 2016	1,885,113	June, 2045	0.000	1,383,800
Public Improvement Serial Bonds Series 2016 A	13,862,090	October, 2037	2.000-3.000	9,890,002
Public Improvement Serial Bonds Series 2016 B	48,046,322	September, 2034	2.000-3.000	30,156,914
Public Improvement Serial Bonds Series 2016 C	19,308,531	September, 2046	2.250-3.000	15,710,000
Public Improvement Serial Bonds Series 2017 A	49,774,425	April, 2039	3.000-3.250	38,481,607
Public Improvement Serial Bonds Series 2017 B	10,970,000	April, 2047	3.000-4.000	9,455,000
Public Improvement Serial Bonds Series 2017 C	21,677,200	September, 2036	2.000-3.100	16,135,000
Public Improvement Serial Bonds Series 2017 D	4,750,000	September, 2047	3.000	4,025,000
Public Improvement Serial Bonds Series 2018 A	20,895,000	April, 2032	3.000-5.000	14,047,681
Public Improvement Serial Bonds Series 2018 B	8,730,201	September, 2047	3.000-5.000	7,650,000
Public Improvement Serial Bonds Series 2019 A	18,910,000	March, 2033	2.250-5.000	14,805,000
Public Improvement Serial Bonds Series 2019 B	16,379,057	September, 2049	2.000-5.000	14,585,000
Public Improvement Serial Bonds Series 2020 A	30,310,000	August, 2050	2.000-5.000	28,430,000
Refunding 2020 Series B	7,375,000	May, 2024	5.000	925,000
Public Improvement Serial Bonds Series 2020 C	3,930,000	September, 2033	1.125-5.000	3,210,000
Public Improvement Serial Bonds Series 2020 D	4,740,000	September, 2040	1.875-5.000	4,235,000
Refunding 2020 Series E	3,950,000	October, 2027	5.000	2,405,000
Refunding 2020 Series F	26,065,000	January, 2039	1.350-2.000	15,780,000
Public Improvement Serial Bonds Series 2021 A	11,420,000	March, 2036	2.000-5.000	10,415,000
Public Improvement Serial Bonds Series 2021 B	13,755,000	September, 2041	2.000-5.000	12,525,000
Public Improvement Serial Bonds Series 2022 A	19,764,407	March, 2042	2.000-3.125	18,634,320
Public Improvement Serial Bonds Series 2022 B	414,603	March, 2032	0.800-3.500	370,680
EFC - Clean Water Statutory Installment Bond 2022	3,959,087	October, 2052	0.000	3,827,117
EFC - Clean Water Statutory Installment Bond 2022	10,167,403	September, 2052	3.117-4.886	9,897,403
Public Improvement Serial Bonds Series 2023 A	21,155,000	March, 2043	3.000-4.000	21,155,000
Public Improvement Serial Bonds Series 2023 B	396,000	March, 2036	5.000-5.125	396,000
Public Improvement Serial Bonds Series 2023 C	23,220,000	September, 2053	4.000	23,220,000
				<u>\$ 402,210,524</u>

Interest expenditures of \$5,734,804 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$5,080,372 was recorded in the government-wide financial statements for governmental activities.

General Obligation Bonds - The Town borrows money in order to acquire land or equipment, or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are backed by the full faith and credit of the Town, bear interest at various rates from 0.000% to 5.125% and have maturity dates in 2024 through 2053.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

	Balance January 1, 2023	Issued	Redeemed	Balance December 31, 2023
<b>Primary Government</b>				
Capital Projects Fund:				
General	\$ 105,330,653	\$ 11,958,299	\$ 9,109,101	\$ 108,179,851
Part town	887,044	-	64,455	822,589
Highway	59,157,997	4,815,755	4,626,868	59,346,884
Public parking	3,309,941	72,546	342,573	3,039,914
Sidewalk	2,751,424	318,464	175,747	2,894,141
Lighting	903,630	145,841	55,926	993,545
Parks	19,814,232	-	1,142,249	18,671,983
Total Primary Government	192,154,921	17,310,905	15,516,919	193,948,907
<b>Non-Major Component Units</b>				
Water Pollution Control Districts	105,959,301	15,526,261	4,176,911	117,308,651
Water Districts	77,232,320	8,723,788	4,170,590	81,785,518
Park Districts	6,278,964	3,210,046	536,265	8,952,745
Library District	412,627	-	200,582	212,045
Business Improvement District	5,173	-	2,515	2,658
Total Component Units	189,888,385	27,460,095	9,086,863	208,261,617
Total General Obligation Bonds	\$ 382,043,306	\$ 44,771,000	\$ 24,603,782	\$ 402,210,524

**Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2023 including interest payments of \$105,708,911 are as follows:

Year Ending December 31,	Principal	Interest
2024	\$ 25,467,866	\$ 11,420,092
2025	25,608,084	10,265,932
2026	25,233,253	9,510,606
2027	24,324,870	8,755,167
2028	23,904,870	8,028,255
2029-2033	119,459,351	29,655,713
2034-2038	77,794,350	16,029,912
2039-2043	46,659,350	7,884,148
2044-2048	23,505,650	3,374,302
2049-2053	10,252,880	784,784
	<u>\$ 402,210,524</u>	<u>\$ 105,708,911</u>

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

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

**Legal Debt Margin**

The Town is subject to legal limitations on the amount of debt that it may issue. The Town's legal debt margin is 7% of the five-year average full valuation of taxable real property.

**Retirement Incentives and Other Pension Obligations**

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually.

	Original Amount Amortized	Current Year Payments	Balance Due	Due Within One Year
<b>Primary Government</b>				
2016 ERS	\$ 32,388	\$ 32,388	\$ -	\$ -

**Compensated Absences**

Town employees are granted vacation and sick leave, and earn compensatory absences in varying amounts. In the event of termination, or upon retirement, an employee is entitled to payment for accumulated vacation, sick leave and compensatory time, subject to certain limitations.

Estimated vacation, sick leave and compensatory absences accumulated by Town employees have been recorded in the statement of net position. Payment of vacation time and sick leave is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation, sick leave and compensatory absences when such payments become due.

As of December 31, 2023, the liability for compensated absences for the Town and the nonmajor discretely presented component units was \$5,556,787 and \$13,298,155, respectively.

**Claims and Judgments Payable**

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

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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

reliance is placed on both actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

The Town estimates general liability reserves by consulting with legal counsel and reviewing past experience with similar claims. The Town estimates its workers' compensation reserves by consulting with the third-party administrator of its workers' compensation program and reviewing past experience with similar claims. The Town has not purchased any annuity contracts with regard to its workers' compensation or general liability claims.

The schedule below presents the changes in claims liabilities for workers' compensation and general liability, and includes an estimate of claims that have been incurred but not yet reported.

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>
Balance - Beginning of Year	\$ 2,708,302	\$ 3,359,889
Provision for Claims and Claims Adjustment Expenses	1,043,647	469,180
Claims and Claims Adjustments Expenses Paid	<u>(1,323,724)</u>	<u>(245,642)</u>
Balance - End of Year	<u>\$ 2,428,225</u>	<u>\$ 3,583,427</u>
Current Portion	<u>\$ 243,000</u>	<u>\$ 358,000</u>

### **Landfill Closure and Postclosure Care Costs**

State and federal laws and regulations require the Town to place a final cover on its landfill sites and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. The L-4 Landfill stopped receiving waste in 1991 and was closed in 1996. The L-5 Landfill stopped receiving waste in 2002, and the capping was completed in 2004. Postclosure maintenance and monitoring activities for the L-4 and L-5 Landfills are estimated to be approximately \$930,000 per year. Accordingly, as of December 31, 2023, the Town has recorded a liability of \$4,180,078 in the government-wide financial statements, which represents the provision to be made in future budgets for unfunded closure and postclosure landfill costs. As this liability is based on 100% capacity, there are no estimated costs of closure and postclosure care costs remaining to be recognized. Actual costs may vary due to inflation, changes in technology, or changes in regulations or applicable laws.

### **Pension Plans**

The following notes relate to the Town's pension plans. The Town recognized a combined pension expense in the government-wide financial statements of \$10,076,631 (\$9,312,075 for the New York State and Local Employees' Retirement System and \$764,556 for the Fire Protection Length of Service Awards Program).

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

The Town participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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

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

The ERS is noncontributory except for employees who joined after July 2, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. Contribution rates for the plan's year ending in 2023 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
1 75I	17.5 %
2 75I	15.9
3 A14	13.0
4 A15	13.0
5 A15	11.1
6 A15	8.2

At December 31, 2023, the Town reported the following for its proportionate share of the net pension liability for ERS:

Measurement date	March 31, 2023
Net pension liability	\$ 23,347,637
Town's proportion of the net pension liability	0.1081301%
Change in proportion since the prior measurement date	(0.0012453%)

The net pension liability was measured as of March 31, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

For the year ended December 31, 2023, the Town recognized its proportionate share of pension expense in the government-wide financial statements of \$9,312,075. Pension expenditures (exclusive of retirement incentives and other pension obligations) of \$4,684,804 were recorded in the fund financial statements and were charged to the following funds:

General	\$ 2,848,025
Highway	766,338
Part Town	845,951
Lighting District	6,331
Park Districts	89,536
Sidewalk District	94,688
Public Parking District	<u>33,935</u>
Total Primary Government	<u>\$ 4,684,804</u>

At December 31, 2023, the Town reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to the ERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,469,646	\$ 651,192
Changes of assumptions	11,261,323	124,459
Net difference between projected and actual earnings on pension plan investments	-	136,225
Changes in proportion and differences between Town contributions and proportionate share of contributions	1,220,759	599,176
Town contributions subsequent to the measurement date	<u>3,327,146</u>	<u>-</u>
	<u>\$ 18,278,874</u>	<u>\$ 1,511,052</u>

\$3,327,146 reported as deferred outflows of resources related to the ERS resulted from the Town's contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended March 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the ERS will be recognized in pension expense as follows:

	<u>Year Ended March 31,</u>
2024	\$ 3,274,073
2025	(1,038,568)
2026	4,888,460
2027	<u>6,316,711</u>
	<u>\$ 13,440,676</u>

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

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

Measurement date	March 31, 2023
Actuarial valuation date	April 1, 2022
Investment rate of return	5.9%*
Salary scale	4.4%
Inflation rate	2.9%
Cost of living adjustments	1.4% annually

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

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

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

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

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.30 %
International Equity	15	6.85
Private Equity	10	7.50
Real Estate	9	4.60
Opportunistic/ARS Portfolio	3	5.38
Credit	4	5.43
Real Assets	3	5.84
Fixed Income	23	1.50
Cash	1	-
	100 %	

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

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the ERS’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

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town’s proportionate share of the net pension liability 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 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Primary Government's proportionate share of the ERS net pension liability (asset)	<u>\$ 56,034,130</u>	<u>\$ 23,347,637</u>	<u>\$ (4,259,766)</u>

The components of the current year collective net pension liability of the ERS as of March 31, 2023, were as follows:

Total pension liability	\$ 232,627,259,000
Fiduciary net position	<u>211,183,223,000</u>
Employers' net pension liability	<u>\$ 21,444,036,000</u>
Fiduciary net position as a percentage of total pension liability	<u>90.78%</u>

Employer contributions to ERS are paid annually and cover the period through the end of ERS’s fiscal year, which is March 31<sup>st</sup>. Accrued retirement contributions as of December 31, 2023 represent the projected employer contribution for the period of April 1, 2023 through December 31, 2023 based on paid ERS wages multiplied by the employers’ contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2023 were \$3,327,146.

**Fire Protection Length of Service Awards Program (“LOSAP”) Liabilities**

The Town’s financial statements are for the year ended December 31, 2023. However, the information contained in this note is based on information for the LOSAP’s for the plan years ending on various dates (see Table No. 1), which are the most recent plan years for which complete information is available.

*Program Description*

The Town, along with the respective Fire Companies and other municipalities, as required, sponsor six Volunteer Firefighters Length of Service Award Programs (“the Plans”): Albertson Hook & Ladder Engine & Hose Company No. 1 (“Albertson”), Alert Engine, Hook and Ladder and Hose Company No. 1 (“Alert”), Floral Park Centre Fire Company, Inc. (“Floral Park Centre”), Glenwood Hook and Ladder, Engine and Hose Company (“Glenwood”), Port Washington Fire Department, Inc. (“Port Washington”) and Roslyn Volunteer Firefighter Service Awards Program (“Roslyn”). The programs are defined benefit plans and were established pursuant to Article 11 A of the New York State General Municipal Law. The programs took effect on various dates (see Table No. 1). The Plans established a defined benefit LOSAP for the active volunteer firefighters of the respective fire companies. The programs provide municipal funded pension-like benefits to



**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
 December 31, 2023

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

facilitate the recruitment and retention of active volunteer firefighters. Four of the programs, Alert, Glenwood, Port Washington and Roslyn, have multiple sponsors.

*Participation, Vesting, and Service Credit*

Active volunteer firefighters, who have reached a specific age (as determined by each Plan - see Table No. 1) on the last day of the year and who have completed one year of firefighting service (or a probationary period), are eligible to participate in the Plan. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service, or upon attaining the Plan's entitlement age while active, becoming totally and permanently disabled, or upon death while an active member. The Plan's entitlement ages vary, ranging from 55 to 65 (as determined by each plan) and take effect after the first year of service credit or after the probationary period (as determined by each Plan - see Table No. 1).

In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year, after the establishment of the Plan, in which they become eligible to participate and accumulate a specified number of points. Points are granted for the performance of certain activities, in accordance with a system established by the sponsor, on the basis of a statutory list of activities and point values. A participant may also receive credit for previous years (as determined by each Plan - see Table No. 1) of firefighting service (called "Prior Service") rendered prior to the establishment of the Plan.

*Benefits Provided*

A participant's benefit under the Plan is the actuarial equivalent of a monthly payment for life equal to \$20 to \$30 (as determined by each Plan - see Table No. 1), multiplied by the participant's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed 25 to 40 years (as determined by each Plan - see Table No. 1), including Prior Service credits. Except in the case of disability or death, benefits are payable when the participant has attained the entitlement age. The program provides statutorily mandated death and disability benefits. (See Table No. 1).

**Table No. 1 Program Description**

	<u>Albertson</u>	<u>Alert</u>	<u>Floral Park Centre</u>
Plan year end date	12/31/2022	12/31/2022	12/31/2022
Plan established by:	Town of North Hempstead	Town of North Hempstead; Villages of Great Neck, Kings Point and Saddle Rock (Joint Sponsoring Board)	Town of North Hempstead
Sponsored by:	Town of North Hempstead	Joint Sponsoring Board	Town of North Hempstead
Plan Type	Single Employer	Cost Sharing Multiple Employer	Single Employer
Effective date of plan	1/1/1991	1/1/1996	7/1/1991
Entitlement Age	62	65	65
Nonforfeitable right to award after:	5 years	5 years	5 years
Prior service credit (up to):	5 years	5 years	5 years
Eligible age	17	17	18
Required years of service	One	One	One
Benefits:			
Monthly payment	\$20-\$30	\$20	\$20
Maximum years used to calculate	40 years	40 years	25 years
Benefits payable at	Entitlement Age	Entitlement Age	Entitlement Age
	except for disability or death	except for disability or death	except for disability or death
Optional line-of-duty disability	No	No	No

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**Table No. 1 Program Description (Continued)**

	<u>Glenwood</u>	<u>Port Washington</u>	<u>Roslyn</u>
Plan year end date	12/31/2022	12/31/2022	12/31/2022
Plan established by:	Towns of North Hempstead and Oyster Bay, Villages of Old Brookville and Roslyn Harbor	Town of North Hempstead, Villages of Baxter Estates, Flower Hill, Manorhaven, Plandome Manor, Port Washington North and Sands Point	Towns of North Hempstead and Oyster Bay; Villages of Brookville, East Hills, Flower Hill, North Hills, Old Westbury, Roslyn, Roslyn Estates and Roslyn Harbor
Sponsored by:	Glenwood H&L E&H Company	Joint Sponsoring Board	Joint Sponsoring Board
Plan Type	Cost Sharing Multiple Employer	Cost Sharing Multiple Employer	Cost Sharing Multiple Employer
Effective date of plan	4/1/1990	1/1/1993	1/1/1996
Entitlement Age	55	65	62
Nonforfeitable right to award after:	5 years	5 years	5 years
Prior service credit (up to):	5 years	5 years	5 years
Eligible age	18	18	18
Required years of service	One	One	One
Benefits:			
Monthly payment	\$20	\$20	\$20
Maximum years used to calculate	37 years	40 years	30 years
Benefits payable at	Entitlement Age except for disability or death	Entitlement Age except for disability or death	Entitlement Age except for disability or death
Optional line-of-duty disability	No	No	No

*Participants Covered by the Benefit Terms*

	<u>Albertson</u>	<u>Floral Park Centre</u>
Inactive participants currently receiving benefits	33	7
Inactive participants entitled to, but not yet receiving benefits	17	5
Active participants	37	15
<b>Total</b>	<b>87</b>	<b>27</b>

*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.

Some governing boards of the sponsors retained and designated organizations to assist in the administration of the program (see Table No. 2). The designated program administrator's functions include duties outlined in the service agreements. Disbursements of program assets for the payment of benefits or administrative expenditures are approved by a representative of the Fire Company, the Plans Joint Sponsoring Board, or the Plan Administrator (as determined by each Plan).

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 expenditures of the operation and administration of the program. Any payments under the programs shall be made from the general assets of the sponsors which general assets are subject to the claims of the creditors of the sponsor. There are no assets accumulated in a trust that meet the criteria in GASB Statement No. 73. As such, the trust assets may not be offset against the LOSAP liability. Some Plans have designated trustees (see Table No. 2).

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

Authority to invest program assets is vested in the sponsor's name. Subject to restrictions in the programs plan documents, program assets are currently invested in accordance with a statutory "prudent person" rule.

Plan sponsors are required to retain an actuary to determine the amount of the sponsor's contributions to the plan. The actuaries retained by the sponsors for this purpose are outlined in the table below. Portions of the following information are derived from the reports prepared by these actuaries (see Table No. 2 for report dates).

**Table No. 2 Fiduciary Information**

	<b><u>Albertson</u></b>	<b><u>Alert</u></b>	<b><u>Floral Park Centre</u></b>
Administered by the actuary:	Penflex, Inc.	Penflex, Inc.	Penflex, Inc.
Disbursements approved by:	Town of North Hempstead	Joint Sponsoring Board	Town of North Hempstead
Plan Trustee	Town of North Hempstead	Joint Sponsoring Board	Town of North Hempstead
Authority to invest assets	RBC Wealth Management	RBC Wealth Management	RBC Wealth Management
Valuation date	1/1/2023	1/1/2023	1/1/2023
Actuary report date	7/14/2023	8/3/2023	7/14/2023
	<b><u>Glenwood</u></b>	<b><u>Port Washington</u></b>	<b><u>Roslyn</u></b>
Administered by the actuary:	VFIS	Firefly	Penflex, Inc.
Disbursements approved by:	Fire Company's Board	Joint Sponsoring Board	Joint Sponsoring Board
Plan Trustee	Joint Sponsoring Board	Joint Sponsoring Board	Joint Sponsoring Board
Authority to invest assets	Empower Retirement LLC	Miracle Mile Advisors LLC	CAPTRUST Financial Advisors
Valuation date	1/1/2023	12/31/2022	1/1/2023
Actuary report date	4/2/2024	4/17/2023	6/14/2023

***Program Liabilities, Program Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Program***

At December 31, 2023, the Town reported a liability of \$12,469,513 for its proportionate share of the length of service award program liability. The length of service award program liability was measured as of December 31, 2022 for all plans except Glenwood, which was measured as of January 1, 2023. The Town's proportion of the length of service award program liability was based on a projection of the Town's share of contributions to the programs.

