

**ELSMERE FIRE DISTRICT  
FINANCIAL REPORT  
DECEMBER 31, 2022**

# **ELSMERE FIRE DISTRICT**

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BUSINESS  
ADVISORS  
AND CPAS

## INDEPENDENT AUDITOR'S REPORT

Board of Fire Commissioners  
Elsmere Fire District

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

#### *Opinions*

We have audited the accompanying statutory financial statements of the Elsmere Fire District (the District) as of and for the year ended December 31, 2022, as presented in the Annual Financial Report Update Document, and the related notes to the statutory financial statements.

#### *Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the governmental fund financial statements present fairly, in all material respects, the governmental funds financial position of the Elsmere Fire District, as of December 31, 2022, and the changes in its governmental funds financial position for the year then ended, in accordance with the financial provisions as contained in *Government Auditing Standards*, issued by the Comptroller General of the United States on the basis of accounting described in Note 1.

#### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the governmental funds financial statements included in the statutory financial statements referred to in the first paragraph do not present fairly the governmental funds financial position of Elsmere Fire District, as of December 31, 2022, or the changes in the governmental funds financial position, or where applicable, its cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statutory Financial Statements section of our report. We are required to be independent of the Elsmere Fire District 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.

#### *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1, the governmental funds financial statements are prepared by the Elsmere Fire District on the basis of the financial reporting provisions in accordance with the regulatory basis of accounting prescribed and permitted by the Office of the New York State Comptroller, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to

comply with the requirements of the New York State Comptroller. The effects on the governmental funds financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

Management is responsible for the preparation and fair presentation of these statutory financial statements in accordance with the financial reporting practices prescribed or permitted by the Office of the New York State Comptroller. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statutory financial statements, management is required to evaluate whether there are conditions or events considered in the aggregate, that raise substantial doubt about the Elsmere Fire District's ability to continue as a going concern within one year after the date that the statutory financial statements are available to be issued.

### ***Basis of Accounting***

We draw attention to Note 1 of the statutory financial statements, which describes the basis of accounting. As described in Note 1 to the statutory financial statements, the statutory financial statements are prepared by the Elsmere Fire District in accordance with the financial reporting practices prescribed or permitted by the Office of the New York State Comptroller, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Office of the New York State Comptroller. As a result, the statutory financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

### ***Auditor's Responsibilities for the Audit of the Statutory Financial Statements***

Our objectives are to obtain reasonable assurance about whether the statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 statutory financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory 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 statutory 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 Elsmere Fire District'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 statutory financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Elsmere Fire District'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.

### ***Other Matters***

#### ***Other Information***

Our audit was conducted for the purpose of forming an opinion on the 2022 statutory financial statements included in the Annual Financial Report Update Document as a whole. The supplementary information included on pages 19 through 26 of the Annual Financial Report Update Document is presented for purposes of additional analysis and is not a required part of the 2022 statutory financial statements. The information on pages 19 through 23 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 statutory financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 statutory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 statutory financial statements or to the statutory financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2022 statutory financial statements as a whole. The information on pages 8, 9, and 24 through 26 has not been subjected to the auditing procedures applied in the audit of the 2022 statutory financial statements and the December 31, 2021 financial information included in the 2022 statutory financial statements also was not audited by us, and, accordingly, we do not express an opinion or provide any assurance thereon.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 13, 2023 on our consideration of the Elsmere Fire District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to solely 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 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 District's internal control over financial reporting and compliance.

### ***Restrictions on Use***

Our report is intended solely for the information and use of the Elsmere Fire District and the Office of the New York State Comptroller and is not intended to be, and should not be, used by anyone other than these specified parties.

*Mengel, Metzger, Bar & Co. LLP*

Latham, NY  
September 13, 2023

A3.

All Numbers in This Report  
Have Been Rounded To  
The Nearest Dollar

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

For The

FIRE DISTRICT of Elsmere

County of Albany

For the Fiscal Year Ended 12/31/2022

\*\*\*\*\*

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:

1. \*\*\*Every Municipal Corporation \*\*\* shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation \*\*\*

5. All reports shall be certified by the officer making the same and shall be filed with the Comptroller \*\*\* It shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report \*\*\*

State of NEW YORK  
Office of The State Comptroller  
Division of Local Government and School Accountability  
Albany, New York 12236

FIRE DISTRICT OF Elsmere

\*\*\* FINANCIAL SECTION \*\*\*

Financial Information for the following funds and account groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2021 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2022:

- (A) GENERAL
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2021 represent data filed by your government with OSC as reviewed and adjusted where necessary.