The following table shows the schedule of changes in the program liability for the year ended December 31, 2023 for the two LOSAP plans where the Town is the sole sponsor:

	<b><u>Albertson</u></b>	<b><u>Floral Park Centre</u></b>
Program Liability - Beginning of year	\$ 5,396,339	\$ 1,213,774
Service cost	152,282	12,511
Interest	122,148	26,953
Difference between expected and actual experience	80,593	(3,841)
Change in assumptions	(1,369,172)	(284,877)
Benefit payments	(191,180)	(46,051)
Program Liability - End of year	<b><u>\$ 4,191,010</u></b>	<b><u>\$ 918,469</u></b>

The Town's proportionate share of the total pension liability, the basis on which its proportion was determined and the changes in its proportionate share since the prior measurement date is as follows:

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

	Albertson	Floral Park	Alert	Glenwood	Port Washington	Roslyn
Town's proportionate share of the total pension liability at plan year end December 31, 2022	100.00%	100.00%	6.23%	19.60%	50.81%	21.59%
Town's proportionate share of the total pension liability at plan year end December 31, 2021	100.00%	100.00%	6.11%	19.60%	50.81%	21.37%
Change in proportionate share	0.00%	0.00%	0.12%	0.00%	0.00%	0.22%
Basis on which proportion was determined	100% Town	100% Town	cost sharing agreement	cost sharing agreement	cost sharing agreement	cost sharing agreement

For the year ended December 31, 2023, the Town recognized pension expense of \$764,556 in the statement of activities. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to the program from the following sources:

**Deferred Outflows of Resources**

	Albertson	Alert	Floral Park Centre	Glenwood	Port Washington	Roslyn	Totals
Differences between expected and actual experience	\$ 243,684	\$ 15,626	\$ 30,889	\$ -	\$ 47,123	\$ 38,208	\$ 375,530
Changes of assumptions or other inputs	993,039	62,068	238,408	47,079	1,528,846	360,532	3,229,972
Changes in proportion and difference between Town pension payments and proportionate share of benefit payments	-	5,823	-	-	210,382	-	216,205
Benefit payments and administrative expenses subsequent to the measurement date	222,616	20,836	43,486	-	182,881	48,567	518,386
Total	\$ 1,459,339	\$ 104,353	\$ 312,783	\$ 47,079	\$ 1,969,232	\$ 447,307	\$ 4,340,093

**Deferred Inflows of Resources**

	Albertson	Alert	Floral Park Centre	Glenwood	Port Washington	Roslyn	Totals
Differences between expected and actual experience	\$ -	\$ 14,120	\$ 25,679	\$ 100,750	\$ 350,265	\$ 18,417	\$ 509,231
Changes of assumptions or other inputs	1,687,599	82,898	358,540	249,213	2,404,736	663,307	5,446,293
Changes in proportion and difference between Town pension payments and proportionate share of benefit payments	-	-	-	-	-	13,341	13,341
Total	\$ 1,687,599	\$ 97,018	\$ 384,219	\$ 349,963	\$ 2,755,001	\$ 695,065	\$ 5,968,865

Deferred outflows of resources related to the program resulting from the Town's contribution subsequent to the measurement date in the amount of \$518,386 will be recognized as a reduction of the program liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the program will be recognized in program expense as follows:

Years Ending December 31,	Albertson	Alert	Floral Park Centre	Glenwood	Port Washington	Roslyn	Totals
2024	\$ (34,768)	\$ (5,168)	\$ (29,451)	\$ (151,665)	\$ (20,436)	\$ (13,870)	\$ (255,358)
2025	(34,768)	(5,168)	(29,451)	(160,155)	(20,436)	(13,870)	(263,848)
2026	(34,768)	(5,168)	(29,451)	8,936	(20,436)	(13,870)	(94,757)
2027	(43,184)	(3,642)	(29,451)	-	(20,436)	(13,870)	(110,583)
2028	(32,141)	(2,390)	(29,451)	-	(36,369)	(12,317)	(112,668)
Thereafter	(271,247)	8,035	32,333	-	(850,537)	(228,528)	(1,309,944)
	\$ (450,876)	\$ (13,501)	\$ (114,922)	\$ (302,884)	\$ (968,650)	\$ (296,325)	\$ (2,147,158)

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

*Funding Methodology and Actuarial Assumptions*

The actuarial valuation methodology used by the actuary to determine the sponsor's liability is listed in Table No. 4 below. The assumed rate of return on investment was determined by using the yield to maturity of the S&P Municipal Bond 20-Year High Grade Rate Index for all LOSAP Plans other than Glenwood. Glenwood's assumed rate of return on investment was determined by using the 20-year AA general obligation bond rate. Update procedures were used to roll forward the liability from the actuarial valuation date to the measurement date.

The assumptions used by the actuary to determine the sponsor's liability are:

**Table No. 4 Methodology and Assumptions**

	<u>Albertson</u>	<u>Alert</u>	<u>Floral Park Centre</u>
Actuarial valuation date	1/1/2023	1/1/2023	1/1/2023
Measurement date	12/31/2022	12/31/2022	12/31/2022
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Salary increases	Not Applicable	Not Applicable	Not Applicable
Inflation rate	2.25%	0.00%	2.25%
Mortality table used for withdrawals, retirements, active and inactive deaths:			
Pre-entitlement age	*	*	*
Post-entitlement age	*	*	*

\*RP-2014 Male Mortality Table without projection for mortality improvement.

	<u>Glenwood</u>	<u>Port Washington</u>	<u>Roslyn</u>
Actuarial valuation date	1/1/2023	12/31/2022	1/1/2023
Measurement date	12/31/2023	12/31/2022	12/31/2022
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Salary increases	Not Applicable	Not Applicable	Not Applicable
Inflation rate	0.00%	0.00%	2.25%
Mortality table used for withdrawals, retirements, active and inactive deaths:			
Pre-entitlement age	**	***	*
Post-entitlement age	**	***	*

\*RP-2014 Male Mortality Table without projection for mortality improvement.

*Sensitivity of the Proportionate Share of the Program Liability to the Discount Rate Assumption*

The following presents the Town's proportionate share of the length of service award program liability calculated using the discount rate (investment rate of return) as listed in Table No. 4 above as well as what the Town's proportionate share of the program liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current assumption:

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

	1% Decrease	Current Assumption	1% Increase
<b>Albertson</b>			
Discount rates	3.31%	4.31%	5.31%
LOSAP liability	\$ 4,779,151	\$ 4,191,010	\$ 3,708,869
<b>Alert</b>			
Discount rates	3.31%	4.31%	5.31%
LOSAP liability	\$ 329,817	\$ 286,997	\$ 252,103
<b>Floral Park Centre</b>			
Discount rates	3.31%	4.31%	5.31%
LOSAP liability	\$ 1,040,924	\$ 918,469	\$ 817,541
<b>Glenwood</b>			
Discount rates	2.79%	3.79%	4.79%
LOSAP liability	\$ 1,366,128	\$ 1,167,231	\$ 1,010,279
<b>Port Washington</b>			
Discount rates	3.31%	4.31%	5.31%
LOSAP liability	\$ 5,460,413	\$ 4,645,758	\$ 3,992,402
<b>Roslyn</b>			
Discount rates	3.31%	4.31%	5.31%
LOSAP liability	\$ 1,481,087	\$ 1,260,048	\$ 1,084,437

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

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

At December 31, 2023, the following employees were covered by the benefit terms:

	Primary Government
Inactive employees currently receiving benefit payments	307
Surviving spouse currently receiving benefit payments	38
Active employees	423
	<u>768</u>

The Town’s total OPEB liability of \$140,926,047 was measured as of December 31, 2023.

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.5%, average, including inflation
Discount rate	3.8%
Healthcare cost trend rates	5.6% for Pre-65 and 4.9% for Post-65 for 2023, decreasing at various rates to an ultimate rate of 4.5% for 2029 and later years
Retirees' share of benefit-related costs	Varies from 0% to 50%, depending on applicable retirement year and if they are a surviving spouse

The discount rate was based on a review of the yield derived from the 20 Year AA Municipal GO Bond Index, as of December 31, 2023, per Fidelity Investments.

Mortality rates were in accordance with the SOA RP-2014 Total Dataset. Mortality improvements are projected using SOA Scale MP-2021.

The actuarial assumptions used in the January 1, 2023 valuation were based on the experience of the New York State Employees Retirement System as outlined in AON's *New York State/SUNY – Development of Recommended Actuarial Assumptions for Other Post Employment Benefit Plans Actuarial Valuations – Participating Town Version – August 2022* report for turnover and retirement.

The Town's change in the total OPEB liability for the year ended December 31, 2023 is as follows:

	<u>Primary Government</u>
Total OPEB Liability - Beginning of Year	\$ 132,604,181
Service cost	4,316,570
Interest	5,199,531
Differences between actual and expected experience	-
Changes in assumptions or other inputs	4,037,578
Benefit payments	<u>(5,231,813)</u>
Total OPEB Liability - End of Year	<u>\$ 140,926,047</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.8%) or 1 percentage point higher (4.8%) than the current discount rate:

	<u>1% Decrease (2.8%)</u>	<u>Current Discount Rate (3.8%)</u>	<u>1% Increase (4.8%)</u>
Total OPEB Liability	<u>\$ 164,215,029</u>	<u>\$ 140,926,047</u>	<u>\$ 122,447,990</u>

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (decreasing in various amounts to a trend rate of 3.5%) or 1 percentage point higher (decreasing in various amounts to a trend rate of 5.5%) than the current healthcare cost trend rates:

	1% Decrease (4.6% decreasing in various amounts to a trend rate of 3.5%)	Healthcare Cost Trend Rates (5.6% decreasing in various amounts to a trend rate of 4.5%)	1% Increase (6.6% decreasing in various amounts to a trend rate of 5.5%)
Total OPEB Liability	\$ 119,098,457	\$ 140,926,047	\$ 169,034,854

For the year ended December 31, 2023, the Town recognized OPEB expense of (\$12,845,936) in the government-wide financial statements. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 22,460,896
Changes of assumptions or other inputs	-	21,402,088
Benefit payments and administrative expenses subsequent to the measurement date	<u>5,231,813</u>	<u>-</u>
	<u>\$ 5,231,813</u>	<u>\$ 43,862,984</u>

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

<u>Year Ended December 31,</u>	
2024	\$ (20,405,013)
2025	(25,945,669)
2026	<u>2,487,698</u>
	<u>\$ (43,862,984)</u>



**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**F. Revenues and Expenditures**

**Interfund Transfers**

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

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,210,724	\$ 14,916,895
Highway Fund	624,210	6,586,394
Part Town	-	199,878
Debt Service Fund	21,311,333	1,711,039
Capital Projects Fund	670,197	-
Non-Major Governmental Funds	<u>2,475,682</u>	<u>2,877,940</u>
	<u>\$ 26,292,146</u>	<u>\$ 26,292,146</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and to move funds from the fund with collection authorization to the funds where additional amounts are needed, 2) to move amounts earmarked in the operating funds to fulfill commitments for Debt Service Fund expenditures and 3) to transfer the assets and liabilities of the Authority to the Town's General Fund where operations will continue.

**G. Net Position**

The components of net position are detailed below:

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

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

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

**Town of North Hempstead, New York**

Notes to Financial Statements (Continued)  
December 31, 2023

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

**H. Fund Balances**

	General Fund	Highway Fund	Part Town Fund	Refuse and Garbage Districts	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
<b>Nonspendable</b>								
Prepaid expenditures	\$ 1,799,487	\$ 610,160	\$ 421,173	\$ -	\$ -	\$ -	\$ 135,985	\$ 2,966,805
Inventory	373,444	558,638	-	-	-	-	-	932,082
<b>Total Nonspendable</b>	<b>2,172,931</b>	<b>1,168,798</b>	<b>421,173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>135,985</b>	<b>3,898,887</b>
<b>Restricted</b>								
Capital projects	-	-	-	-	-	36,865,720	-	36,865,720
Debt service	-	-	-	-	8,938,695	-	-	8,938,695
Length of service award program	-	-	-	-	-	-	8,755,178	8,755,178
<b>Total Restricted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,938,695</b>	<b>36,865,720</b>	<b>8,755,178</b>	<b>54,559,593</b>
<b>Assigned</b>								
Subsequent year's expenditures	6,819,810	6,817,617	2,391,405	17,111	-	-	763,992	16,809,935
Capital projects	314,837	831,478	148,385	-	-	-	-	1,294,700
Workers' compensation	654,477	1,232,812	-	-	-	-	-	1,887,289
Insurance	876,834	100,000	200,000	-	-	-	-	1,176,834
Employee benefit accrued liability	-	168,977	201,550	-	-	-	-	370,527
Senior endowment	1,264,094	-	-	-	-	-	-	1,264,094
Major funds	-	2,344,640	6,316,672	3,056,132	-	-	-	11,717,444
<b>Non-major funds</b>								
Fire protection	-	-	-	-	-	-	1,442,011	1,442,011
Lighting	-	-	-	-	-	-	1,149,521	1,149,521
Park	-	-	-	-	-	-	129,949	129,949
Sidewalk	-	-	-	-	-	-	3,742,921	3,742,921
Public Parking	-	-	-	-	-	-	716,254	716,254
Water	-	-	-	-	-	-	7,549	7,549
<b>Total Assigned</b>	<b>9,930,052</b>	<b>11,495,524</b>	<b>9,258,012</b>	<b>3,073,243</b>	<b>-</b>	<b>-</b>	<b>7,952,197</b>	<b>41,709,028</b>
<b>Unassigned</b>								
Unassigned	28,508,436	-	-	-	-	-	-	28,508,436
<b>Total Fund Balances</b>	<b>\$ 40,611,419</b>	<b>\$ 12,664,322</b>	<b>\$ 9,679,185</b>	<b>\$ 3,073,243</b>	<b>\$ 8,938,695</b>	<b>\$ 36,865,720</b>	<b>\$ 16,843,360</b>	<b>\$ 128,675,944</b>

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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

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

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

Inventories have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the City anticipates utilizing them in the normal course of operations.

Restricted for LOSAP represents funds set aside to be used for LOSAP pension benefits in accordance with Article 11-A and Article 11-AAA of the General Municipal Law of the State of New York.

Subsequent year's expenditures represent that at December 31, 2023, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Assignment for capital projects has been established to set aside funds for capital projects.

Assignment for workers' compensation has been established to set aside funds for medical, hospital, or other similar expenditures.

Assignment for insurance has been established to set aside funds for certain uninsured losses, claims, actions, or judgments.

Assignment for employee benefit accrued liability has been established pursuant to General Municipal Law to provide funds for the payment of unused sick, holiday and vacation time.

Assignment for the senior endowment has been established to set aside funds to support the development of affordable senior housing within the Town.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned. Unassigned fund balance in the Refuse and Garbage Districts represents the deficit balance in the fund.

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

#### **A. 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 carries insurance with coverage for cyber incidents or attacks and 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.

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

**B. Litigation**

The Town in the normal course of business is involved in various matters of litigation. Other than the cases described below, in the opinion of the Town Attorney, there is no litigation by or pending against the Town that is not covered or mitigated by insurance, budgetary appropriations or other provisions which could have a materially adverse impact on the financial condition of the Town. In addition, notices of claim have been filed with the Town. The allegations set forth in the claims relate to various circumstances including personal injury, property damage, civil rights violations, employment discrimination, breach of contract and administrative determinations by Town officials. The claims seek money damages.

County of Nassau v. Commercial Concrete Corp., Town of North Hempstead, New York Ready Mix et al)

In August 2015, Town officials became aware that a storm water pipe was blocked, causing flooding in the area of the LIRR train tracks and Rushmore Street in New Cassel. Town employees discovered that the pipe was blocked by a mass of concrete near Rushmore Street where a concrete company operated. The Town determined that the pipe was owned by Nassau County. The County subsequently filed a complaint against the Town and area concrete companies asserting \$1.4 million in damages. The County's theory against the Town is that the Town failed in its responsibility under its MS4 storm water permit to prevent concrete from discharging into the storm water system.

The Town counterclaimed against the County and cross-claimed against the concrete companies for the Town's expenses and flood damage. Commercial Concrete and NY Ready Mix also cross-claimed against the Town for contribution and indemnification for any damages they may owe to the County. The pleadings were amended to assert a continuing nuisance and damages from any continued discharge into the storm water drains. Discovery has been completed.

The County and the Town have agreed to discontinue the claims that each had asserted against the other. That stipulation was so-ordered by the Court. Various dispositive motions have been submitted by the parties, and all have been denied by the Court. All parties have filed Notices of Appeal. The Town has filed its brief with the Appellate Division.

It is the Town's position that damages should be awarded to the Town for property damage and costs related to remediating the blocked pipe.

Glenwood Power Plant Case

In April 2018, National Grid sued the County, the Town, North Shore Central School District, and various special districts within the Town alleging that when the Glenwood Power Plant was demolished the plant remained overtaxed because of the adjusted and current base proportions used to divide tax levy between property classes in the 2014/15 through 2017/18 tax years. The claim against Town defendants is for monies had and received. In a February 14, 2019 decision, the court dismissed National Grid's claims against the school districts based on the County Guaranty. The County Guaranty also applies to the claims against the Town. The Town did not file a motion to dismiss at that time. The County filed an appeal from that decision but withdrew the appeal in February 2020.

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

The Town defendants' position is that the claim is covered by the County Guaranty and the Town has no refund liability. The Town's position is also that the Court's February 2019 decision is "law of the case" and bars the claims against the Town. After the County answered, the Town filed a motion for summary judgment, based on the County Guaranty. National Grid filed a motion for summary judgment on the issue of liability as against the County. In October 2022, the Court denied National Grid's motion for summary judgment, granted the County's motion for summary judgment and granted the Town's motion to dismiss and for summary judgment. National Grid has filed a Notice of Appeal regarding the Court's order. National Grid's appellate brief specifically states that they are not appealing that part of the Order which granted the Town's motion to dismiss. The appeal is still in the process of being perfected. National Grid has also moved to reargue its motion against the County and the County's motion against National Grid. Similar to their appeal, National Grid specifically has not moved to reargue the Town's motion to dismiss. The motion to reargue has been fully submitted and is awaiting a decision by the Court.

Separately, in April 2023, National Grid once again filed a similar lawsuit against the same parties. A stipulation extending time to answer was filed. National Grid again filed a summons and complaint in January 2024, presumably to protect their rights. The Town was served with same within the statutory period and obtained plaintiff's consent to another stipulation extending time until the determination of the appeal.

As the Town believes it does not have any liability in this matter, no amount for liability has been recorded in the Town's financial statements.

**Estate of Schneider v. Hanasab, et al.**

This wrongful death case resulted from a June 6, 2016, automobile accident. The deceased, while riding a motor scooter, was involved in an accident with a car. The deceased died as a result of injuries from that accident. The wife of the deceased sued on behalf of herself and the Estate, claiming that the Town was negligent in the placement of a stop sign and in the maintenance of nearby trees and shrubbery. The complaint alleged that the Town placed the stop sign at the wrong location and therefore caused the driver's view to be blocked by vegetation. At a February 2020 trial, the jury found in favor of plaintiff. The jury awarded plaintiff approximately \$2.7 million in damages and apportioned 70% fault to the Town and 30% fault to the driver of the vehicle. The plaintiff filed a judgment in the amount of \$2,920,050.54 (which increased to \$3,311,990.46 due to interest costs). Prior attorneys in the Town Attorney's office failed to notify the excess insurer, which disclaimed coverage. As a result and since the Town was more than 50% liable for the injury, the Town was responsible for the full judgment.

In January 2023, the Town commenced litigation against its co-defendant in the wrongful death matter, Haroon Hanasab, by filing a summons and complaint to recover Mr. Hanasab's 30% share of the judgment. An answer was filed in March 2023. The Town's summary judgment motion was granted, and a judgment was entered in the amount of \$885,999.79. The Town is in the process of executing the judgment.

**Estate of Rogerio P. Silva**

This is the wrongful death claim on behalf of Rogerio Silva who fell into a dumpster at a SWMA's facility in Port Washington. A complaint was filed naming the Town and SWMA as defendants. The complaint was later amended to name OMNI as a defendant. OMNI was operating the facility

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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### **Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

under a contract with SWMA. The Town and SWMA are insured under OMNI's insurance policy. The Town and SWMA are being defended by Cuomo, LLC, under OMNI's insurance. Cuomo, LLC is being paid directly by OMNI's insurer. The action was settled in March 2024 with no contribution from the TONH.

#### Dow Chemical v. Town of North Hempstead

This third-party action is related to a consolidated series of litigations commenced by various water districts and municipalities across Long Island alleging that Dow and others have contaminated the underground aquifers and their well waters by reason of the manufacture and distribution of products containing the chemical 1,4-Dioxane. These claims seek to recover damages sustained by the districts and municipalities due to the increased cost of treatment of the public water supply. Dow Chemical and others filed a third-party complaint in United States District Court for the Eastern District of New York against the Town in September of 2021 seeking contribution towards any damages it may suffer as a result of the judgment rendered in the underlying claims. More specifically, Dow contends that North Hempstead's ownership of the Port Washington landfills is a contributing cause of the alleged contamination, and that the Town has been negligent in failing to abate the presence and migration of 1,4-Dioxane from the landfill resulting in contamination of water wells of the Port Washington Water District. At this time, the third-party action has been stayed and the Town has not been required to answer the complaint. The Town disputes the third-party claim, plans to vigorously defend the claim when and if the third-party action becomes active and continues to monitor the underlying municipal and district claims.

#### Christopher Hagen, as Administrator of the Estate of Gerrin Michael Hagen, Deceased v. Town of North Hempstead

This is a wrongful death claim for the demise of Gerrin Michael Hagen, an 18-year-old student at the Nassau County Board of Cooperative Educational Services (BOCES) facility known as Joseph M. Barry Career & Technical Education Center. The January 12, 2023, motor vehicle accident allegedly occurred when the decedent was exiting BOCES "as a pedestrian" and was struck by a motor vehicle operated by a 19-year-old motorist that was proceeding northbound in the southbound lane of Cantiague Lane, the roadway BOCES abuts. Newspaper reports indicate that the decedent was travelling on his skateboard at the time of the accident. The claim alleges that the accident occurred because of the Town's failure to properly design, construct, monitor and maintain the roadways south of the intersection of Cantiague Lane and Robbins Lane in Westbury. In addition to his wrongful death, plaintiff is suing for the conscious pain and suffering endured by the plaintiff. The motorist that allegedly struck Mr. Hagen was indicted on charges of criminally negligent homicide in Mr. Hagen's death in July 2023.

Plaintiff has filed a summons and complaint, but the action is in the early stages of discovery. At this time, it is unknown whether the Town has any responsibility in this accident. As such, no amount for liability has been recorded on the Town's financial statements.

#### Sharon Bird v. Town of North Hempstead

This is a personal injury case, in which the plaintiff fell into a Town manhole at the southwest intersection of Broadway and Grand Street on August 21, 2015, after a flood at the "Yes We Can" Community Center. In August 2021, a jury held that the Town was liable. The Town appealed but lost at the Appellate Division. Prior handling attorneys, who are no longer with the Town, did not

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

timely report this matter to our insurance carrier. The case settled for \$2.5 million in the Spring of 2024.

Gail Selis v. Town of North Hempstead and Port Washington Senior Citizens Inc.

A personal injury case involving an injury to a JASA employee tripped and fell on a tear in a carpet in the JASA office. Despite the Town not having constructive notice of the defect, the case proceeded to trial and a jury found the Town liable for her injury. A separate decision by the court found that JASA was liable to the Town for indemnification, and the Court signed a judgment in favor of the Town against JASA in the amount of \$1,324,683.82 plus interest and costs and disbursements. The judgment was appealed by JASA and is presently pending in the Appellate Division, Second Department. (If the indemnity decision against JASA is overturned on appeal, the Town will be liable for the full amount as there was a failure to report the matter to the Town's excess insurer).

Other Litigation

In addition to the above referenced cases, the Town is involved in other lawsuits with claims ranging in various amounts and the Town has included a total reserve of \$3,583,427. These cases are in various stages of litigation and their outcome cannot presently be determined. Pursuant to the Local Finance Law, the Town is authorized to issue bonds or notes to finance any judgments and claims decided against the Town, if necessary. In the past, the Town has, on occasion, issued bonds or notes to finance judgments. An estimated liability of these claims has been included in the Town's general liability reserve summarized in the previous schedule.

In the opinion of the Town Attorney, other than the claims previously described the resolution of such various cases and claims presently pending against the Town will not have an adverse material effect on the Town's financial position. Such matters are immaterial or adequately covered by existing insurance coverage. Accordingly, no amount for liability has been recorded in these Town's financial statements.

**B. Risk Management**

In common with other municipalities, the Town receives numerous notices of claims. The Town carries excess liability insurance coverage of \$5,000,000 per occurrence, with a \$15,000,000 annual aggregate, and is self-insured, up to \$500,000, for claims under this coverage. Although the eventual outcome of these claims cannot presently be determined, the Town Attorney has estimated unsettled claims and litigation for general liability to be \$1,902,192. The Town is of the opinion that the ultimate settlement of the outstanding claims will not result in a material adverse effect on the Town's financial position.

The Town is self-insured for property protection on the first \$50,000 per loss. The Town carries building and contents coverage in excess of \$100,000,000. Flood and earthquake claims are covered up to \$10,000,000 annual aggregate.

The Town is self-insured for workers' compensation insurance through a self-insurance pool comprised of New York State municipalities. Estimated benefits to be paid are appropriated in the various operating funds of the Town. The Town has provided an umbrella-type policy protecting against a catastrophic loss in the workers' compensation self-insurance protection program with \$500,000 retention, per occurrence, with benefits of up to \$25,000,000. Although the eventual value

## Town of North Hempstead, New York

Notes to Financial Statements (Continued)  
December 31, 2023

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### **Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

of these claims cannot presently be determined, the third-party administrator has estimated the workers' compensation to be \$2,428,225. The Town is also self-insured for unemployment benefits paid.

#### **C. Contingencies**

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

### **Note 5 - Tax Abatements**

The Town is subject to real property tax abatements granted by the Nassau County Industrial Development Agency ("NCIDA"), an entity created as a New York State public benefit corporation. The NCIDA was established by Code Section 922, which became Chapter 674 of the Laws of 1975. The NCIDA offers several abatement programs on certain qualified projects to promote, retain, attract and encourage sound commerce and industry base to prevent unemployment. At December 31, 2023, only the real property tax abatement program offered by NCIDA impacts the Town's revenues. Generally, a qualified project is an applicant submitted project which meets certain economic development criteria (such as job creation/retention) and which either (1) has been or will be financed by the issuance of NCIDA issued bonds, notes or other evidences of indebtedness with respect thereto, or (2) is a straight lease transaction which the NCIDA has determined to undertake pursuant to a lease policy. The NCIDA, based on the agreement and as a condition of providing assistance, may require that the benefiting company remit a Payment in Lieu of Taxes ("PILOT") payment to offset the amount of taxes abated. The NCIDA is authorized to enter into PILOT agreements per Real Property Tax Law, Section 412-a and General Municipal Law, Section 874. During the year ended December 31, 2023, the agreements the NCIDA ratified resulted in an abatement of \$3,911,369 of the Town's real property taxes and the receipt of \$1,670,684 in PILOT payments.

### **Note 6 - Recently Issued GASB Pronouncements**

GASB Statement No. 101, "*Compensated Absences*" provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

GASB Statement No. 102, "*Certain Risk Disclosures*", was issued to disclosure within the government financial statements risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party of by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.



**Town of North Hempstead, New York**

Notes to Financial Statements (Concluded)  
December 31, 2023

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**Note 6 - Recently Issued GASB Pronouncements (Continued)**

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

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

**Note 7 - Subsequent Events**

The Town, in March 2024, issued bond anticipation notes for various purposes in the amount of \$75,050,000 with an interest rate of 4.00% that will mature in March 2025.

The Town, in March 2024, issued public improvement serial bonds for various purposes in the amount of \$6,830,000 with an interest rate of 4.00% that will mature in March 2038.

The Town, in September 2024, issued bond anticipation notes for various purposes in the amount of \$100,857,798 with an interest rate of 4.00% that will mature in September 19, 2025.

The Town, in September 2024, issued public improvement serial bonds for various purposes in the amount of \$8,305,000 with an interest rate of 4.00% that will mature in September 15, 2054.

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**REQUIRED SUPPLEMENTARY  
INFORMATION**

**Town of North Hempstead, New York**

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

	2023	2022	2021
Total OPEB Liability:			
Service cost	\$ 4,316,570	\$ 7,607,009	\$ 10,135,938
Interest	5,199,531	4,397,928	4,521,365
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	(43,939,881)	-
Changes of assumptions or other inputs	4,037,578	(77,158,076)	8,869,835
Benefit payments	(5,231,813)	(5,264,299)	(5,267,792)
Net Change in Total OPEB Liability	8,321,866	(114,357,319)	18,259,346
Total OPEB Liability - Beginning of Year	132,604,181	246,961,500	228,702,154
Total OPEB Liability - End of Year	<u>\$ 140,926,047</u>	<u>\$ 132,604,181</u>	<u>\$ 246,961,500</u>
Town's covered-employee payroll	<u>\$ 31,361,412</u>	<u>\$ 31,361,412</u>	<u>\$ 29,056,807</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>449.36%</u>	<u>422.83%</u>	<u>849.93%</u>
Discount Rate	<u>3.80%</u>	<u>4.00%</u>	<u>1.80%</u>

Notes to Schedule:

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

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

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

See independent auditors' report.

	2020	2019	2018
\$	7,893,098	\$ 6,763,407	\$ 7,227,658
	5,579,074	6,113,873	5,635,836
	-	-	-
	1,703,565	-	-
	9,343,160	33,243,929	(11,742,155)
	(4,898,205)	(4,559,144)	(4,384,851)
	19,620,692	41,562,065	(3,263,512)
	209,081,462	167,519,397	170,782,909 (3)
\$	228,702,154	\$ 209,081,462	\$ 167,519,397
\$	29,056,807	\$ 30,105,868	\$ 30,105,868
	787.09%	694.49%	556.43%
	2.00%	2.70%	3.70%

**Town of North Hempstead, New York**

Required Supplementary Information  
 New York State and Local Employees' Retirement System  
 Last Ten Fiscal Years (1)

Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset) (2)

	2023 (3)	2022 (4)	2021 (4)	2020
Town's proportion of the net pension liability (asset)	0.1081301%	0.1093754%	0.1022683%	0.1011124%
Town's proportionate share of the net pension liability (asset)	\$ 23,347,637	\$ (9,744,573)	\$ 101,813	\$ 26,775,128
Town's covered payroll	\$ 34,580,640	\$ 33,276,299	\$ 32,708,568	\$ 31,538,017
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	67.52%	-29.28%	0.31%	84.90%
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.65%	103.65%	99.95%	86.39%
Discount rate	5.90%	5.90%	5.90%	6.80%

Schedule of Contributions

	2023	2022	2021	2020
Contractually required contribution	\$ 3,816,116	\$ 5,276,577	\$ 4,619,338	\$ 4,647,047
Contributions in relation to the contractually required contribution	(3,816,116)	(5,276,577)	(4,619,338)	(4,647,047)
Contribution excess	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 36,523,691	\$ 34,414,959	\$ 34,746,610	\$ 31,899,314
Contributions as a percentage of covered payroll	10.45%	15.33%	13.29%	14.57%

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

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

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

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

See independent auditors' report.

2019	2018	2017	2016	2015
<u>0.1051830%</u>	<u>0.1083369%</u>	<u>0.1097790%</u>	<u>0.1105340%</u>	<u>0.1093560%</u>
<u>\$ 7,452,541</u>	<u>\$ 3,496,515</u>	<u>\$ 10,315,083</u>	<u>\$ 17,741,027</u>	<u>\$ 3,693,060</u>
<u>\$ 31,667,813</u>	<u>\$ 31,704,375</u>	<u>\$ 32,253,694</u>	<u>\$ 31,605,182</u>	<u>\$ 30,647,874</u>
<u>23.53%</u>	<u>11.03%</u>	<u>31.98%</u>	<u>56.13%</u>	<u>12.05%</u>
<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>
<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>

2019	2018	2017	2016	2015
<u>\$ 4,637,862</u>	<u>\$ 4,872,331</u>	<u>\$ 4,752,914</u>	<u>\$ 4,972,909</u>	<u>\$ 5,410,065</u>
<u>(4,637,862)</u>	<u>(4,872,331)</u>	<u>(4,752,914)</u>	<u>(4,761,477)</u>	<u>(4,564,335)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211,432</u>	<u>\$ 845,730</u>
<u>\$ 31,553,997</u>	<u>\$ 31,917,508</u>	<u>\$ 31,409,407</u>	<u>\$ 31,483,760</u>	<u>\$ 31,474,762</u>
<u>14.70%</u>	<u>15.27%</u>	<u>15.13%</u>	<u>15.12%</u>	<u>14.50%</u>

**Town of North Hempstead, New York**

Required Supplementary Information - Length of Service Awards Program  
 Schedule of Changes in Total Pension Liability and Related Ratios  
 Last Ten Fiscal Years (1)(3)

Schedule of Changes in the Town's Total Pension Liability (2)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total Pension Liability:			
Service cost	\$ 164,793	\$ 181,344	\$ 135,923
Interest	149,101	131,041	176,214
Differences between expected and actual experience	76,752	94,285	18,441
Changes of assumptions or other inputs	(1,654,049)	(317,952)	1,203,606
Benefit payments	<u>(237,231)</u>	<u>(173,878)</u>	<u>(216,704)</u>
Net Change in Total Pension Liability	(1,500,634)	(85,160)	1,317,480
Total Pension Liability - Beginning of Year	<u>6,610,113</u>	<u>6,695,273</u>	<u>5,377,793</u>
Total Pension Liability - End of Year	<u>\$ 5,109,479</u>	<u>\$ 6,610,113</u>	<u>\$ 6,695,273</u>
Town's covered-employee payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total pension liability as a percentage of covered-employee payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Discount rate	<u>4.31%</u>	<u>1.93%</u>	<u>1.93%</u>

Notes to Schedule:

- (1) Data not available prior to fiscal year 2017 implementation of Governmental Accounting Standards Board Statement No. 73.
- (2) The information presented above are for the two length of service awards program plans where the Town is the sole sponsor.
- (3) No assets are accumulated in a trust that meets the criteria of GASB codification P22.101 to pay related benefits for the plan.

See independent auditors' report.

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	2020	2019	2018	2017
\$	133,287	\$ 137,419	\$ 131,706	\$ 159,047
	180,172	160,501	167,662	150,892
	57,382	68,112	29,415	11,419
	277,586	(340,829)	374,520	(339,920)
	(174,236)	(126,670)	(171,392)	(129,173)
	474,191	(101,467)	531,911	(147,735)
	4,903,602	5,005,069	4,473,158	4,620,893
\$	<u>5,377,793</u>	<u>\$ 4,903,602</u>	<u>\$ 5,005,069</u>	<u>\$ 4,473,158</u>
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
	<u>3.26%</u>	<u>3.64%</u>	<u>3.16%</u>	<u>3.71%</u>



## MAJOR GOVERNMENTAL FUNDS

### GENERAL FUND

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

### SPECIAL REVENUE FUNDS

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

- **Highway Fund** - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.
- **Part Town Fund** - The Part Town Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town.
- **Refuse and Garbage Districts Fund** - The Refuse and Garbage Districts Fund is used to account for the operation and maintenance of the Town's refuse and garbage districts.

**Town of North Hempstead, New York**

General Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 25,468,196	\$ 25,468,196	\$ 25,520,225	\$ 52,029
Other tax items	2,347,934	2,347,934	2,605,674	257,740
Non-property tax items	14,014,934	14,014,934	17,572,022	3,557,088
Departmental income	24,234,369	25,182,699	24,675,658	(507,041)
Intergovernmental charges	621,142	621,142	621,142	-
Use of money and property	183,385	183,385	1,952,302	1,768,917
Licenses and permits	280,300	280,300	259,463	(20,837)
Fines and forfeitures	40,000	40,000	44,113	4,113
Sale of property and compensation for loss	150,000	150,000	1,622,043	1,472,043
Interfund revenues	7,873,069	7,886,818	7,916,420	29,602
State aid	8,700,838	8,824,895	6,407,514	(2,417,381)
Federal aid	599,667	3,427,993	819,416	(2,608,577)
Miscellaneous	1,063,565	3,517,535	3,496,357	(21,178)
<b>Total Revenues</b>	<b>85,577,399</b>	<b>91,945,831</b>	<b>93,512,349</b>	<b>1,566,518</b>
<b>EXPENDITURES</b>				
Current				
General government support	17,719,397	17,679,326	16,423,053	1,256,273
Education	2,300,000	2,640,256	2,640,256	-
Public safety	2,009,480	2,009,980	1,863,712	146,268
Transportation	-	22,263	22,263	-
Economic opportunity and development	2,809,727	2,801,249	2,550,247	251,002
Culture and recreation	20,157,542	20,347,231	20,210,266	136,965
Home and community services	18,113,455	19,013,455	17,929,482	1,083,973
Employee benefits	13,953,584	14,108,337	13,075,270	1,033,067
<b>Total Expenditures</b>	<b>77,063,185</b>	<b>78,622,097</b>	<b>74,714,549</b>	<b>3,907,548</b>
Excess of Revenues Over Expenditures	8,514,214	13,323,734	18,797,800	5,474,066
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,210,724	1,210,724	1,210,724	-
Transfers out	(12,171,851)	(18,038,432)	(14,916,895)	3,121,537
<b>Total Other Financing Uses</b>	<b>(10,961,127)</b>	<b>(16,827,708)</b>	<b>(13,706,171)</b>	<b>3,121,537</b>
Net Change in Fund Balance	(2,446,913)	(3,503,974)	5,091,629	8,595,603
<b>FUND BALANCE</b>				
Beginning of Year	2,446,913	3,503,974	35,519,790	32,015,816
End of Year	\$ -	\$ -	\$ 40,611,419	\$ 40,611,419

See independent auditors' report.

**Town of North Hempstead, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REAL PROPERTY TAXES</b>	\$ 25,468,196	\$ 25,468,196	\$ 25,520,225	\$ 52,029
<b>OTHER TAX ITEMS</b>				
Special assessments	-	-	114,384	114,384
Interest and penalties on real property taxes	1,170,000	1,170,000	1,285,018	115,018
Payments in lieu of taxes	1,165,934	1,165,934	1,194,892	28,958
Returned check charge: property tax	12,000	12,000	11,380	(620)
	<u>2,347,934</u>	<u>2,347,934</u>	<u>2,605,674</u>	<u>257,740</u>
<b>NON-PROPERTY TAX ITEMS</b>				
Nassau County local government assistance	12,100,000	12,100,000	15,777,548	3,677,548
Franchise fees	1,914,934	1,914,934	1,794,474	(120,460)
	<u>14,014,934</u>	<u>14,014,934</u>	<u>17,572,022</u>	<u>3,557,088</u>
<b>DEPARTMENTAL INCOME</b>				
Comptroller's fees	11,605	11,605	10,600	(1,005)
Town clerk fees	47,500	47,500	39,748	(7,752)
Other general departmental income	12,000	12,000	11,889	(111)
Public pound charge dog fees	8,000	8,000	10,790	2,790
Other public safety departmental income	30,000	30,000	23,205	(6,795)
Parks and recreation charges	1,600,000	1,633,310	2,098,726	465,416
Dock storage leases	30,000	30,000	18,677	(11,323)
Recreational concessions	10,000	10,000	10,426	426
Special recreational facility charges	6,980,714	6,980,714	6,809,976	(170,738)
Solid waste disposal	15,369,550	16,269,550	15,521,297	(748,253)
Residential dropoff	120,000	120,000	105,304	(14,696)
Other culture and recreation	15,000	30,020	15,020	(15,000)
	<u>24,234,369</u>	<u>25,182,699</u>	<u>24,675,658</u>	<u>(507,041)</u>
<b>INTERGOVERNMENTAL CHARGES</b>				
Services for other governments	621,142	621,142	621,142	-
<b>USE OF MONEY AND PROPERTY</b>				
Earnings on investments	21,500	21,500	1,674,784	1,653,284
Rental of real property	161,885	161,885	277,518	115,633
	<u>183,385</u>	<u>183,385</u>	<u>1,952,302</u>	<u>1,768,917</u>
<b>LICENSES AND PERMITS</b>				
Games of chance	200	200	140	(60)
Bingo licenses	100	100	-	(100)
Dog license fund apportionment	18,000	18,000	13,734	(4,266)
Licensing fees	42,000	42,000	31,875	(10,125)
Town permits	220,000	220,000	213,714	(6,286)
	<u>280,300</u>	<u>280,300</u>	<u>259,463</u>	<u>(20,837)</u>
<b>FINES AND FORFEITURES</b>				
Fines and forfeited bail	40,000	40,000	44,113	4,113

(Continued)

**Town of North Hempstead, New York**

General Fund

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

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Sale of equipment	\$ -	\$ -	\$ 25,595	\$ 25,595
Sale of property	-	-	1,524,311	1,524,311
Insurance recoveries	-	-	1,159	1,159
Recycling	150,000	150,000	70,978	(79,022)
	<u>150,000</u>	<u>150,000</u>	<u>1,622,043</u>	<u>1,472,043</u>
<b>INTERFUND REVENUES</b>	<u>7,873,069</u>	<u>7,886,818</u>	<u>7,916,420</u>	<u>29,602</u>
<b>STATE AID</b>				
Mortgage tax	8,500,000	8,500,000	6,118,743	(2,381,257)
Youth program	49,286	123,984	124,484	500
Recreation for disabled	32,552	32,552	31,804	(748)
Environmental conservation	119,000	168,359	132,483	(35,876)
	<u>8,700,838</u>	<u>8,824,895</u>	<u>6,407,514</u>	<u>(2,417,381)</u>
<b>FEDERAL AID</b>				
Culture and recreation	-	-	16,838	16,838
Programs for the aging	333,000	333,000	512,958	179,958
Emergency disaster assistance	-	-	22,953	22,953
American Rescue Plan Act	-	3,094,993	-	(3,094,993)
Other	266,667	-	266,667	266,667
	<u>599,667</u>	<u>3,427,993</u>	<u>819,416</u>	<u>(2,608,577)</u>
<b>MISCELLANEOUS</b>				
Refund of prior year expenditures	20,000	20,000	(1,326)	(21,326)
AIM related payments	1,023,565	1,023,565	1,023,565	-
Gifts and donations	10,000	63,970	54,382	(9,588)
Unclassified	10,000	2,410,000	2,419,736	9,736
	<u>1,063,565</u>	<u>3,517,535</u>	<u>3,496,357</u>	<u>(21,178)</u>
<b>TOTAL REVENUES</b>	<u>85,577,399</u>	<u>91,945,831</u>	<u>93,512,349</u>	<u>1,566,518</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>1,210,724</u>	<u>1,210,724</u>	<u>1,210,724</u>	<u>-</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 86,788,123</u>	<u>\$ 93,156,555</u>	<u>\$ 94,723,073</u>	<u>\$ 1,566,518</u>

See independent auditors' report.