\*\*\* SUPPLEMENTAL SECTION \*\*\*

The Supplemental Section includes the following sections:

- 1) Statement of Indebtedness
- 2) Schedule of Time Deposits and Investments
- 3) Bank Reconciliation
- 4) Local Government Questionnaire
- 5) Schedule of Employee and Retiree Benefits
- 6) Schedule of Energy Costs and Consumption

All numbers in this report will be rounded to the nearest dollar.

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

Balance Sheet

Code Description	2021	EdpCode	2022
<b>Assets</b>			
Cash	161,428	A200	165,619
Petty Cash	49	A210	36
<b>TOTAL Cash</b>	<b>161,477</b>		<b>165,655</b>
Prepaid Expenses	58,497	A480	46,581
<b>TOTAL Prepaid Expenses</b>	<b>58,497</b>		<b>46,581</b>
Cash Special Reserves	600,624	A230	873,252
Service Award Program Assets	788,348	A461	714,238
<b>TOTAL Restricted Assets</b>	<b>1,388,972</b>		<b>1,587,490</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>1,608,946</b>		<b>1,799,726</b>



Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

Balance Sheet

Code Description	2021	EdpCode	2022
Accrued Liabilities	50,745	A601	36,601
<b>TOTAL Accrued Liabilities</b>	<b>50,745</b>		<b>36,601</b>
<b>TOTAL Liabilities</b>	<b>50,745</b>		<b>36,601</b>
<b>Fund Balance</b>			
Not in Spendable Form	58,497	A806	46,581
<b>TOTAL Nonspendable Fund Balance</b>	<b>58,497</b>		<b>46,581</b>
Capital Reserve	576,386	A878	862,599
Reserve For Repairs	24,238	A882	24,249
Restricted for Service Award Program	788,348	A895	714,238
<b>TOTAL Restricted Fund Balance</b>	<b>1,388,972</b>		<b>1,601,086</b>
Assigned Appropriated Fund Balance	57,909	A914	45,956
Assigned Unappropriated Fund Balance	52,823	A915	60,646
<b>TOTAL Assigned Fund Balance</b>	<b>110,732</b>		<b>106,602</b>
Unassigned Fund Balance		A917	8,856
<b>TOTAL Unassigned Fund Balance</b>	<b>0</b>		<b>8,856</b>
<b>TOTAL Fund Balance</b>	<b>1,558,201</b>		<b>1,763,125</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>1,608,946</b>		<b>1,799,726</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

Results of Operation

Code Description	2021	EdpCode	2022
<b>Revenues</b>			
Real Property Taxes	988,464	A1001	1,019,626
<b>TOTAL Real Property Taxes</b>	<b>988,464</b>		<b>1,019,626</b>
Interest And Earnings	48,806	A2401	-91,368
<b>TOTAL Use of Money And Property</b>	<b>48,806</b>		<b>-91,368</b>
Sales of Equipment	9,021	A2665	
<b>TOTAL Sale of Property And Compensation For Loss</b>	<b>9,021</b>		<b>0</b>
Unclassified (specify)	25	A2770	
<b>TOTAL Miscellaneous Local Sources</b>	<b>25</b>		<b>0</b>
<b>TOTAL Revenues</b>	<b>1,046,316</b>		<b>928,258</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>1,046,316</b>		<b>928,258</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