**Town of North Hempstead, New York**

General Fund  
 Schedule of Expenditures and Other Financing Uses Compared to Budget  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT SUPPORT</b>				
Town Board	\$ 1,355,610	\$ 1,355,610	\$ 1,308,083	\$ 47,527
Supervisor	920,697	920,697	829,321	91,376
Finance	226,083	251,791	251,791	-
Comptroller	1,397,456	1,314,396	966,340	348,056
Receiver of Taxes	1,397,472	1,441,210	1,441,210	-
Purchasing	410,928	395,759	346,380	49,379
Credit card fees	149,196	195,389	195,389	-
Fiscal agent fees	20,000	20,000	20,000	-
Town clerk	852,361	852,361	761,480	90,881
Town attorney	1,497,262	1,762,262	1,710,483	51,779
Human resources	513,975	513,975	497,517	16,458
Engineering	578,771	578,771	526,137	52,634
Records management	173,243	173,243	152,420	20,823
Call center	604,139	608,923	608,923	-
Public information	803,629	798,845	730,096	68,749
Public works	329,021	329,021	169,458	159,563
General services	1,466,607	1,463,223	1,323,054	140,169
Central printing and mail	313,400	320,945	308,039	12,906
Technology services	2,512,825	2,512,825	2,406,852	105,973
Unallocated insurance	793,972	709,594	709,594	-
Other general government support	1,402,750	1,160,486	1,160,486	-
	<u>17,719,397</u>	<u>17,679,326</u>	<u>16,423,053</u>	<u>1,256,273</u>
<b>EDUCATION</b>				
Community college	<u>2,300,000</u>	<u>2,640,256</u>	<u>2,640,256</u>	<u>-</u>
<b>PUBLIC SAFETY</b>				
Administration	310,840	332,161	332,161	-
Animal shelter	869,800	841,141	820,149	20,992
Harbor patrol	638,080	642,763	522,664	120,099
Town dock	27,700	27,600	22,423	5,177
Emergency management services	163,060	166,315	166,315	-
	<u>2,009,480</u>	<u>2,009,980</u>	<u>1,863,712</u>	<u>146,268</u>
<b>TRANSPORTATION</b>				
Snow removal	<u>-</u>	<u>22,263</u>	<u>22,263</u>	<u>-</u>
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>				
Community services	276,962	254,699	182,704	71,995
Programs for the aging	2,532,765	2,546,550	2,367,543	179,007
	<u>2,809,727</u>	<u>2,801,249</u>	<u>2,550,247</u>	<u>251,002</u>

(Continued)

**Town of North Hempstead, New York**

General Fund

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

Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>CULTURE AND RECREATION</b>				
Parks and recreation	\$ 1,887,243	\$ 1,913,533	\$ 1,913,533	\$ -
Parks	9,567,417	10,092,409	10,092,409	-
Community center	1,475,422	1,533,358	1,533,358	-
Special recreation facilities	6,718,873	6,298,099	6,243,094	55,005
Historian	37,550	37,550	15,911	21,639
Youth activities	471,037	472,282	411,961	60,321
	<u>20,157,542</u>	<u>20,347,231</u>	<u>20,210,266</u>	<u>136,965</u>
<b>HOME AND COMMUNITY SERVICES</b>				
Environmental facilities	102,900	102,900	64,857	38,043
Housing authority	148,586	148,586	148,586	-
Emergency tenant protection act	10,000	10,000	8,940	1,060
Solid waste management department	17,851,969	18,751,969	17,707,099	1,044,870
	<u>18,113,455</u>	<u>19,013,455</u>	<u>17,929,482</u>	<u>1,083,973</u>
<b>EMPLOYEE BENEFITS</b>				
State retirement	3,615,584	3,615,584	2,867,069	748,515
Social security	1,639,714	1,812,539	1,812,539	-
Workers' compensation	354,507	336,435	296,693	39,742
Unemployment benefits	15,000	15,000	14,734	266
Disability benefits	1,000	1,000	-	1,000
Hospital, medical and dental	8,265,779	8,244,771	8,001,227	243,544
Other employee benefits	62,000	83,008	83,008	-
	<u>13,953,584</u>	<u>14,108,337</u>	<u>13,075,270</u>	<u>1,033,067</u>
<b>TOTAL EXPENDITURES</b>	<u>77,063,185</u>	<u>78,622,097</u>	<u>74,714,549</u>	<u>3,907,548</u>
<b>OTHER FINANCING USES</b>				
Transfers out	<u>12,171,851</u>	<u>18,038,432</u>	<u>14,916,895</u>	<u>3,121,537</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 89,235,036</u>	<u>\$ 96,660,529</u>	<u>\$ 89,631,444</u>	<u>\$ 7,029,085</u>

See independent auditors' report.

**Town of North Hempstead, New York**

Highway Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 21,500,517	\$ 21,500,517	\$ 21,511,630	\$ 11,113
<b>OTHER TAX ITEMS</b>				
Special assessments	-	-	359,090	359,090
Payment in lieu of taxes	1,719,597	1,719,597	1,777,263	57,666
Interest and penalties on real property taxes	500	500	2,197	1,697
	<u>1,720,097</u>	<u>1,720,097</u>	<u>2,138,550</u>	<u>418,453</u>
<b>DEPARTMENTAL INCOME</b>				
Concession fees	-	-	160	160
<b>INTERGOVERNMENTAL CHARGES</b>				
Services for other governments	15,000	15,000	16,216	1,216
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	35,000	35,000	299,812	264,812
Rental of real property	64,000	64,000	70,879	6,879
	<u>99,000</u>	<u>99,000</u>	<u>370,691</u>	<u>271,691</u>
<b>LICENSE AND PERMITS</b>				
Permits - road restoration fee	550,000	550,000	452,930	(97,070)
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Recycling	500	500	1,886	1,386
Sale of equipment	40,000	40,000	95,193	55,193
Insurance recoveries	-	-	5,954	5,954
	<u>40,500</u>	<u>40,500</u>	<u>103,033</u>	<u>62,533</u>
<b>INTERFUND REVENUES</b>				
	<u>50,000</u>	<u>50,000</u>	<u>59,955</u>	<u>9,955</u>
<b>STATE AID</b>				
Consolidated highway aid	1,380,666	1,380,666	1,271,824	(108,842)
<b>MISCELLANEOUS</b>				
Refund of prior year expenditures	20,000	20,000	-	(20,000)
Miscellaneous revenue	-	-	10,267	10,267
	<u>20,000</u>	<u>20,000</u>	<u>10,267</u>	<u>(9,733)</u>
Total Revenues	<u>25,375,780</u>	<u>25,375,780</u>	<u>25,935,256</u>	<u>559,476</u> (Continued)

**Town of North Hempstead, New York**

Highway Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual (Continued)  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Unallocated insurance	\$ 188,989	\$ 188,989	\$ 154,815	\$ 34,174
Other	3,070,434	3,070,434	2,920,434	150,000
	<u>3,259,423</u>	<u>3,259,423</u>	<u>3,075,249</u>	<u>184,174</u>
<b>TRANSPORTATION</b>				
Administration	4,448,012	4,441,512	2,667,829	1,773,683
Garage	7,763,567	7,781,492	6,426,846	1,354,646
Snow removal	1,115,000	1,048,075	159,034	889,041
Services for other governments	1,030,753	1,049,253	1,014,394	34,859
Signs	551,393	584,501	374,198	210,303
Traffic safety	77,968	81,860	81,860	-
	<u>14,986,693</u>	<u>14,986,693</u>	<u>10,724,161</u>	<u>4,262,532</u>
<b>EMPLOYEE BENEFITS</b>				
State retirement	1,119,382	1,119,382	772,097	347,285
Social security	520,000	520,000	474,871	45,129
Workers' compensation	589,313	821,157	813,881	7,276
Unemployment benefits	5,000	5,000	4,955	45
Disability benefits	100	100	-	100
Hospital, medical and dental	3,477,510	3,467,746	3,303,194	164,552
Other employee benefits	21,667	23,577	23,574	3
	<u>5,732,972</u>	<u>5,956,962</u>	<u>5,392,572</u>	<u>564,390</u>
Total Expenditures	<u>23,979,088</u>	<u>24,203,078</u>	<u>19,191,982</u>	<u>5,011,096</u>
Excess of Revenues Over Expenditures	<u>1,396,692</u>	<u>1,172,702</u>	<u>6,743,274</u>	<u>5,570,572</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	624,210	624,210	624,210	-
Transfers out	(6,586,394)	(6,586,394)	(6,586,394)	-
Total Other Financing Uses	<u>(5,962,184)</u>	<u>(5,962,184)</u>	<u>(5,962,184)</u>	<u>-</u>
Net Change in Fund Balance	<u>(4,565,492)</u>	<u>(4,789,482)</u>	<u>781,090</u>	<u>5,570,572</u>
<b>FUND BALANCE</b>				
Beginning of Year	<u>4,565,492</u>	<u>4,789,482</u>	<u>11,883,232</u>	<u>7,093,750</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,664,322</u>	<u>\$ 12,664,322</u>

See independent auditors' report.



**Town of North Hempstead, New York**

Part Town Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 6,520,348	\$ 6,520,348	\$ 6,520,019	\$ (329)
<b>OTHER TAX ITEMS</b>				
Special assessments	-	-	109,146	109,146
Payment in lieu of taxes	565,288	565,288	540,229	(25,059)
Interest and penalties on real property taxes	-	-	668	668
	<u>565,288</u>	<u>565,288</u>	<u>650,043</u>	<u>84,755</u>
<b>NON-PROPERTY TAXES</b>				
Franchise fees	57,000	57,000	57,000	-
<b>DEPARTMENTAL INCOME</b>				
Parking enforcement	303,000	303,000	467,289	164,289
Registrar of vital statistics	415,000	415,000	446,890	31,890
Zoning board fees	125,000	125,000	190,100	65,100
	<u>843,000</u>	<u>843,000</u>	<u>1,104,279</u>	<u>261,279</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	30,000	30,000	256,012	226,012
<b>LICENSES AND PERMITS</b>				
Building permits	4,654,000	4,654,000	4,499,110	(154,890)
<b>FINES AND FORFEITURES</b>				
Court fines	150,000	150,000	87,398	(62,602)
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Insurance recoveries	-	-	1,698	1,698
<b>MISCELLANEOUS</b>				
Refund of prior year expenditures	-	-	21,094	21,094
Total Revenues	<u>12,819,636</u>	<u>12,819,636</u>	<u>13,196,653</u>	<u>377,017</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Unallocated insurance	147,096	147,096	110,365	36,731
Other	3,203,863	3,180,663	3,153,803	26,860
	<u>3,350,959</u>	<u>3,327,759</u>	<u>3,264,168</u>	<u>63,591</u>

(Continued)

**Town of North Hempstead, New York**

Part Town Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual (Continued)  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>PUBLIC SAFETY</b>				
Parking enforcement	\$ 358,061	\$ 366,061	\$ 359,508	\$ 6,553
Building	4,503,555	4,627,244	4,627,244	-
Code enforcement	562,135	484,217	484,217	-
	<u>5,423,751</u>	<u>5,477,522</u>	<u>5,470,969</u>	<u>6,553</u>
<b>HEALTH</b>				
Registrar of vital statistics	325,917	313,976	313,976	-
<b>HOME AND COMMUNITY SERVICES</b>				
Board of appeals	245,027	208,579	208,579	-
Planning and development - staff	871,228	917,382	917,382	-
Environmental facilities	97,097	102,246	102,246	-
	<u>1,213,352</u>	<u>1,228,207</u>	<u>1,228,207</u>	<u>-</u>
<b>EMPLOYEE BENEFITS</b>				
State retirement	1,078,425	960,133	852,041	108,092
Social security	450,000	506,871	506,871	-
Workers' compensation	218,289	218,289	182,980	35,309
Unemployment benefits	3,000	3,000	-	3,000
Disability benefits	200	200	-	200
Hospital, medical and dental	2,028,389	2,052,225	2,010,734	41,491
Other employee benefits	18,750	22,850	22,827	23
	<u>3,797,053</u>	<u>3,763,568</u>	<u>3,575,453</u>	<u>188,115</u>
Total Expenditures	<u>14,111,032</u>	<u>14,111,032</u>	<u>13,852,773</u>	<u>258,259</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,291,396)</u>	<u>(1,291,396)</u>	<u>(656,120)</u>	<u>635,276</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(96,384)	(199,879)	(199,878)	1
Total Other Financing Uses	<u>(96,384)</u>	<u>(199,879)</u>	<u>(199,878)</u>	<u>1</u>
Net Change in Fund Balance	<u>(1,387,780)</u>	<u>(1,491,275)</u>	<u>(855,998)</u>	<u>635,277</u>
<b>FUND BALANCE</b>				
Beginning of Year	<u>1,387,780</u>	<u>1,491,275</u>	<u>10,535,183</u>	<u>9,043,908</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,679,185</u>	<u>\$ 9,679,185</u>

See independent auditors' report.

**Town of North Hempstead, New York**

Refuse and Garbage Districts Fund  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 9,565,104	\$ 9,565,104	\$ 9,566,126	\$ 1,022
<b>OTHER TAX ITEMS</b>				
Payment in lieu of taxes	190,224	190,224	219,452	29,228
Other tax items	8,000	8,000	8,003	3
	<u>198,224</u>	<u>198,224</u>	<u>228,641</u>	<u>30,417</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	1,410	1,410	87,991	86,581
<b>MISCELLANEOUS</b>				
Settlements	-	-	1,794,473	1,794,473
Total Revenues	<u>9,764,738</u>	<u>9,764,738</u>	<u>11,677,231</u>	<u>1,912,493</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Other	55,767	55,768	55,768	-
<b>HOME AND COMMUNITY SERVICES</b>				
Sanitation	9,708,971	9,777,773	9,434,707	343,066
Total Expenditures	<u>9,764,738</u>	<u>9,833,541</u>	<u>9,490,475</u>	<u>343,066</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>(68,803)</u>	<u>2,186,756</u>	<u>2,255,559</u>
<b>FUND BALANCE</b>				
Beginning of Year	<u>-</u>	<u>68,803</u>	<u>886,487</u>	<u>817,684</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,073,243</u>	<u>\$ 3,073,243</u>

See independent auditors' report.

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL DISTRICT FUNDS

Special District Funds are used to account for taxes or other revenues, which are raised or received to provide special services to areas that encompass less than the whole Town. The Special District Funds consist of a number of separate which are administered by the Town Board as follows:

- **Fire Protection Districts Fund** - The Fire Protection Districts Fund is used to account for the operation and maintenance of the Town's fire protection districts.
- **Lighting District Fund** - The Lighting District Fund is used to account for the operation and maintenance of the Town's lighting district.
- **Park Districts Fund** - The Park Districts Fund is used to account for the operation and maintenance of the Town's parks districts.
- **Sidewalk District Fund** - The Sidewalk District Fund is used to account for the operation and maintenance of the Town's sidewalk district.
- **Public Parking District Fund** - The Public Parking District Fund is used to account for the operation and maintenance of the Town's public parking district.
- **Water District Fund** - The Water District Fund is used to account for the operation and maintenance of the Town's water district.

**Town of North Hempstead, New York**

Combining Balance Sheet  
 Non-Major Governmental Funds  
 December 31, 2023

	Fire Protection Districts	Lighting District	Park Districts
<b>ASSETS</b>			
Cash and equivalents	\$ 1,817,114	\$ 1,654,253	\$ 609,773
Investments - LOSAP	8,755,178	-	-
Receivables			
Accounts	52,170	-	-
Due from other governments	3,084	43	-
Due from other funds	-	-	38,000
	<u>55,254</u>	<u>43</u>	<u>38,000</u>
Prepaid expenditures	-	3,047	43,919
Total Assets	<u>\$ 10,627,546</u>	<u>\$ 1,657,343</u>	<u>\$ 691,692</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable and accrued liabilities	\$ 378,871	\$ 310,246	\$ 65,477
Deposits payable	-	-	370,954
Due to other funds	-	-	-
Unearned revenues	-	149	-
Total Liabilities	<u>378,871</u>	<u>310,395</u>	<u>436,431</u>
Fund balances			
Nonspendable	-	3,047	43,919
Restricted	8,755,178	-	-
Assigned	1,493,497	1,343,901	211,342
Total Fund Balances	<u>10,248,675</u>	<u>1,346,948</u>	<u>255,261</u>
Total Liabilities and Fund Balances	<u>\$ 10,627,546</u>	<u>\$ 1,657,343</u>	<u>\$ 691,692</u>

See independent auditors' report.

Sidewalk District	Public Parking District	Water District	Total Non-Major Governmental Funds
\$ 4,027,905	\$ 987,705	\$ 25,402	\$ 9,122,152
-	-	-	8,755,178
-	2,730	-	54,900
56	-	-	3,183
-	-	-	38,000
56	2,730	-	96,083
66,514	22,505	-	135,985
<u>\$ 4,094,475</u>	<u>\$ 1,012,940</u>	<u>\$ 25,402</u>	<u>\$ 18,109,398</u>
\$ 109,343	\$ 11,825	\$ 15,587	\$ 891,349
-	-	-	370,954
3,412	-	-	3,412
174	-	-	323
112,929	11,825	15,587	1,266,038
66,514	22,505	-	135,985
-	-	-	8,755,178
3,915,032	978,610	9,815	7,952,197
3,981,546	1,001,115	9,815	16,843,360
<u>\$ 4,094,475</u>	<u>\$ 1,012,940</u>	<u>\$ 25,402</u>	<u>\$ 18,109,398</u>

**Town of North Hempstead, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2023

	Fire Protection Districts	Lighting District	Park Districts
<b>REVENUES</b>			
Real property taxes	\$ 7,442,456	\$ 2,306,134	\$ 3,371,588
Other tax items	701,738	234,079	24,272
Departmental income	-	-	344,594
Use of money and property	759,465	17,858	24,912
Interfund revenues	-	-	60,000
Miscellaneous	36,465	-	3,308
<b>Total Revenues</b>	<b>8,940,124</b>	<b>2,558,071</b>	<b>3,828,674</b>
<b>EXPENDITURES</b>			
Current			
General government support	307,532	198,603	456,835
Public safety	7,918,553	-	-
Transportation	-	2,352,027	-
Culture and recreation	-	-	1,277,188
Home and community services	-	-	-
Employee benefits	-	20,974	335,503
<b>Total Expenditures</b>	<b>8,226,085</b>	<b>2,571,604</b>	<b>2,069,526</b>
Excess (Deficiency) of Revenues Over Expenditures	714,039	(13,533)	1,759,148
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	1,210,044	31,127
Transfers out	-	(89,012)	(1,790,388)
<b>Other Financing Sources (Uses)</b>	<b>-</b>	<b>1,121,032</b>	<b>(1,759,261)</b>
<b>Net Change in Fund Balance</b>	<b>714,039</b>	<b>1,107,499</b>	<b>(113)</b>
<b>FUND BALANCES</b>			
Beginning of Year	9,534,636	239,449	255,374
End of Year	<u>\$ 10,248,675</u>	<u>\$ 1,346,948</u>	<u>\$ 255,261</u>

See independent auditors' report.

Sidewalk District	Public Parking District	Water District	Total Non-Major Governmental Funds
\$ 2,695,754	\$ 412,217	\$ 55,020	\$ 16,283,169
298,584	27,180	8,209	1,294,062
-	933,351	-	1,277,945
73,105	3,336	66	878,742
-	-	-	60,000
-	5,000	4,417	49,190
<u>3,067,443</u>	<u>1,381,084</u>	<u>67,712</u>	<u>19,843,108</u>
442,570	277,125	-	1,682,665
-	-	-	7,918,553
1,099,212	353,760	-	3,804,999
-	-	-	1,277,188
-	-	63,100	63,100
<u>665,875</u>	<u>217,453</u>	<u>-</u>	<u>1,239,805</u>
<u>2,207,657</u>	<u>848,338</u>	<u>63,100</u>	<u>15,986,310</u>
859,786	532,746	4,612	3,856,798
1,211,864	22,647	-	2,475,682
(513,051)	(485,489)	-	(2,877,940)
<u>698,813</u>	<u>(462,842)</u>	<u>-</u>	<u>(402,258)</u>
1,558,599	69,904	4,612	3,454,540
<u>2,422,947</u>	<u>931,211</u>	<u>5,203</u>	<u>13,388,820</u>
<u>\$ 3,981,546</u>	<u>\$ 1,001,115</u>	<u>\$ 9,815</u>	<u>\$ 16,843,360</u>



**Town of North Hempstead, New York**

Fire Protection Districts  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 7,440,771	\$ 7,440,771	\$ 7,442,456	\$ 1,685
<b>OTHER TAX ITEMS</b>				
Payment in lieu of taxes	729,044	729,044	700,059	(28,985)
Interest and penalties on real property taxes	-	-	1,679	1,679
	<u>729,044</u>	<u>729,044</u>	<u>701,738</u>	<u>(27,306)</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest earnings and income (loss) on investments	1,000	1,000	759,465	758,465
<b>MISCELLANEOUS</b>				
Miscellaneous revenue	-	-	36,465	36,465
Total Revenues	<u>8,170,815</u>	<u>8,170,815</u>	<u>8,940,124</u>	<u>769,309</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Unallocated insurance	141,200	141,200	129,103	12,097
Other	180,277	179,357	178,429	928
	<u>321,477</u>	<u>320,557</u>	<u>307,532</u>	<u>13,025</u>
<b>PUBLIC SAFETY</b>				
Fire protection	7,849,338	7,989,789	7,918,553	71,236
Total Expenditures	<u>8,170,815</u>	<u>8,310,346</u>	<u>8,226,085</u>	<u>84,261</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(139,531)	714,039	853,570
<b>FUND BALANCE</b>				
Beginning of Year	-	139,531	9,534,636	9,395,105
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,248,675</u>	<u>\$ 10,248,675</u>

See independent auditors' report.

**Town of North Hempstead, New York**

Lighting District  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 2,305,845	\$ 2,305,845	\$ 2,306,134	\$ 289
<b>OTHER TAX ITEMS</b>				
Special assessments	-	-	34,164	34,164
Payment in lieu of taxes	194,151	194,151	199,601	5,450
Interest and penalties on real property taxes	-	-	314	314
	<u>194,151</u>	<u>194,151</u>	<u>234,079</u>	<u>39,928</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	750	750	17,858	17,108
Total Revenues	<u>2,500,746</u>	<u>2,500,746</u>	<u>2,558,071</u>	<u>57,325</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Unallocated insurance	1,543	1,176	1,176	-
Other	202,427	197,427	197,427	-
	<u>203,970</u>	<u>198,603</u>	<u>198,603</u>	<u>-</u>
<b>TRANSPORTATION</b>				
Lighting	2,192,113	2,352,027	2,352,027	-
<b>EMPLOYEE BENEFITS</b>				
State retirement	8,220	6,375	6,375	-
Social security	3,383	1,053	1,053	-
Hospital, medical and dental	13,992	13,418	13,418	-
Other employee benefits	100	128	128	-
	<u>25,695</u>	<u>20,974</u>	<u>20,974</u>	<u>-</u>
Total Expenditures	<u>2,421,778</u>	<u>2,571,604</u>	<u>2,571,604</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>78,968</u>	<u>(70,858)</u>	<u>(13,533)</u>	<u>57,325</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,044	10,044	1,210,044	1,200,000
Transfers out	(89,012)	(89,012)	(89,012)	-
Total Other Financing Sources (Uses)	<u>(78,968)</u>	<u>(78,968)</u>	<u>1,121,032</u>	<u>1,200,000</u>
Net Change in Fund Balance	-	(149,826)	1,107,499	1,257,325
<b>FUND BALANCE</b>				
Beginning of Year	-	149,826	239,449	89,623
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,346,948</u>	<u>\$ 1,346,948</u>

See independent auditors' report.

**Town of North Hempstead, New York**

Park Districts  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 3,371,452	\$ 3,371,452	\$ 3,371,588	\$ 136
<b>OTHER TAX ITEMS</b>				
Payment in lieu of taxes	22,739	22,739	24,272	1,533
<b>DEPARTMENTAL INCOME</b>				
Special recreational facility charges	352,500	352,500	341,227	(11,273)
Concession fees	-	-	3,367	3,367
	<u>352,500</u>	<u>352,500</u>	<u>344,594</u>	<u>(7,906)</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	800	800	9,912	9,112
Rental of real property	15,000	15,000	15,000	-
	<u>15,800</u>	<u>15,800</u>	<u>24,912</u>	<u>9,112</u>
<b>INTERFUND REVENUES</b>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>
<b>FEDERAL AID</b>				
Emergency disaster assistance	-	4,996	-	(4,996)
<b>MISCELLANEOUS</b>				
Miscellaneous revenue	-	3,289	3,308	19
Total Revenues	<u>3,822,491</u>	<u>3,830,776</u>	<u>3,828,674</u>	<u>(2,102)</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Unallocated insurance	41,513	42,207	42,207	-
Other	444,627	444,628	414,628	30,000
	<u>486,140</u>	<u>486,835</u>	<u>456,835</u>	<u>30,000</u>
<b>CULTURE AND RECREATION</b>				
Parks and pools	1,341,247	1,398,255	1,277,188	121,067
<b>EMPLOYEE BENEFITS</b>				
State retirement	82,739	90,074	90,074	-
Social security	70,000	71,446	69,043	2,403
Workers' compensation	698	722	554	168
Hospital, medical and dental	179,584	217,146	172,913	44,233
Other employee benefits	2,351	3,524	2,919	605
	<u>335,372</u>	<u>382,912</u>	<u>335,503</u>	<u>47,409</u>
Total Expenditures	<u>2,162,759</u>	<u>2,268,002</u>	<u>2,069,526</u>	<u>198,476</u>
Excess of Revenues Over Expenditures	<u>1,659,732</u>	<u>1,562,774</u>	<u>1,759,148</u>	<u>196,374</u>

(Continued)

**Town of North Hempstead, New York**

Park Districts  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual (Continued)  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 31,127	\$ 31,127	\$ 31,127	\$ -
Transfers out	<u>(1,726,928)</u>	<u>(1,790,389)</u>	<u>(1,790,388)</u>	<u>1</u>
Total Other Financing Uses	<u>(1,695,801)</u>	<u>(1,759,262)</u>	<u>(1,759,261)</u>	<u>1</u>
Net Change in Fund Balance	(36,069)	(196,488)	(113)	196,375
<b>FUND BALANCE</b>				
Beginning of Year	<u>36,069</u>	<u>196,488</u>	<u>255,374</u>	<u>58,886</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 255,261</u>	<u>\$ 255,261</u>

See independent auditors' report.

**Town of North Hempstead, New York**

Sidewalk District  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 2,695,255	\$ 2,695,255	\$ 2,695,754	\$ 499
<b>OTHER TAX ITEMS</b>				
Special assessments	-	-	43,930	43,930
Payment in lieu of taxes	248,654	248,654	254,250	5,596
Interest and penalties on real property taxes	-	-	404	404
	<u>248,654</u>	<u>248,654</u>	<u>298,584</u>	<u>49,930</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	1,600	1,600	73,105	71,505
Total Revenues	<u>2,945,509</u>	<u>2,945,509</u>	<u>3,067,443</u>	<u>121,934</u>
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Unallocated insurance	25,606	25,606	18,979	6,627
Other	443,591	1,643,591	423,591	1,220,000
	<u>469,197</u>	<u>1,669,197</u>	<u>442,570</u>	<u>1,226,627</u>
<b>TRANSPORTATION</b>				
Sidewalks	1,245,341	1,208,965	1,099,212	109,753
<b>EMPLOYEE BENEFITS</b>				
State retirement	143,860	143,860	95,363	48,497
Social security	78,000	78,000	61,292	16,708
Workers' compensation	66,821	66,821	31,745	35,076
Hospital, medical and dental	462,805	474,367	474,367	-
Other employee benefits	2,917	3,112	3,108	4
	<u>754,403</u>	<u>766,160</u>	<u>665,875</u>	<u>100,285</u>
Total Expenditures	<u>2,468,941</u>	<u>3,644,322</u>	<u>2,207,657</u>	<u>1,436,665</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>476,568</u>	<u>(698,813)</u>	<u>859,786</u>	<u>1,558,599</u> (Continued)

**Town of North Hempstead, New York**

Sidewalk District  
Schedule of Revenues, Expenditures and Changes  
in Fund Balance - Budget and Actual (Continued)  
Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 11,864	\$ 1,211,864	\$ 1,211,864	\$ -
Transfers out	<u>(488,432)</u>	<u>(513,051)</u>	<u>(513,051)</u>	<u>-</u>
Total Financing Sources (Uses)	<u>(476,568)</u>	<u>698,813</u>	<u>698,813</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,558,599	1,558,599
<b>FUND BALANCE</b>				
Beginning of Year	<u>-</u>	<u>-</u>	<u>2,422,947</u>	<u>2,422,947</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,981,546</u>	<u>\$ 3,981,546</u>

See independent auditors' report.

**Town of North Hempstead, New York**

Public Parking District  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 412,214	\$ 412,214	\$ 412,217	\$ 3
<b>OTHER TAX ITEMS</b>				
Payment in lieu of taxes	24,233	24,233	27,180	2,947
<b>DEPARTMENTAL INCOME</b>				
Parking enforcement	58,500	58,500	-	(58,500)
Parking permits	102,000	102,000	82,355	(19,645)
Parking lots	369,720	369,720	624,785	255,065
Parking meter fees	270,000	270,000	226,211	(43,789)
	800,220	800,220	933,351	133,131
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	50	50	1	(49)
Rental of real property	-	-	3,335	3,335
	50	50	3,336	3,286
<b>MISCELLANEOUS</b>				
Other unclassified revenue	-	5,000	5,000	-
Total Revenues	1,236,717	1,241,717	1,381,084	139,367
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT SUPPORT</b>				
Credit card fees	18,000	44,000	41,256	2,744
Unallocated insurance	8,297	8,297	4,169	4,128
Other	231,700	231,700	231,700	-
	257,997	283,997	277,125	6,872
<b>TRANSPORTATION</b>				
Parking	369,137	373,243	353,760	19,483
<b>EMPLOYEE BENEFITS</b>				
State employee retirement system	60,109	60,109	34,173	25,936
Social security	28,459	19,481	19,481	-
Workers' compensation	26,766	8,496	370	8,126
Unemployment insurance	643	643	-	643
Hospital, medical and dental	160,361	162,503	162,503	-
Other employee benefits	1,135	1,135	926	209
	277,473	252,367	217,453	34,914
Total Expenditures	904,607	909,607	848,338	61,269
Excess of Revenues Over Expenditures	332,110	332,110	532,746	200,636

(Continued)

**Town of North Hempstead, New York**

Public Parking District  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual (Continued)  
 Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 22,647	\$ 22,647	\$ 22,647	\$ -
Transfers out	(485,489)	(485,489)	(485,489)	-
Total Other Financing Uses	<u>(462,842)</u>	<u>(462,842)</u>	<u>(462,842)</u>	<u>-</u>
Net Change in Fund Balance	(130,732)	(130,732)	69,904	200,636
<b>FUND BALANCE</b>				
Beginning of Year	<u>130,732</u>	<u>130,732</u>	<u>931,211</u>	<u>800,479</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,001,115</u>	<u>\$ 1,001,115</u>

See independent auditors' report.



**Town of North Hempstead, New York**

Water District  
 Schedule of Revenues, Expenditures and Changes  
 in Fund Balance - Budget and Actual  
 Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>	\$ 55,016	\$ 55,016	\$ 55,020	\$ 4
<b>OTHER TAX ITEMS</b>				
Payment in lieu of taxes	<u>7,854</u>	<u>7,854</u>	<u>8,209</u>	<u>355</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	<u>20</u>	<u>20</u>	<u>66</u>	<u>46</u>
<b>MISCELLANEOUS</b>	<u>-</u>	<u>-</u>	<u>4,417</u>	<u>4,417</u>
Total Revenues	<u>62,890</u>	<u>62,890</u>	<u>67,712</u>	<u>4,822</u>
<b>EXPENDITURES</b>				
<b>HOME AND COMMUNITY SERVICES</b>				
Water	<u>63,100</u>	<u>63,100</u>	<u>63,100</u>	<u>-</u>
Total Expenditures	<u>63,100</u>	<u>63,100</u>	<u>63,100</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(210)	(210)	4,612	4,822
<b>FUND BALANCE</b>				
Beginning of Year	<u>210</u>	<u>210</u>	<u>5,203</u>	<u>4,993</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,815</u>	<u>\$ 9,815</u>

See independent auditors' report.

**NON-MAJOR DISCRETELY PRESENTED  
COMPONENT UNITS**

**Town of North Hempstead, New York**

Discretely Presented Non-Major Component Units  
 Combining Statement of Net Position  
 December 31, 2023

	Garbage Districts			
	Port Washington	Glenwood	Carle Place	Roslyn
<b>ASSETS</b>				
Cash and equivalents	\$ 1,860,781	\$ 69,026	\$ 841,271	\$ 848,694
Cash and equivalents - restricted	-	-	-	-
Receivables				
Accounts	-	-	-	6,656
State and Federal aid	-	-	-	-
Due from other governments	683,221	5,216	204,438	192,700
Due from primary government	696,254	-	-	202,685
Loans	-	-	-	-
Deposits	-	-	-	885
Inventory	-	-	-	-
Prepaid expenses	1,713	-	-	-
Property held for resale	-	-	-	-
Lease receivable	-	-	-	-
Capital assets				
Not being depreciated/amortized	24,750	-	-	-
Being depreciated/amortized, net	-	-	-	-
<b>Total Assets</b>	<b>3,266,719</b>	<b>74,242</b>	<b>1,045,709</b>	<b>1,251,620</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding bonds	-	-	-	-
Pension related	-	-	-	4,968
OPEB related	-	-	-	-
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,968</b>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	2,722	5,643	-	13,850
Due to other governments	10,059	-	2,845	-
Bond anticipation notes payable	-	-	-	-
Deposits payable	-	-	-	-
Unearned revenue	-	-	-	-
Accrued interest payable	-	-	-	-
Non-current liabilities				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	2,754
<b>Total Liabilities</b>	<b>12,781</b>	<b>5,643</b>	<b>2,845</b>	<b>16,604</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes	-	-	-	-
Loans receivable	-	-	-	-
Leases	-	-	-	-
Pension related	-	-	-	392
OPEB related	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>392</b>
<b>NET POSITION</b>				
Net investment in capital assets	24,750	-	-	-
Restricted for				
Accrued employee benefits	-	-	-	-
Asset forfeiture	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Herbert Paul memorial fund	-	-	-	-
Insurance	-	-	-	-
Maintenance	-	-	-	-
Property held for redevelopment	-	-	-	-
Repairs	-	-	-	-
Retirement contribution	-	-	-	-
Unrestricted	3,229,188	68,599	1,042,864	1,239,592
<b>Total Net Position</b>	<b>\$ 3,253,938</b>	<b>\$ 68,599</b>	<b>\$ 1,042,864</b>	<b>\$ 1,239,592</b>

See independent auditors' report.

Water Pollution Control Districts			Water Districts				
Great Neck	Belgrave	Port Washington	Glenwood	Albertson	Garden City Park	Port Washington	Westbury
\$ 19,853,332	\$ 3,429,523	\$ 4,076,317	\$ 750,964	\$ 1,990,459	\$ 1,270,902	\$ 5,626,253	\$ 9,209,477
1,140,407	2,872,777	219,937	-	1,486,969	3,988,738	4,994,443	3,713,487
83,903	7,214	110,558	45,648	493,347	424,035	1,490,590	581,666
-	-	-	-	-	-	-	-
1,372	-	4,009,378	-	4,667,608	4,647,581	8,165,367	50,044
-	-	-	10,979	-	5,037,114	13,113,824	807,737
-	-	-	-	-	-	-	-
-	-	20,173	-	-	81,927	93,655	115,716
216,582	102,864	269,597	617	31,884	427,667	78,055	136,523
-	-	-	-	-	-	-	-
-	-	-	-	-	4,100,541	-	-
3,843,665	778,707	4,570,927	43,270	7,830,428	9,165,886	30,458,716	22,989,809
87,335,407	33,286,886	36,728,395	402,277	8,425,723	26,232,979	16,135,682	9,582,955
<u>112,474,668</u>	<u>40,477,971</u>	<u>50,005,282</u>	<u>1,253,755</u>	<u>24,926,418</u>	<u>55,377,370</u>	<u>80,156,585</u>	<u>47,187,414</u>
-	-	-	-	-	-	-	-
887,406	516,608	759,822	13,011	439,373	865,892	516,130	679,100
608,158	684,159	614,657	-	-	-	-	-
<u>1,495,564</u>	<u>1,200,767</u>	<u>1,374,479</u>	<u>13,011</u>	<u>439,373</u>	<u>865,892</u>	<u>516,130</u>	<u>679,100</u>
1,230,465	124,485	570,986	30,187	1,039,694	1,007,565	2,219,090	3,736,954
240,410	-	14,362	-	-	-	-	28,870
-	-	-	-	2,975,000	6,480,000	14,760,000	12,635,000
326,936	-	-	-	-	-	-	-
2,258,645	-	-	-	-	-	-	37,005
452,162	51,783	472,566	-	28,070	422,556	743,676	368,253
2,641,984	877,570	978,131	6,392	650,891	477,210	1,595,557	215,216
76,178,518	21,914,705	40,360,644	97,755	15,458,865	26,403,236	37,410,201	12,675,879
<u>83,329,120</u>	<u>22,968,543</u>	<u>42,396,689</u>	<u>134,334</u>	<u>20,152,520</u>	<u>34,790,567</u>	<u>56,728,524</u>	<u>29,697,177</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
54,699	51,481	52,800	1,021	24,895	3,966,321	-	-
2,516,598	2,165,061	2,187,238	-	-	47,751	77,951	48,073
<u>2,571,297</u>	<u>2,216,542</u>	<u>2,240,038</u>	<u>1,021</u>	<u>24,895</u>	<u>2,615,572</u>	<u>2,066,183</u>	<u>2,156,583</u>
27,980,752	15,360,905	8,788,096	445,547	4,890,697	12,505,826	10,627,962	9,518,474
-	-	159,162	-	-	-	-	77,877
-	-	-	-	-	-	-	-
11,113,064	3,171,395	-	310,878	2,094,885	-	4,736,966	-
907,500	56,351	60,775	-	154,781	86,623	257,477	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	3,902,115	-	3,635,610
-	-	-	-	-	-	-	-
(11,931,501)	(2,094,998)	(2,264,999)	374,986	(1,951,987)	(1,671,513)	6,177,652	2,732,720
<u>\$ 28,069,815</u>	<u>\$ 16,493,653</u>	<u>\$ 6,743,034</u>	<u>\$ 1,131,411</u>	<u>\$ 5,188,376</u>	<u>\$ 14,823,051</u>	<u>\$ 21,800,057</u>	<u>\$ 15,964,681</u>

**Town of North Hempstead, New York**

Discretely Presented Non-Major Component Units  
 Combining Statement of Net Position (Continued)  
 December 31, 2023

	Water Districts			Park Districts	
	Roslyn	Carle Place	Manhasset - Lakeville	Manhasset	Great Neck
<b>ASSETS</b>					
Cash and equivalents	\$ 1,170,891	\$ 7,881,693	\$ 6,111,674	\$ 1,181,950	\$ 10,498,120
Cash and equivalents - restricted	5,812,322	15,005,845	12,918,103	-	709,370
Receivables					
Accounts	437,880	440,394	1,108,143	-	52,493
State and Federal aid	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from primary government	15,329,419	267,003	611,610	57,740	-
Loans	-	-	-	-	-
Deposits	-	-	-	-	-
Inventory	192,060	147,128	329,174	-	-
Prepaid expenses	220,029	91,206	101,827	11,365	346,240
Property held for resale	-	-	-	-	-
Lease receivable	-	1,724,998	596,344	-	-
Capital assets					
Not being depreciated/amortized	7,381,553	14,484,754	9,721,193	1,704,973	7,682,525
Being depreciated/amortized, net	13,379,349	16,848,770	43,887,205	545,512	22,618,256
<b>Total Assets</b>	<b>43,923,503</b>	<b>56,891,791</b>	<b>75,385,273</b>	<b>3,501,540</b>	<b>41,907,004</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred charge on refunding bonds	-	-	84,746	-	6,439
Pension related	624,847	499,207	957,600	285,263	2,914,105
OPEB related	-	-	-	-	1,639,501
<b>Total Deferred Outflows of Resources</b>	<b>624,847</b>	<b>499,207</b>	<b>1,042,346</b>	<b>285,263</b>	<b>4,560,045</b>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	1,015,680	1,215,677	778,621	88,501	1,055,058
Due to other governments	-	1,434	1,334	-	-
Bond anticipation notes payable	11,236,469	5,000,000	-	-	-
Deposits payable	-	-	1,069,344	-	91,665
Unearned revenue	-	-	1,002,900	-	1,082,350
Accrued interest payable	391,936	405,384	129,600	-	93,254
Non-current liabilities					
Due within one year	579,550	662,524	1,015,737	-	721,221
Due in more than one year	23,560,695	23,441,656	22,914,384	4,739,891	37,481,971
<b>Total Liabilities</b>	<b>36,784,330</b>	<b>30,726,675</b>	<b>26,911,920</b>	<b>4,828,392</b>	<b>40,525,519</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property taxes	-	-	-	14,700	-
Loans receivable	-	-	-	-	-
Leases	-	1,442,575	590,262	-	-
Pension related	37,463	27,028	89,804	38,298	174,667
OPEB related	1,741,363	1,429,536	-	1,653,695	7,674,182
<b>Total Deferred Inflows of Resources</b>	<b>1,778,826</b>	<b>2,899,139</b>	<b>680,066</b>	<b>1,706,693</b>	<b>7,848,849</b>
<b>NET POSITION</b>					
Net investment in capital assets	4,845,290	8,552,525	37,336,593	2,250,485	16,078,955
Restricted for					
Accrued employee benefits	309,705	-	-	-	-
Asset forfeiture	-	-	-	-	-
Capital projects	3,522,628	11,120,338	12,454,670	-	-
Debt service	311,563	124,466	46,451	-	-
Herbert Paul memorial fund	-	-	-	-	-
Insurance	-	-	-	-	204,387
Maintenance	-	-	-	-	423,597
Property held for redevelopment	-	-	-	-	-
Repairs	1,668,426	282,492	-	-	47,173
Retirement contribution	-	-	-	-	-
Unrestricted	(4,672,418)	3,685,363	(1,002,081)	(4,998,767)	(18,661,431)
<b>Total Net Position</b>	<b>\$ 5,985,194</b>	<b>\$ 23,765,184</b>	<b>\$ 48,835,633</b>	<b>\$ (2,748,282)</b>	<b>\$ (1,907,319)</b>

See independent auditors' report.