Results of Operation

Code Description	2021	EdpCode	2022
<b>Expenditures</b>			
Fire, Pers Serv	53,267	A34101	50,600
Fire, Equip & Cap Outlay	276,342	A34102	115,180
Fire, Contr Expend	334,753	A34104	376,613
<b>TOTAL Fire</b>	<b>664,362</b>		<b>542,393</b>
<b>TOTAL Public Safety</b>	<b>664,362</b>		<b>542,393</b>
Local Pension Fund, Empl Bnfts	76,701	A90258	51,894
Social Security, Employer Cont	4,075	A90308	3,871
Worker's Compensation, Empl Bnfts	789	A90408	508
<b>TOTAL Employee Benefits</b>	<b>81,565</b>		<b>56,273</b>
Debt Principal, Serial Bonds	86,830	A97106	87,529
<b>TOTAL Debt Principal</b>	<b>86,830</b>		<b>87,529</b>
Debt Interest, Serial Bonds	38,855	A97107	37,512
<b>TOTAL Debt Interest</b>	<b>38,855</b>		<b>37,512</b>
<b>TOTAL Expenditures</b>	<b>871,612</b>		<b>723,707</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>871,612</b>		<b>723,707</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

**Analysis of Changes in Fund Balance**

Code Description	2021	EdpCode	2022
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>1,354,200</b>	<b>A8021</b>	<b>1,558,201</b>
Prior Period Adj -Increase In Fund Balance	29,297	A8012	373
<b>Restated Fund Balance - Beg of Year</b>	<b>1,383,497</b>	<b>A8022</b>	<b>1,558,574</b>
ADD - REVENUES AND OTHER SOURCES	1,046,316		928,258
DEDUCT - EXPENDITURES AND OTHER USES	871,612		723,707
<b>Fund Balance - End of Year</b>	<b>1,558,201</b>	<b>A8029</b>	<b>1,763,125</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

Budget Summary

Code Description	2022	EdpCode	2023
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	1,019,626	A1049N	1,060,077
<b>TOTAL Estimated Revenues</b>	<b>1,019,626</b>		<b>1,060,077</b>
Appropriated Fund Balance	57,909	A599N	59,928
<b>TOTAL Estimated Other Sources</b>	<b>57,909</b>		<b>59,928</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>1,077,535</b>		<b>1,120,005</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(A) GENERAL

Budget Summary

Code Description	2022	EdpCode	2023
<b>Appropriations</b>			
App - Public Safety	350,244	A3999N	515,842
App - Employee Benefits	154,530	A9199N	152,114
App - Debt Service	160,665	A9899N	126,457
<b>TOTAL Appropriations</b>	<b>665,439</b>		<b>794,413</b>
App - Interfund Transfer	412,096	A9999N	325,592
<b>TOTAL Other Uses</b>	<b>412,096</b>		<b>325,592</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>1,077,535</b>		<b>1,120,005</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

Balance Sheet

Code Description	2021	EdpCode	2022
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Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

Balance Sheet

Code Description	2021	EdpCode	2022
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Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

Results of Operation

Code Description	2021	EdpCode	2022
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Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

Results of Operation

Code Description	2021	EdpCode	2022
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Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(H) CAPITAL PROJECTS

**Analysis of Changes in Fund Balance**

Code Description	2021	EdpCode	2022
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year		H8021	
Restated Fund Balance - Beg of Year		H8022	
Fund Balance - End of Year		H8029	

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2021	EdpCode	2022
<b>Assets</b>			
Buildings	3,964,607	K102	3,964,607
Machinery And Equipment	3,744,572	K104	3,804,505
<b>TOTAL Fixed Assets (net)</b>	<b>7,709,179</b>		<b>7,769,112</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>7,709,179</b>		<b>7,769,112</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2021	EdpCode	2022
<b>Liabilities, Deferred Inflows And Fund Balance</b>			
Total Non-Current Govt Assets	7,709,179	K159	7,769,112
<b>TOTAL Investments in Non-Current Government Assets</b>	<b>7,709,179</b>		<b>7,769,112</b>
<b>TOTAL Fund Balance</b>	<b>7,709,179</b>		<b>7,769,112</b>
<b>TOTAL</b>	<b>7,709,179</b>		<b>7,769,112</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2021	EdpCode	2022
<b>Assets</b>			
Total Non-Current Govt Liabilities	1,208,767	W129	1,121,238
<b>TOTAL Provision To Be Made In Future Budgets</b>	<b>1,208,767</b>		<b>1,121,238</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>1,208,767</b>		<b>1,121,238</b>