Police District	Public Library District	Community Development Agency	Business Improvement District	Totals
Port Washington	Shelter Rock	Town of North Hempstead	Greater Port Washington	
\$ 9,975,504	\$ 3,949,863	\$ 468,596	\$ 177,243	\$ 91,242,533
964,948	234,317	34,125	-	54,095,788
36,107	829	4,001	476	5,323,940
26,635	-	714,379	10,000	751,014
8,634	8,873	-	72,094	22,716,526
-	-	-	-	36,134,365
-	-	936,598	-	936,598
-	-	-	-	885
-	-	-	-	979,833
1,717,935	127,530	21,838	-	3,903,472
-	-	2,905,201	-	2,905,201
-	-	-	-	6,421,883
1,809,020	136,958	-	-	122,627,134
8,463,362	4,076,691	-	69,643	328,019,092
<u>23,002,145</u>	<u>8,535,061</u>	<u>5,084,738</u>	<u>329,456</u>	<u>676,058,264</u>
-	1,676	-	-	92,861
11,318,501	954,715	183,884	-	22,420,432
-	-	47,433	-	3,593,908
<u>11,318,501</u>	<u>956,391</u>	<u>231,317</u>	<u>-</u>	<u>26,107,201</u>
240,179	96,847	45,103	1,981	14,519,288
-	-	-	-	299,314
-	-	-	-	53,086,469
-	-	-	-	1,487,945
-	56,250	496,500	-	4,933,650
-	-	-	20	3,559,260
322,723	236,554	46,000	4,649	11,031,909
72,829,061	4,680,468	1,639,728	7,205	421,797,616
<u>73,391,963</u>	<u>5,070,119</u>	<u>2,227,331</u>	<u>13,855</u>	<u>510,715,451</u>
44,564	-	-	-	59,264
-	-	345,763	-	345,763
-	-	-	-	5,999,158
347,689	73,386	13,920	-	1,161,318
14,265,177	-	405,483	-	40,876,671
<u>14,657,430</u>	<u>73,386</u>	<u>765,166</u>	<u>-</u>	<u>48,442,174</u>
10,256,525	3,988,734	-	57,789	173,509,905
-	-	-	-	546,744
961,366	-	-	-	961,366
-	-	-	-	48,524,824
-	9,891	-	-	2,015,878
-	224,426	-	-	224,426
-	-	-	-	204,387
-	-	-	-	423,597
-	-	2,905,201	-	2,905,201
-	-	-	-	9,535,816
3,582	-	-	-	3,582
(64,950,220)	124,896	(581,643)	257,812	(95,847,886)
<u>\$ (53,728,747)</u>	<u>\$ 4,347,947</u>	<u>\$ 2,323,558</u>	<u>\$ 315,601</u>	<u>\$ 143,007,840</u>

**Town of North Hempstead, New York**

Discretely Presented Non-Major Component Units  
 Combining Statement of Activities  
 Year Ended December 31, 2023

	Garbage Districts			
	Port Washington	Glenwood	Carle Place	Roslyn
<b>REVENUES</b>				
Program revenues				
Charges for services	\$ -	\$ -	\$ -	\$ -
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	-	-
Real property taxes	2,251,445	74,655	924,639	684,548
Other tax items				
Payments in lieu of taxes	159,274	-	58,661	130,155
Unrestricted use of money and property	18,205	158	6,606	21,764
Insurance recoveries	-	-	-	-
Miscellaneous local sources	-	13,804	27	690
	<u>2,428,924</u>	<u>88,617</u>	<u>989,933</u>	<u>837,157</u>
<b>EXPENSES</b>				
General government support	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	2,372,669	81,403	926,344	739,779
Interest	-	-	-	-
	<u>2,372,669</u>	<u>81,403</u>	<u>926,344</u>	<u>739,779</u>
Change in Net Position	<u>56,255</u>	<u>7,214</u>	<u>63,589</u>	<u>97,378</u>
<b>NET POSITION</b>				
Net Position - Beginning, as reported	2,912,448	61,385	979,275	1,459,913
Prior Period Adjustment	<u>285,235</u>	<u>-</u>	<u>-</u>	<u>(317,699)</u>
Net Position - Beginning, as restated	<u>3,197,683</u>	<u>61,385</u>	<u>979,275</u>	<u>1,142,214</u>
Net Position - Ending	<u>\$ 3,253,938</u>	<u>\$ 68,599</u>	<u>\$ 1,042,864</u>	<u>\$ 1,239,592</u>

See independent auditors' report.

Water Pollution Control Districts			Water Districts				
Great Neck	Belgrave	Port Washington	Glenwood	Albertson	Garden City Park	Port Washington	Westbury
\$ 3,851,538	\$ 986,214	\$ 1,214,273	\$ 195,454	\$ 2,566,497	\$ 2,300,540	\$ 7,379,035	\$ 2,516,142
-	-	-	-	-	-	-	-
1,416,371	-	-	-	50,000	4,363,200	10,679,567	5,541,750
8,934,888	2,924,784	6,782,579	259,776	1,885,780	4,294,909	2,371,208	4,456,389
-	-	-	3,860	95,966	106,086	170,304	426,232
931,631	157,006	271,337	395	481,679	806,689	501,146	875,577
-	-	-	-	-	-	-	-
575,878	-	4,112	-	-	237,456	279,554	266,446
<u>15,710,306</u>	<u>4,068,004</u>	<u>8,272,301</u>	<u>459,485</u>	<u>5,079,922</u>	<u>12,108,880</u>	<u>21,380,814</u>	<u>14,082,536</u>
-	-	-	-	-	1,501,517	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
13,002,107	2,862,454	6,511,368	400,914	4,893,377	5,158,195	4,278,179	4,883,890
1,698,992	256,574	933,853	-	-	849,101	1,408,291	784,199
<u>14,701,099</u>	<u>3,119,028</u>	<u>7,445,221</u>	<u>400,914</u>	<u>4,893,377</u>	<u>7,508,813</u>	<u>5,686,470</u>	<u>5,668,089</u>
<u>1,009,207</u>	<u>948,976</u>	<u>827,080</u>	<u>58,571</u>	<u>186,545</u>	<u>4,600,067</u>	<u>15,694,344</u>	<u>8,414,447</u>
27,060,608	15,544,677	5,915,954	1,072,840	5,001,831	10,633,194	6,110,464	6,766,405
-	-	-	-	-	(410,210)	(4,751)	783,829
<u>27,060,608</u>	<u>15,544,677</u>	<u>5,915,954</u>	<u>1,072,840</u>	<u>5,001,831</u>	<u>10,222,984</u>	<u>6,105,713</u>	<u>7,550,234</u>
<u>\$ 28,069,815</u>	<u>\$ 16,493,653</u>	<u>\$ 6,743,034</u>	<u>\$ 1,131,411</u>	<u>\$ 5,188,376</u>	<u>\$ 14,823,051</u>	<u>\$ 21,800,057</u>	<u>\$ 15,964,681</u>

(Continued)



**Town of North Hempstead, New York**

Discretely Presented Non-Major Component Units  
 Combining Statement of Activities (Continued)  
 Year Ended December 31, 2023

	Water Districts			Park Districts	
	Roslyn	Carle Place	Manhasset - Lakeville	Manhasset	Great Neck
<b>REVENUES</b>					
Program revenues					
Charges for services	\$ 2,352,094	\$ 848,442	\$ 6,516,468	\$ 1,033,587	\$ 6,361,166
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	50,000	3,835,450	-	-	-
Real property taxes	3,235,722	4,137,947	3,877,620	834,092	12,174,662
Other tax items					
Payments in lieu of taxes	283,815	267,574	210,562	21,956	522,604
Unrestricted use of money and property	646,640	1,413,621	1,207,771	72,006	396,038
Insurance recoveries	-	-	17,477	-	4,277
Miscellaneous local sources	219,103	24,814	10,813	644	90,078
<b>Total Revenues</b>	<b>6,787,374</b>	<b>10,527,848</b>	<b>11,840,711</b>	<b>1,962,285</b>	<b>19,548,825</b>
<b>EXPENSES</b>					
General government support	-	55,147	247,224	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	1,029,340	18,134,994
Home and community services	4,218,263	3,528,849	8,380,685	-	-
Interest	831,423	814,501	367,299	-	614,904
<b>Total Expenses</b>	<b>5,049,686</b>	<b>4,398,497</b>	<b>8,995,208</b>	<b>1,029,340</b>	<b>18,749,898</b>
<b>Change in Net Position</b>	<b>1,737,688</b>	<b>6,129,351</b>	<b>2,845,503</b>	<b>932,945</b>	<b>798,927</b>
<b>NET POSITION</b>					
Net Position - Beginning, as reported	4,247,506	17,635,833	45,990,130	(3,681,227)	(2,706,246)
Prior Period Adjustment	-	-	-	-	-
Net Position - Beginning, as restated	4,247,506	17,635,833	45,990,130	(3,681,227)	(2,706,246)
Net Position - Ending	\$ 5,985,194	\$ 23,765,184	\$ 48,835,633	\$ (2,748,282)	\$ (1,907,319)

See independent auditors' report.

<u>Police District</u>	<u>Public Library District</u>	<u>Community Development Agency</u>	<u>Business Improvement District</u>	
<u>Port Washington</u>	<u>Shelter Rock</u>	<u>Town of North Hempstead</u>	<u>Greater Port Washington</u>	<u>Totals</u>
\$ 94,706	\$ 7,082	\$ 47,691	\$ 22,127	\$ 38,293,056
99,625	8,293	1,340,657	10,000	1,458,575
-	-	-	-	25,936,338
23,313,652	3,892,122	-	214,328	87,525,745
2,328,842	132,306	-	-	4,918,197
820,705	-	11,673	14,761	8,655,408
-	-	-	-	21,754
18,921	130,980	2,049	-	1,875,369
<u>26,676,451</u>	<u>4,170,783</u>	<u>1,402,070</u>	<u>261,216</u>	<u>168,684,442</u>
-	-	-	124,015	1,927,903
20,102,388	-	-	-	20,102,388
-	3,862,802	-	-	23,027,136
-	-	748,148	130,044	63,116,668
17	(19,638)	-	520	8,540,036
<u>20,102,405</u>	<u>3,843,164</u>	<u>748,148</u>	<u>254,579</u>	<u>116,714,131</u>
<u>6,574,046</u>	<u>327,619</u>	<u>653,922</u>	<u>6,637</u>	<u>51,970,311</u>
(60,302,793)	4,020,328	1,669,636	308,964	90,701,125
-	-	-	-	336,404
<u>(60,302,793)</u>	<u>4,020,328</u>	<u>1,669,636</u>	<u>308,964</u>	<u>91,037,529</u>
<u>\$ (53,728,747)</u>	<u>\$ 4,347,947</u>	<u>\$ 2,323,558</u>	<u>\$ 315,601</u>	<u>\$ 143,007,840</u>

**STATISTICAL SECTION  
(UNAUDITED)**

Page

This part of the Town's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements and notes disclosures say about the Town's overall financial health.

**Financial Trends**

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

118-125

**Revenue Capacity**

These schedules contain information to help the reader assess the Town's most significant local revenue sources.

126-133

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

134-137

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

138-139

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the Town's annual comprehensive financial reports for the relevant year.

**Town of North Hempstead, New York**

Net Position by Component  
Last Ten Fiscal Years

<u>As of December 31,</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Governmental activities				
Net investment in capital assets	\$ 279,374,908	\$ 273,145,819	\$ 259,347,185	\$ 249,230,226
Restricted	8,938,695	8,023,580	9,366,414	11,538,242
Unrestricted	<u>(129,900,683)</u>	<u>(155,654,038)</u>	<u>(183,959,271)</u>	<u>(188,121,906)</u>
Total primary government net position	<u>\$ 158,412,920</u>	<u>\$ 125,515,361</u>	<u>\$ 84,754,328</u>	<u>\$ 72,646,562</u>

Source: Town of North Hempstead Audited Financial Statements  
Statement of Net Position

See independent auditors' report.

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 248,668,258	\$ 246,936,635	\$ 248,900,563	\$ 242,330,248	\$ 239,681,379	\$ 231,094,773
5,178,210	6,464,595	7,464,775	12,144,195	-	-
<u>(176,081,092)</u>	<u>(179,871,092)</u>	<u>(85,812,029)</u>	<u>(84,425,694)</u>	<u>(69,252,429)</u>	<u>(64,790,663)</u>
<u>\$ 77,765,376</u>	<u>\$ 73,530,138</u>	<u>\$ 170,553,309</u>	<u>\$ 170,048,749</u>	<u>\$ 170,428,950</u>	<u>\$ 166,304,110</u>

**Town of North Hempstead, New York**

Changes in Net Position  
Last Ten Years

Year ended December 31,	2023	2022	2021	2020
<b>Expenses</b>				
Governmental activities:				
General government support	\$ 25,918,787	\$ 15,823,561	\$ 28,176,289	\$ 31,391,657
Education	2,640,256	1,763,677	2,349,819	2,657,322
Public safety	14,652,195	15,439,837	21,418,891	21,516,418
Health	261,697	317,828	687,860	690,837
Transportation	17,648,137	20,392,584	23,681,058	26,224,943
Economic assistance and opportunity	2,795,001	2,497,347	3,419,705	3,683,569
Culture and recreation	28,672,321	27,842,281	32,664,059	31,299,681
Home and community service	29,264,645	28,535,443	27,964,139	29,717,641
Interest on debt	5,110,707	5,249,015	5,053,356	5,162,083
Total primary government expenses	<u>\$ 126,963,746</u>	<u>\$ 117,861,573</u>	<u>\$ 145,415,176</u>	<u>\$ 152,344,151</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government support	\$ 585,344	\$ 540,800	\$ 717,770	\$ 443,702
Public safety	5,335,739	6,061,625	5,672,209	5,404,766
Health	446,890	438,560	424,567	415,586
Transportation	1,473,536	1,472,881	1,039,272	866,432
Economic opportunity and development	54,382	17,822	28,910	19,378
Culture and recreation	9,329,397	9,452,135	8,512,413	3,716,675
Home and community service	16,318,721	16,371,686	18,912,737	16,098,829
Operating grants and contributions	1,788,059	3,051,815	1,382,760	990,321
Capital grants and contributions	5,077,012	3,850,946	5,072,904	10,969,402
Total primary government program revenues	<u>\$ 40,409,080</u>	<u>\$ 41,258,270</u>	<u>\$ 41,763,542</u>	<u>\$ 38,925,091</u>
<b>Net (Expense) Revenue</b>				
Total primary government net expense	<u>\$ (86,554,666)</u>	<u>\$ (76,603,303)</u>	<u>\$ (103,651,634)</u>	<u>\$ (113,419,060)</u>
<b>General Revenues</b>				
Governmental Activities:				
Real property taxes	\$ 79,401,169	\$ 80,163,836	\$ 78,172,073	\$ 76,703,013
Real property tax items	6,916,970	6,178,989	5,865,391	5,842,926
Non-property tax items	17,629,022	17,517,079	16,297,882	13,994,959
Interest earnings - unrestricted	2,553,131	179,563	98,032	786,435
Mortgage tax	6,118,743	11,670,076	13,224,118	9,522,797
Sale of property and compensation for loss	1,524,311	-	-	-
State aid - unrestricted	-	-	-	-
Other	5,308,879	1,654,793	2,101,904	1,450,116
Total primary government	<u>\$ 119,452,225</u>	<u>\$ 117,364,336</u>	<u>\$ 115,759,400</u>	<u>\$ 108,300,246</u>
<b>Change in Net Position</b>				
Total primary government change in net position	<u>\$ 32,897,559</u>	<u>\$ 40,761,033</u>	<u>\$ 12,107,766</u>	<u>\$ (5,118,814)</u>

Source: Town of North Hempstead Audited Financial Statements  
Statement of Activities

See independent auditors' report.

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$	26,421,968	\$ 22,374,597	\$ 30,216,273	\$ 28,779,266	\$ 28,189,765	\$ 29,539,133
	2,102,250	2,680,039	3,455,484	2,325,386	2,199,528	1,823,139
	19,382,131	17,007,720	14,259,877	15,129,393	14,292,840	14,261,443
	501,762	405,955	410,369	390,993	427,110	422,533
	24,897,557	24,874,549	23,540,680	23,473,504	24,270,255	23,690,160
	3,594,064	3,175,299	3,647,150	3,798,866	3,626,479	2,873,584
	31,434,837	31,364,889	29,362,341	28,423,638	26,621,444	26,962,089
	29,209,440	27,932,903	26,859,210	29,671,225	27,259,608	27,652,600
	5,971,524	5,814,348	5,350,058	5,222,307	5,812,532	4,815,137
	<u>\$ 143,515,533</u>	<u>\$ 135,630,299</u>	<u>\$ 137,101,442</u>	<u>\$ 137,214,578</u>	<u>\$ 132,699,561</u>	<u>\$ 132,039,818</u>
\$	487,283	\$ 532,911	\$ 566,435	\$ 438,798	\$ 501,619	\$ 497,926
	6,935,928	5,731,206	5,101,695	4,421,971	4,333,981	3,585,511
	267,540	251,562	270,362	282,800	262,706	274,282
	1,548,494	1,663,892	2,004,874	1,478,194	1,548,496	1,318,572
	59,864	31,870	52,166	43,497	61,324	281,716
	8,904,642	8,553,798	8,900,648	9,466,886	9,477,758	10,028,738
	16,171,218	16,726,713	15,545,743	16,213,363	16,553,220	16,446,757
	1,550,237	495,371	608,922	1,176,467	2,785,051	5,142,096
	3,739,607	1,039,716	2,094,442	1,501,146	870,020	476,148
	<u>\$ 39,664,813</u>	<u>\$ 35,027,039</u>	<u>\$ 35,145,287</u>	<u>\$ 35,023,122</u>	<u>\$ 36,394,175</u>	<u>\$ 38,051,746</u>
\$	<u>(103,850,720)</u>	<u>(100,603,260)</u>	<u>(101,956,155)</u>	<u>(102,191,456)</u>	<u>(96,305,386)</u>	<u>(93,988,072)</u>
\$	75,897,627	\$ 73,463,548	\$ 69,454,516	\$ 73,724,772	\$ 73,161,136	\$ 72,038,134
	5,819,940	5,499,824	5,358,015	5,681,740	2,573,825	2,344,889
	14,659,001	14,268,519	13,879,873	13,632,320	13,554,251	12,850,767
	1,993,413	1,196,207	1,300,037	228,531	243,894	1,501,136
	8,161,165	7,819,351	9,184,447	9,556,463	7,698,406	7,228,190
	90,000	-	-	-	-	-
	-	1,023,565	1,023,565	1,023,565	1,023,565	1,023,565
	1,464,812	1,232,566	2,260,262	2,935,695	2,847,395	2,188,594
	<u>\$ 108,085,958</u>	<u>\$ 104,503,580</u>	<u>\$ 102,460,715</u>	<u>\$ 106,783,086</u>	<u>\$ 101,102,472</u>	<u>\$ 99,175,275</u>
\$	<u>4,235,238</u>	<u>\$ 3,900,320</u>	<u>\$ 504,560</u>	<u>\$ 4,591,630</u>	<u>\$ 4,797,086</u>	<u>\$ 5,187,203</u>

**Town of North Hempstead, New York**

Fund Balances of Governmental Funds  
Last Ten Years

As of December 31,	2023	2022	2021	2020
General Fund				
Nonspendable	\$ 2,172,931	\$ 1,532,160	\$ 1,466,068	\$ 1,348,585
Assigned	9,930,052	6,075,894	4,708,348	4,480,804
Unassigned	<u>28,508,436</u>	<u>27,911,736</u>	<u>19,913,057</u>	<u>12,253,880</u>
Total General Fund	<u>\$ 40,611,419</u>	<u>\$ 35,519,790</u>	<u>\$ 26,087,473</u>	<u>\$ 18,083,269</u>
All other governmental funds				
Nonspendable	\$ 1,725,956	\$ 987,109	\$ 1,139,300	\$ 1,061,115
Restricted	54,559,593	51,512,258	46,483,415	44,832,122
Assigned	31,778,976	27,455,210	26,037,722	26,917,511
Unassigned	<u>-</u>	<u>-</u>	<u>(1,361,467)</u>	<u>(1,552,905)</u>
Total All Other Governmental Funds	<u>\$ 88,064,525</u>	<u>\$ 79,954,577</u>	<u>\$ 72,298,970</u>	<u>\$ 71,257,843</u>

Source: Town of North Hempstead Office of the Comptroller and Audited Financial Statements  
Balance Sheet

See independent auditors' report.



<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
\$ 1,354,010	\$ 1,303,353	\$ 1,214,842	\$ 2,495,507	\$ 1,622,361	\$ 2,605,903
5,036,573	4,584,013	4,751,811	3,552,773	2,623,538	3,616,445
10,914,844	9,981,457	8,370,032	8,270,030	7,445,560	4,161,400
<u>\$ 17,305,427</u>	<u>\$ 15,868,823</u>	<u>\$ 14,336,685</u>	<u>\$ 14,318,310</u>	<u>\$ 11,691,459</u>	<u>\$ 10,383,748</u>
\$ 870,460	\$ 888,692	\$ 901,586	\$ 862,450	\$ 3,716,181	\$ 1,459,022
48,230,195	44,039,831	45,356,032	6,470,022	493,155	15,539,657
24,690,680	25,036,855	22,149,346	23,179,163	19,539,989	19,684,938
(1,944,602)	(3,931,626)	(1,812,947)	(1,060,948)	(44,825,924)	(53,834,341)
<u>\$ 71,846,733</u>	<u>\$ 66,033,752</u>	<u>\$ 66,594,017</u>	<u>\$ 29,450,687</u>	<u>\$ (21,076,599)</u>	<u>\$ (17,150,724)</u>

**Town of North Hempstead, New York**

Changes in Fund Balances of Governmental Funds  
Last Ten Years

Year ended December 31,	2023	2022	2021	2020
<b>Revenues</b>				
Real property taxes	\$ 79,401,169	\$ 80,163,836	\$ 78,172,073	\$ 76,703,013
Other tax items	6,916,970	6,178,989	5,865,391	5,842,926
Non-property tax items	17,629,022	17,517,079	16,297,882	13,994,959
Departmental income	27,058,042	26,861,221	26,565,271	19,411,076
Intergovernmental charges	637,358	709,308	2,253,456	1,558,845
Use of money and property	5,675,455	(284,360)	1,195,875	1,555,771
License and permits	5,211,503	6,080,688	5,723,701	5,422,323
Fines and forfeitures	131,511	133,629	140,473	163,121
Sale of property and compensation for loss	1,726,774	555,729	400,716	167,290
Interfund revenues	8,036,375	7,560,733	7,429,184	6,963,250
State aid	7,936,080	14,791,203	15,516,480	11,244,439
Federal aid	1,173,946	3,717,718	1,935,081	6,019,305
Miscellaneous revenue	7,063,136	3,128,226	2,064,254	3,456,876
<b>Total Revenues</b>	<b>168,597,341</b>	<b>167,113,999</b>	<b>163,559,837</b>	<b>152,503,194</b>
<b>Expenditures</b>				
General government support	24,500,903	22,848,623	22,615,137	21,788,517
Education	2,640,256	1,763,677	2,349,819	2,657,322
Public safety	15,253,234	14,309,505	13,933,870	13,113,604
Health	313,976	309,371	358,016	310,886
Transportation	14,551,423	15,531,901	13,389,616	12,194,352
Economic assistance and opportunity	2,550,247	2,464,572	2,381,829	2,289,678
Culture and recreation	21,487,454	20,610,347	19,689,346	15,740,956
Home and community service	28,655,496	28,335,977	30,266,782	27,432,948
Employee benefits	23,283,100	23,167,877	22,913,865	21,502,061
Debt Service				
Principal	15,516,919	17,762,085	18,383,322	16,770,809
Interest	5,794,414	5,989,791	5,463,451	6,506,679
Other charges	-	-	-	377,983
Capital outlay	19,114,398	13,931,056	21,274,054	23,793,533
<b>Total Expenditures</b>	<b>173,661,820</b>	<b>167,024,782</b>	<b>173,019,107</b>	<b>164,479,328</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,064,479)	89,217	(9,459,270)	(11,976,134)
<b>Other Financing Sources (Uses)</b>				
Transfers in	26,292,146	30,880,534	31,202,108	37,011,495
Transfers out	(26,292,146)	(30,880,534)	(31,202,108)	(37,011,495)
Debt issuance	17,310,905	16,599,010	15,960,000	10,819,404
Premium on debt issuance	955,151	399,697	2,544,601	2,589,376
Bond anticipation notes redeemed	-	-	-	-
Retirement of debt payment made by funds	-	-	-	-
Refunding bonds issued	-	-	-	28,857,806
Payments to refunded bond escrow agent	-	-	-	(30,101,500)
Sale of property	-	-	-	-
<b>Total Other Financing Sources</b>	<b>18,266,056</b>	<b>16,998,707</b>	<b>18,504,601</b>	<b>12,165,086</b>
<b>Net Change in Fund Balances</b>	<b>\$ 13,201,577</b>	<b>\$ 17,087,924</b>	<b>\$ 9,045,331</b>	<b>\$ 188,952</b>
Debt service as a percentage of noncapital expenditures	13.80%	15.61%	15.80%	16.53%

Source: Town of North Hempstead Audited Financial Statements  
Statement of Revenues, Expenditures, and Changes in Fund Balances

See independent auditors' report.

	2019	2018	2017	2016	2015	2014
\$	75,897,627	\$ 73,643,772	\$ 69,274,292	\$ 73,724,772	\$ 73,161,136	\$ 72,038,134
	5,819,940	5,499,824	5,358,015	5,681,740	2,573,825	2,344,889
	14,659,001	14,268,519	13,879,873	13,632,320	13,554,251	12,850,767
	25,675,698	26,100,998	24,887,296	25,925,575	26,126,290	25,976,819
	1,340,824	1,180,037	1,176,710	1,199,836	1,302,739	963,096
	3,178,188	1,144,767	1,519,698	473,550	442,529	593,378
	6,610,241	5,399,245	5,535,816	4,335,603	4,549,233	3,234,920
	301,354	352,965	190,180	238,908	242,603	239,052
	201,656	294,476	921,275	703,004	682,269	409,852
	7,010,939	6,830,352	6,924,674	6,836,057	6,879,071	6,994,901
	10,069,899	10,413,133	12,411,291	12,454,869	10,659,621	10,400,768
	3,816	270,766	249,085	802,772	1,717,421	4,112,792
	2,021,254	253,641	703,633	1,242,126	1,152,977	1,203,246
	<u>152,790,437</u>	<u>145,652,495</u>	<u>143,031,838</u>	<u>147,251,132</u>	<u>143,043,965</u>	<u>141,362,614</u>
	21,219,694	21,141,178	20,875,498	20,871,024	21,122,838	21,719,953
	2,102,250	2,680,039	3,455,484	2,325,385	2,199,528	5,362,136
	12,898,065	12,323,964	11,922,786	12,494,483	12,394,374	12,162,015
	248,911	231,204	226,999	218,940	283,333	242,761
	13,063,089	14,335,692	14,404,316	14,246,990	15,290,185	14,396,223
	2,506,280	2,371,058	2,595,142	2,651,359	2,617,744	2,083,114
	18,531,272	18,080,022	17,464,056	17,169,378	16,602,868	16,993,305
	27,304,238	26,628,905	26,132,641	25,955,284	27,076,363	27,204,995
	21,635,272	21,298,922	20,829,919	20,122,128	19,333,110	18,533,022
	17,090,977	16,615,956	16,263,357	16,315,225	31,543,158	15,190,493
	6,504,134	6,234,267	5,317,824	4,863,242	4,765,583	4,287,174
	-	-	-	-	-	-
	24,676,604	24,765,610	19,266,865	11,719,397	12,608,240	10,123,687
	<u>167,780,786</u>	<u>166,706,817</u>	<u>158,754,887</u>	<u>148,952,835</u>	<u>165,837,324</u>	<u>148,298,878</u>
	(14,990,349)	(21,054,322)	(15,723,049)	(1,701,703)	(22,793,359)	(6,936,264)
	27,642,134	23,777,729	25,039,204	33,162,476	26,464,109	28,587,034
	(27,642,134)	(23,777,729)	(25,039,204)	(33,162,476)	(26,464,109)	(28,587,034)
	20,897,057	22,643,500	46,992,625	54,591,465	4,390,000	43,795,581
	1,252,877	1,864,911	217,956	264,375	2,997,535	220,325
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	24,688,205	31,489,609
	-	-	-	-	(12,516,931)	(35,092,018)
	90,000	821,200	-	-	-	-
	<u>22,239,934</u>	<u>25,329,611</u>	<u>47,210,581</u>	<u>54,855,840</u>	<u>19,558,809</u>	<u>40,413,497</u>
\$	<u>7,249,585</u>	<u>4,275,289</u>	<u>31,487,532</u>	<u>53,154,137</u>	<u>(3,234,550)</u>	<u>33,477,233</u>
	16.46%	16.08%	15.50%	15.42%	23.78%	14.13%

**Town of North Hempstead, New York**

Governmental Activities Tax Revenues By Source  
Last Ten Years

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<b>Year Ended December 31,</b>	<b>Real Property Tax</b>	<b>Real Property Tax Items</b>	<b>Non-Property Tax Items</b>	<b>Total</b>
2023	\$ 79,401,169	\$ 6,916,970	\$ 17,629,022	\$ 103,947,161
2022	80,163,836	6,178,989	17,517,079	103,859,904
2021	78,172,073	5,865,391	16,297,882	100,335,346
2020	76,703,013	5,842,926	13,994,959	96,540,898
2019	75,897,627	5,819,940	14,659,001	96,376,568
2018	73,643,772	5,499,824	14,268,519	93,412,115
2017	69,274,292	5,358,015	13,879,873	88,512,180
2016	73,724,772	5,681,740	13,632,320	93,038,832
2015	73,161,142	2,573,825	13,554,251	89,289,218
2014	72,038,134	2,344,889	12,850,767	87,233,790

Source: Town of North Hempstead Audited Financial Statements  
Statement of Activities

**Town of North Hempstead, New York**

General Governmental Tax Revenues By Source  
Last Ten Fiscal Years

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<b>Year Ended December 31,</b>	<b>Real Property Tax<sup>1</sup></b>	<b>Sales Tax<sup>2</sup></b>	<b>Mortgage Tax<sup>3</sup></b>	<b>Franchise Tax</b>	<b>Total</b>
2023	\$ 79,401,169	\$ 15,777,548	\$ 6,118,743	\$ 1,851,474	\$ 103,148,934
2022	80,163,836	15,405,177	11,670,076	2,111,902	109,350,991
2021	78,172,073	14,369,361	13,224,118	1,928,521	107,694,073
2020	76,703,013	11,846,015	9,522,797	2,091,944	100,163,769
2019	75,897,627	12,391,434	8,161,165	2,267,567	98,717,793
2018	73,643,772	11,964,837	7,819,351	2,303,682	95,731,642
2017	69,274,292	11,549,683	9,184,447	2,330,190	92,338,612
2016	73,724,772	11,237,939	9,556,463	2,394,381	96,913,555
2015	73,161,142	11,047,131	7,698,406	2,707,120	94,613,799
2014	72,038,134	10,845,925	7,228,190	2,004,842	92,117,091

Source: Town of North Hempstead Audited Financial Statements  
Statement of Revenues, Expenditure, and Changes in Fund Balance

- 1 Primary government
- 2 Classified as Nassau County local government assistance
- 3 Classified as part of State Aid

**Town of North Hempstead, New York**

Assessed Value, State Equalization Rate, and Estimated Full Value of Real Property  
Last Ten Years

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<b>Year Ended December 31,</b>	<b>Residential Property 1 to 4 Family Homes</b>	<b>Residential Property Condominium and Cooperatives</b>	<b>Utility Property</b>	<b>All Other Property</b>
2023	\$ 47,401,643	\$ 12,284,616	\$ 5,040,646	\$ 45,550,390
2022	42,364,596	11,345,610	4,907,291	42,837,335
2021	37,435,584	9,801,856	4,369,708	39,481,831
2020	84,966,952	8,313,627	3,910,145	35,855,239
2019	87,445,180	8,643,003	3,707,678	37,146,239
2018	89,473,157	8,419,278	3,483,284	34,614,735
2017	91,263,155	8,865,651	3,574,779	35,828,683
2016	93,593,109	8,995,913	7,939,673	42,012,337
2015	95,436,524	8,877,421	7,867,980	42,572,887
2014	97,799,191	9,012,086	8,550,680	43,874,552

Note: Assessed values are established by the Nassau County Department of Assessment

Sources: Town of North Hempstead Budgets and Official Statements

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<b>Total Net Assessed Value</b>	<b>State Equalization Rate</b>	<b>Full Valuation</b>	<b>Total Direct Tax Rate</b>
\$ 110,277,295	0.15%	\$ 73,518,196,667	\$ 196.680
101,454,832	0.18%	56,363,795,556	209.683
91,088,979	0.17%	53,581,752,353	297.962
133,045,963	0.21%	63,355,220,476	183.838
136,942,100	0.23%	59,540,043,478	175.055
135,990,454	0.25%	54,396,181,600	168.264
139,532,268	0.27%	51,678,617,778	154.564
152,541,032	0.28%	54,478,940,000	150.735
154,754,812	0.31%	49,920,878,065	146.640
159,236,509	0.32%	49,761,409,063	137.830

**Town of North Hempstead, New York**

Property Tax Rates  
 Direct and Overlapping Governments  
 Last Ten Years

<b>GOVERNMENTAL FUNDS</b>									
<b>TOWN OPERATED DISTRICTS</b>									
<b>Year Ended December 31,</b>	<b>General</b>	<b>Town<sup>1</sup> Outside Villages</b>	<b>Fire Protection</b>	<b>Garbage</b>	<b>Lighting</b>	<b>Parks</b>	<b>Public Parking</b>	<b>Sidewalk</b>	<b>Water</b>
2023	\$ 23.189	\$ 60.308	\$ 35.911	\$ 33.714	\$ 4.897	\$ 25.668	\$ 2.749	\$ 5.724	\$ 4.521
2022	26.424	64.545	35.804	37.325	5.046	25.887	2.982	6.489	5.183
2021	28.595	69.529	51.611	42.429	5.588	84.553	2.679	7.087	5.892
2020	19.006	50.727	34.818	29.320	4.069	36.229	1.549	5.545	2.576
2019	18.239	49.198	34.354	27.675	3.445	32.392	1.396	5.656	2.700
2018	17.978	48.592	33.455	25.722	3.509	29.460	1.456	5.393	2.700
2017	17.272	44.373	29.003	24.742	3.307	27.160	1.380	5.083	2.243
2016	16.338	43.822	29.178	22.800	3.371	26.105	1.422	5.209	2.491
2015	15.987	43.077	28.133	21.769	3.299	25.399	1.392	5.136	2.448
2014	15.378	41.047	25.307	20.101	3.115	24.330	1.335	4.813	2.404

Source: Adopted Town Budgets

- 1 NYS Legislation, Senate Bill No. 7570, permitted the consolidation of the Highway into the Part-Town (Town Outside Village) Fund.

Includes all classes of property for each Fund/District



<b>Town Direct Rate</b>	<b>County Direct Rate</b>	<b>School Direct Rate</b>	<b>Total Direct &amp; Overlapping Rate</b>
\$ 196.680	\$ 210.72	\$ 957.33	\$ 1,364.74
209.683	229.16	1,017.64	1,456.49
297.962	275.32	1,114.33	1,687.61
183.838	189.42	731.08	1,104.34
175.055	180.74	688.40	1,044.19
168.264	191.36	675.77	1,035.40
154.564	179.49	646.68	980.74
150.735	150.67	588.30	889.70
146.640	152.50	583.40	882.54
137.830	144.59	512.87	795.28

**Town of North Hempstead, New York**

Principal Property Taxpayers  
Current Year and Nine Years Ago

2023				
Rank	Taxpayer	Nature of Business	Assessed Valuation	Percentage of Total Assessed Valuation <sup>(1)</sup>
1	Keyspan Gas East	Utility	\$ 5,930,664	5.09%
2	Fifth Avenue of L I Real	Real Estate	1,068,452	0.92%
3	1111 Marcus Avenue	Real Estate	929,183	0.80%
4	We're Associates Inc.	Real Estate	806,781	0.69%
5	CLK Marcus Avenue Property	Real Estate	805,061	0.69%
6	Verizon NY	Utility	714,269	0.61%
7	County Glen LLC	Shopping Center	543,449	0.47%
8	Lake Success Shopping	Shopping Center	541,172	0.46%
9	Birchwood Court Owners	Real Estate	437,395	0.38%
10	Voice Road Plaza	Shopping Center	418,116	0.36%
	Total		<u>\$ 12,194,542</u>	<u>10.47%</u>

2014				
Rank	Taxpayer	Nature of Business	Assessed Valuation	Percentage of Total Assessed Valuation <sup>(1)</sup>
1	Keyspan Gas East	Utility	\$ 3,792,515	2.38%
2	Long Island Power Authority	Utility	2,000,296	1.26%
3	Verizon New York	Utility	1,141,016	0.72%
4	1 Park Lake Success LLC	Real Estate	1,024,676	0.64%
5	Fifth Avenue of Long Island Realty Assoc.	Real Estate	929,948	0.58%
6	We're Associates Inc.	Real Estate	855,437	0.54%
7	CLK Marcus Avenue Property	Real Estate	718,605	0.45%
8	Country Glen LLC	Shopping Center	609,229	0.38%
9	600 Community LLC	Real Estate	378,086	0.24%
10	CLK/HP 1 Old Country LLC	Real Estate	339,465	0.21%
	Total		<u>\$ 11,789,273</u>	<u>7.40%</u>

Source: Town of North Hempstead 2023 and 2014 Official Statements

<sup>1</sup> See Assessed Valuation, State Equalization Rate and Estimated Full Value of Real Property for Total Net Assessed Value.

**Town of North Hempstead, New York**

Property Tax Levies and Collections  
Last Ten Years

<b>Year Ended December 31,</b>	<b>Tax Levy For Town</b>	<b>Total Tax Levy <sup>1</sup></b>	<b>Amount Collected <sup>2</sup></b>	<b>Percent of Total Tax Levy Collected</b>	<b>Amount Uncollected <sup>2</sup></b>	<b>Percent of Total Tax Levy Uncollected</b>
2023	\$ 187,875,489	\$ 420,256,288	\$ 413,682,123	98.44%	\$ 6,574,165	1.56%
2022	183,445,135	415,941,603	409,165,125	98.37%	6,776,478	1.63%
2021	178,782,164	429,566,277	422,399,608	98.33%	7,166,669	1.67%
2020	172,452,052	424,472,260	417,193,306	98.29%	7,278,954	1.71%
2019	169,551,679	417,055,908	410,488,150	98.43%	6,567,758	1.57%
2018	165,790,392	426,027,889	419,031,503	98.36%	6,996,386	1.64%
2017	156,023,560	406,476,951	399,657,611	98.32%	6,819,340	1.68%
2016	163,674,001	393,506,864	399,930,223	101.63%	6,546,728	1.66%
2015	161,817,212	397,817,335	383,885,148	96.50%	13,932,187	3.50%
2014	158,981,782	389,220,761	382,405,938	98.25%	6,814,823	1.75%

Source: Town of North Hempstead Official Statements

1 Total tax levy consists of Town of North Hempstead, Special Districts and Nassau County.

2 The Town retains 100% of the amount levied for Town, Highway and Special District purposes; taxes uncollected at the expiration of the warrant are returned to the County for collection and enforcement. As a result there are no Town taxes collected in subsequent years.

**Town of North Hempstead, New York**

Ratios of Outstanding Debt by Type  
Last Ten Years

<b>Governmental Activities</b>					
<b>Year Ended December 31,</b>	<b>General Obligation Bonds<sup>2</sup></b>	<b>Revenue Bonds</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income<sup>1</sup></b>	<b>Per Capita<sup>1</sup></b>
2023	\$ 201,356,824	\$ -	\$ 201,356,824	0.15%	\$ 854
2022	199,402,382	-	199,402,382	0.15%	840
2021	200,942,296	-	200,942,296	0.15%	846
2020	201,886,415	-	201,886,415	0.16%	874
2019	206,317,435	-	206,317,435	0.21%	896
2018	201,818,745	-	201,818,745	0.20%	873
2017	193,493,411	890,582	194,383,993	0.19%	846
2016	162,919,467	1,760,914	164,680,381	0.16%	717
2015	124,859,447	2,611,456	127,470,903	0.13%	556
2014	136,090,078	3,442,658	139,532,736	0.14%	611

Note: Details regarding the outstanding debt may be found in the notes to the financial statements.

At December 31, 2023, the Town had \$554,000 in short-term bond anticipation notes not being presented.

1 See the schedule of Demographic and Economic Statistics for personal income and population data.

2 Amounts are reported inclusive of premiums.

**Town of North Hempstead, New York**

Ratios of General Bonded Debt Outstanding  
Last Ten Years

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<b>Year Ended December 31,</b>	<b>General Obligation Bonds<sup>3</sup></b>	<b>Percentage of Total Net Assessed Valuation<sup>1</sup></b>	<b>Percentage of Full Taxable Value<sup>1</sup> of Property</b>	<b>Per Capita<sup>2</sup></b>
2023	\$ 201,356,824	182.59%	0.27%	\$ 854
2022	199,402,382	196.54%	0.35%	840
2021	200,942,296	220.60%	0.38%	846
2020	201,886,415	151.74%	0.32%	874
2019	206,317,435	150.66%	0.35%	896
2018	201,818,745	148.41%	0.37%	873
2017	193,493,411	138.67%	0.37%	843
2016	162,919,467	106.80%	0.30%	709
2015	124,859,447	80.68%	0.25%	545
2014	136,090,078	85.46%	0.27%	596

Note: Details regarding outstanding debt can be found in the notes to the financial statements.

1 See the Schedule of Assessed Value, State Equalization Rate and Estimated Full Value of Real Property

2 See the schedule of Demographic and Economic Statistics for population data.

3 Amounts are reported inclusive of premiums.

**Town of North Hempstead, New York**

Direct and Overlapping Governmental Activities Debt  
As of December 31, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
Town of North Hempstead	\$ 397,840,524	100.00%	\$ 397,840,524
<b>Overlapping:</b>			
Nassau County	3,384,682,031	16.25%	550,010,830
Incorporated Villages	131,946,154	Various <sup>1</sup>	112,154,231
School Districts	230,252,781	Various <sup>2</sup>	185,258,868
Fire Districts	-	100.00%	-
<b>Total overlapping debt</b>			<u>847,423,929</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 1,245,264,453</u></u>

Note: As of the 2011 CAFR the Town is no longer reporting bond anticipation notes and revenue anticipation notes on this schedule in accordance with GASB 44 paragraph 45. At December 31, 2023, the Town had \$554,000 in short-term bond anticipation notes not being presented.

The taxpayers share of overlapping debt is based upon the amount of the Town's equalized property values taken as a percentage of each separate units' total values.

Source: Town of North Hempstead Comptroller's Office March 2024 Official Statement

1 Seven of the villages located in the Town are also partially located in one of the neighboring towns.

2 One of the school districts located in the Town is also partially located in one of the neighboring towns.

**Town of North Hempstead**

Legal Debt Margin Information  
December 31, 2023

Years Ended December 31,	Net Assessed Valuation	State Equalization Rate	Full Valuation		
2023	\$ 110,277,295	0.15%	\$ 73,518,196,667		
2022	101,454,832	0.18%	56,363,795,556		
2021	91,088,979	0.17%	53,581,752,353		
2020	133,045,963	0.21%	63,355,220,476		
2019	136,942,100	0.23%	59,540,043,478		
Total Five Year Full Valuation			<u>306,359,008,530</u>		
Five Year Average Full Valuation of Taxable Real Property			<u>61,271,801,706</u>		
Constitutional Debt Limit (7% of Average Full Valuation)			<u>4,289,026,119</u>		
Inclusions:					
Outstanding Bonded Indebtedness at December 31st			402,210,524		
Outstanding Bond Anticipation Notes at December 31st			<u>102,594,469</u>		
Total Inclusions			<u>504,804,993</u>		
Exclusions:					
Water Bonds			81,785,518		
Water Bond Anticipation Notes			88,728,469		
Appropriations - Notes			<u>-</u>		
Total Exclusions			<u>170,513,987</u>		
Net Indebtedness Subject to Debt Limit			<u>334,291,006</u>		
Net Debt Contracting Margin			<u>\$ 3,954,735,113</u>		
Percentage of Net Debt Contracting Margin Available			92.21%		
Percentage of Net Debt Contracting Power Exhausted			7.79%		
Last Ten Years					
Year	Constitutional Debt Limit	Total Net Debt Subject to Limit	Net Debt Contracting Margin	Percentage of Debt Contracting Power Exhausted	Percentage of Net Debt Contracting Margin Available
2023	\$ 4,289,026,119	\$ 334,291,006	\$ 3,954,735,113	7.79%	92.21%
2022	4,021,317,915	326,448,000	3,694,869,915	8.12%	91.88%
2021	3,914,050,730	328,647,194	3,585,403,536	8.40%	91.60%
2020	3,968,286,054	329,899,392	3,638,386,662	8.31%	91.69%
2019	3,849,825,477	310,808,372	3,539,017,105	8.07%	91.93%
2018	3,675,035,477	296,988,433	3,378,047,044	8.08%	91.92%
2017	3,596,972,088	297,220,265	3,299,751,823	8.26%	91.74%
2016	3,628,520,737	279,534,075	3,348,986,662	7.70%	92.30%
2015	3,636,267,921	284,836,307	3,351,431,614	7.83%	92.17%
2014	3,811,674,156	294,651,649	3,517,022,507	7.73%	92.27%

Source: The Town of North Hempstead Comptroller's Office

See independent auditors' report.

**Town of North Hempstead, New York**

Demographic and Economic Statistics  
Last Ten Years

<b>Year Ended December 31,</b>	<b>Population<sup>1</sup></b>	<b>Personal Income<sup>2</sup> (billions of dollars)</b>	<b>Per Capita Income<sup>2</sup></b>	<b>Median Family Income<sup>1</sup></b>	<b>Unemployment Rate<sup>3</sup></b>	<b>Number of Households Estimate<sup>1</sup></b>	<b>Average Household Size Estimates<sup>1</sup></b>	<b>Population Density Per Square Mile<sup>1</sup></b>
2023	235,781	\$ 130,069	\$ 73,555	\$ 148,263	2.9%	79,773	2.96	4,406
2022	237,433	130,069	68,238	138,737	2.5%	78,822	3.01	4,437
2021	237,639	130,069	67,760	137,415	2.2%	77,721	3.06	4,441
2020	230,933	130,069	65,843	125,364	5.3%	77,721	2.97	4,316
2019	230,241	100,019	63,857	117,750	3.0%	77,638	2.97	4,303
2018	231,085	100,019	62,844	111,570	3.0%	77,577	2.98	4,319
2017	229,640	100,019	53,818	107,235	3.5%	76,568	3.00	4,292
2016	229,640	100,019	53,818	107,235	3.5%	76,658	3.00	4,292
2015	229,105	98,096	51,999	104,698	3.4%	76,523	2.99	4,282
2014	228,245	98,096	51,652	104,264	3.8%	76,868	2.97	4,265

Data Sources:

- 1 U.S. Census Bureau, Population Estimates, July 1, 2023, (V2023)
- 2 U.S. Census Bureau, American Community Survey (ACS) (in 2022 dollars for income data)
- 3 NYS DOL Local Area Unemployment Statistics Year of 2023
- 4 Previous datasource unavailable/no longer published



**Town of North Hempstead, New York**

Principal Employers  
Current Year and Nine Years Ago

<b>2023</b>			
<b>Rank</b>	<b>Name</b>	<b>Type of Business</b>	<b>Number of Employees</b>
1	North Shore University Hospital at Manhasset	Hospital	13,697
2	Winthrop-University Hospital	Hospital	8,706
3	St. Francis Hospital	Hospital	3,573
4	Northwell Health Home Care	Home Health Agency	1,001
5	Daniel Gale Sotheby's International Realty	Real Estate Brokers - Residential	950
6	Northwell Health Stern Family Center	Nursing Home	576
7	Laffey Real Estate	Real Estate Brokers - Residential	560
8	Coffee Distributing Corp	Office Supply Companies	390
9	Sunharbor Manor	Nursing Home	220
10	Sands Point Center for Health & Rehabilitation	Home Health Agency	197

<b>2014</b>			
<b>Rank</b>	<b>Name</b>	<b>Type of Business</b>	<b>Number of Employees</b>
1	North Shore - Long Island Jewish Health System	Hospital	12,859
2	Winthrop University Hospital	Hospital	6,240
3	Parker Jewish Institute	Skilled Nursing Facility and Rehabilitation Center	3,149
4	St. Francis Hospital	Hospital	2,965
5	Broadridge Financial Solutions Inc.	Finance	1,500
6	Canon USA	Imaging Solution Provider	1,385
7	Astoria Federal Savings & Loan Association	Banking	1,175
8	ProHEALTH Care Associates	Health Care	850
9	Pall Corporation	Technology	800
10	The NPD Group	Marketing Research	600

Source: Book of Lists, 2023, Long Island Business News and the Town 2014 ACFR

**Town of North Hempstead, New York**

Full-Time Government Employees by Function  
Last Ten Years

Function	Full-Time Equivalent Employees as of December 31,				
	2023	2022	2021	2020	2019
General government	74	80	80	88	81
Highways	81	82	82	82	84
Parks and recreation	102	101	87	83	87
Buildings and planning	60	60	61	59	62
Public works	15	17	15	18	19
Community services	14	14	13	14	15
Town clerk	14	15	15	16	12
Receiver of taxes	14	14	14	14	14
Public safety	43	42	38	36	34
Solid waste management	13	13	14	13	12
<b>Total</b>	<b>430</b>	<b>438</b>	<b>419</b>	<b>423</b>	<b>420</b>

Source: Town of North Hempstead Human Resource Department records

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<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
84	86	87	85	85
88	90	84	86	86
84	80	80	69	69
62	52	48	47	47
20	20	20	23	23
17	19	23	21	21
14	14	15	16	16
14	13	14	14	14
36	41	37	34	34
12	14	17	15	15
<u>431</u>	<u>429</u>	<u>425</u>	<u>410</u>	<u>410</u>

**Town of North Hempstead, New York**

Operating Indicators by Function  
Last Ten Years

Year Ended December 31,	2023	2022	2021	2020	2019
<b>Function</b>					
Town Clerk					
Vital statistic documents	46,227	45,217	44,186	43,016	28,832
Dog licenses	2,791	3,039	3,269	3,322	3,735
Business licenses	782	877	1,059	731	798
Marriage licenses	498	483	812	971	899
Dumping permits	2,792	1,456	1,643	2,362	1,378
311 Call Center					
Calls Answered	148,768	153,512	176,510	177,079	160,886
Unique Service Requests	53,336	56,989	62,674	56,024	65,650
<i>Project Independence Calls</i>					
Taxi rides - medical appointment	10,872	10,468	12,019	8,136	11,812
Taxi rides - food shopping	3,623	3,109	3,507	3,398	4,567
Other project independence service requests	11,635	9,701	11,366	9,763	8,300
Building					
Building permits issued	4,821	5,528	5,275	4,726	6,355
Public Safety					
Dogs adopted or reclaimed by owners	135	117	79	91	143
Fire					
Number of fire protection districts	11	11	11	11	11
Parking					
Number of parking meters	536	528	528	532	532
Off-Street Meters	501	469	468	233	239
Parking lots and garage revenue	\$ 624,785	\$ 482,462	\$ 251,412	\$ 122,544	\$ 473,896
Annual meter revenue	\$ 226,211	\$ 218,375	\$ 204,417	\$ 150,529	\$ 250,662
Parking permit revenue	\$ 82,355	\$ 70,760	\$ 56,458	\$ 34,645	\$ 89,633
Highways and Streets					
Street resurfacing (lane miles)	-	-	-	-	-
Number of trees planted	10	246	200	8	51
Number of trees trimmed	1,140	809	480	472	1,073
Number of trees removed	353	338	446	223	405
Road opening permits issued	633	667	525	557	719
Abandoned vehicles removed	20	43	4	8	13
Signs installed	1,126	749	1,021	2,544	1,214
Sanitation (tons per annum)					
Residential and commercial waste collected	126,719	152,896	137,864	128,839	134,141
Recyclables collected	7,161	8,074	8,449	-	8,084
Yardwaste	10,946	10,616	11,480	13,487	11,109
Construction and demolition debris	24,425	22,050	22,299	14,585	17,238
S.T.O.P. Program					
Household hazardous waste:					
Liquids (gallons)	7,730	9,180	11,045	7,150	13,055
Solids (pounds)	18,400	18,700	23,340	23,470	25,200
Other household items (pounds)	8,520	3,297	16,941	12,639	10,910
Pharmaceuticals (pounds)	1,200	2,000	1,900	540	-
E-waste (tons)	53	89	66	101	35
Shredded paper (tons)	36	33	88	41	41
Culture and recreation					
Beach permits issued	2,791	2,955	3,127	-	2,446
Registration for adult programs	252	288	123	-	344
Registration for summer programs	9,379	9,328	9,396	-	8,809

Source: Various government departments

1 CGM Pool was closed in 2017 due to reconstruction project.

See independent auditors' report.

2018	2017	2016	2015	2014	2013
28,762	28,426	30,272	27,845	29,007	29,069
4,133	4,303	4,676	4,811	5,107	5,380
1,152	1,241	1,160	1,306	1,290	1,276
891	827	921	967	939	967
1,354	3,082	1,096	3,221	964	2,348
168,710	173,344	-	-	-	-
63,158	62,194	-	-	-	-
11,326	12,166	-	-	-	-
4,329	4,390	-	-	-	-
7,519	7,179	-	-	-	-
5,635	5,003	5,091	5,498	5,571	5,584
195	179	254	239	273	275
11	11	11	11	11	11
538	539	544	544	544	544
-	-	-	-	-	-
\$ 473,858	\$ 473,858	\$ 453,666	\$ 399,004	\$ 370,063	\$ 376,568
\$ 260,181	\$ 260,181	\$ 222,892	\$ 166,206	\$ 162,486	\$ 165,784
\$ 84,668	\$ 85,267	\$ 84,760	\$ 54,870	\$ 52,405	\$ 51,410
-	-	19	19	16	15
-	329	540	212	194	568
522	1,175	1,364	1,145	786	1,153
1,239	602	694	734	518	793
745	722	745	792	874	746
20	20	34	11	3	11
1,704	1,692	1,425	1,197	1,467	1,896
143,274	132,655	141,689	149,117	156,000	155,927
8,263	8,517	9,095	9,148	10,000	8,974
12,337	10,785	13,905	14,225	15,000	34,356
15,000	13,015	11,792	12,799	14,000	18,986
14,495	9,825	-	-	-	-
28,040	14,405	-	-	-	-
14,575	6,100	-	-	-	-
-	-	-	-	-	-
18	150	37	-	-	-
47	42	54	-	-	-
2,353	2,455	2,559	2,917	2,917	2,886
253	455	298	642	435	436
9,277	8,049	7,321	8,442	8,829	6,975

**Town of North Hempstead, New York**

Capital Asset Statistics by Function  
Last Ten Years

<u>Year Ended December 31,</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Function</b>					
General Government					
Town Hall and annex	3	3	3	3	3
Sanitation					
Transfer station	1	1	1	1	1
Annual tonnage processed	169,251	193,636	180,091	156,911	170,750
Highways and Streets					
Streets (miles)	275	275	275	275	275
Culture and recreation					
Parks acreage	838.5	838.5	838.5	838.5	838.5
Parks	49	49	49	49	49
Swimming pools	6	6	6	6	6
Beaches	2	2	2	2	2
Docks	2	2	2	2	2
Boat ramps	2	2	2	2	2
Golf courses (18 hole)	1	1	1	1	1
Golf courses (9 hole)	1	1	1	1	1
Driving range	1	1	1	1	1
Miniature golf course	1	1	1	1	1
Tennis courts	37	37	37	37	37
Community centers	4	4	4	4	4

Source: Various government departments

(1) Alvan Petrus Park opened in 2017 (1.5 acre property)

<b>2018</b>	<b>2017 (1)</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
3	3	3	3	3	3
1	1	1	1	1	1
178,874	1,664,972	176,481	185,289	195,000	222,773
275	275	275	275	275	275
838.5	838.5	837	837	837	837
49	49 #	48	48	48	48
6	6	6	6	6	6
2	2	2	2	2	2
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
37	37	37	37	37	37
4	4	4	4	4	4

**FEDERAL  
AWARDS**





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

**Independent Auditors' Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Town of North Hempstead, New York ("Town") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated September 27, 2024. Our report includes a reference to other auditors who audited the financial statements of the following discretely presented component units: Port Washington Garbage District, Glenwood Garbage District, Carle Place Garbage District, Roslyn Garbage District, Great Neck Water Pollution Control District, Belgrave Water Pollution Control District, Port Washington Water Pollution Control District, Albertson Water District, Garden City Park Water District, Port Washington Water District, Westbury Water District, Roslyn Water District, Carle Place Water District, Manhasset-Lakeville Water District, Manhasset Park District, Great Neck Park District, Port Washington Police District, Shelter Rock Public Library District, Town of North Hempstead Community Development Agency and Greater Port Washington Business Improvement District. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of Glenwood Garbage District, Carle Place Garbage District, Glenwood Water District, Garden City Park Water District, Port Washington Water District, Westbury Water District, Roslyn Water District, Carle Place Water District and Shelter Rock Public Library District were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with Glenwood Garbage District, Carle Place Garbage District, Glenwood Water District, Garden City Park Water District, Port Washington Water District, Westbury Water District, Roslyn Water District, Carle Place Water District and Shelter Rock Public Library District or that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York  
September 27, 2024



## **Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

### **Independent Auditors' Report**

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

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited the Town of North Hempstead, New York's ("Town") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2023. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

##### ***Emphasis of Matter***

As discussed in Note 2, the Town's basic financial statements include the operations of the Town of North Hempstead Community Development Agency ("Agency") as part of the aggregate discretely presented component units, which expended \$1,383,380 in federal awards which is not included in the Schedule of Expenditures of Federal Awards for the year ended December 31, 2023. Our audit, described below, did not include the operations of these funds because their compliance audit is being issued under a separate cover by the Agency. Our opinion is not modified with respect to this matter.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**  
Harrison, New York  
September 27, 2024

**Town of North Hempstead, New York**

Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2023

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided to Subrecipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of the Interior</u>				
Indirect Program - Passed Through New York State Environmental Facilities Corporation				
Clean Vessel Act	15.616	CVAP	\$ -	\$ 60,000
Total U.S. Department of the Interior			-	60,000
<u>U.S. Department of Transportation</u>				
<i>Transit Services Program Cluster</i>				
Indirect Program - Passed Through New York State Department of Transportation				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	C0005845	-	529,796
Total U.S. Department of Transportation			-	529,796
<u>U.S. Environmental Protection Agency</u>				
Direct Program				
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	N/A	-	22,953
Total U.S. Environmental Protection Agency			-	22,953
<u>U.S. Department of Homeland Security</u>				
Indirect Program - Passed Through New York State Division of Homeland Security and Emergency Services				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4085-DR-NY	-	294,530
Total U.S. Department of Homeland Security			-	294,530
Total Expenditures of Federal Awards			\$ -	\$ 907,279

N/A - Information not available.

The accompanying notes are an integral part of this schedule.

## Town of North Hempstead, New York

Notes to Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2023

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### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the Town of North Hempstead, New York ("Town") under programs of the federal government for the year ended December 31, 2023. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town.

### **Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

The financial statements include \$1,383,380 of federal award activity that is attributable to the Town of North Hempstead Community Development Agency (a discretely presented component unit of the Town of North Hempstead, New York). The audit of compliance in accordance with the Uniform Guidance will be issued separately by the Agency.

### **Note 3 - Indirect Cost Rate**

The Town has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Town of North Hempstead, New York**

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2023

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**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of report the auditor issued on whether  
the financial statements audited were  
prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

Yes     No  
 Yes     None reported

Noncompliance material to financial  
statements noted?

Yes     No

**Federal Awards**

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

Yes     No  
 Yes     None reported

Type of auditors' report issued on compliance  
for major federal programs

Unmodified

Any audit findings disclosed that are  
required to be reported in accordance  
with 2 CFR 200.516(a)?

Yes     No

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities

Dollar threshold used to distinguish  
between Type A and Type B programs

\$750,000

Auditee qualified as low-risk auditee?

Yes     No



**Town of North Hempstead, New York**

Schedule of Findings and Questioned Costs (Concluded)  
Year Ended December 31, 2023

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**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None