Elsmere FIRE DISTRICT  
Annual Update Document  
For the Fiscal Year Ending 2022

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2021	EdpCode	2022
<b>Liabilities, Deferred Inflows And Fund Balance</b>			
Bonds Payable	1,208,767	W628	1,121,238
<b>TOTAL Bond And Long Term Liabilities</b>	<b>1,208,767</b>		<b>1,121,238</b>
<b>TOTAL Liabilities</b>	<b>1,208,767</b>		<b>1,121,238</b>
<b>TOTAL Liabilities</b>	<b>1,208,767</b>		<b>1,121,238</b>

**Elsmere FIRE DISTRICT**  
**Statement of Indebtedness**  
**For the Fiscal Year Ending 2022**

8/15/2023

County of: Albany

Municipal Code: 011107103000

First Year	Debt Code	Description	Cops Flag	Comp Flag	Date of Issue	Date of Maturity	Int. Rate	Var?	Amt. Orig. Issued	O/S Beg. of Year	Paid Dur. Year	Redeemed Bond Proc.	Prior Yr. Adjust.	Accreted Interest	O/S End of Year
2018	BOND N	BUILDING CONSTRUCTION			05/31/2018	06/15/2038	3.116%		\$1,300,000	\$1,141,767	\$54,529	\$0	\$0		\$1,087,238
2020	BOND N	SCBA			01/21/2020	01/21/2023	1.30%	Y	\$100,000	\$67,000	\$33,000	\$0	\$0		\$34,000
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year									\$0	\$1,208,767	\$87,529	\$0	\$0	\$0	\$1,121,238
AFR Year Total for All Debt Types - Sums Issued Amts only made in AFR Year									\$0	\$1,208,767	\$87,529	\$0	\$0	\$0	\$1,121,238



Elsmere FIRE DISTRICT  
Schedule of Time Deposits and Investments  
For the Fiscal Year Ending 2022

	<u>EDP Code</u>	<u>Amount</u>
<b>CASH:</b>		
On Hand	9Z2001	\$36.00
Demand Deposits	9Z2011	\$1,038,871.00
Time Deposits	9Z2021	\$0.00
Total		<u>\$1,038,907.00</u>
<b>COLLATERAL:</b>		
- FDIC Insurance	9Z2014	\$250,000.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	\$788,907.00
Total		<u>\$1,038,907.00</u>
<b>INVESTMENTS:</b>		
- Securities (450)		
Book Value (cost)	9Z4501	<u>                    </u>
Market Value at Balance Sheet Date	9Z4502	<u>                    </u>
Collateralized with securities held in possession of municipality or its agent	9Z4504A	<u>                    </u>
- Repurchase Agreements (451)		
Book Value (cost)	9Z4511	<u>                    </u>
Market Value at Balance Sheet Date	9Z4512	<u>                    </u>
Collateralized with securities held in possession of municipality or its agent	9Z4514A	<u>                    </u>

Elsmere FIRE DISTRICT  
Bank Reconciliation  
For the Fiscal Year Ending 2022

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
*****-0091	\$11,369	\$0	\$6,896	\$4,473
*****-0109	\$161,147	\$0	\$0	\$161,147
*****-0117	\$219,848	\$0	\$0	\$219,848
*****-0133	\$629,155	\$0	\$0	\$629,155
*****-0190	\$24,249	\$0	\$0	\$24,249
Total Adjusted Bank Balance				\$1,038,872
Petty Cash				\$35.75
Adjustments				\$0.00
Total Cash			9ZCASH *	\$1,038,907
Total Cash Balance All Funds			9ZCASHB *	\$1,038,907
* Must be equal				

Elsmere FIRE DISTRICT  
Fire District Questionnaire  
For the Fiscal Year Ending 2022

	Response
1) Has your district adopted a written procurement policy and is it complied with?	Y
2) Has your district contracted to have an independent audit of its financial statements?	Y
If not, has the Board of Fire Commissioners performed an internal audit of the Treasurer's records and reports?	N
3) Does your district have a written travel policy and is it complied with?	Y
4) Are monthly bank reconciliations performed?	Y
5) What is your district's statutory spending limitation margin (amount) for the next fiscal	\$618,093
6) Does your district have a Length of Service Award Program (LOSAP) for volunteer firefighters?	
If so, how are the LOSAP funds invested?	
Marketable Securities	Y
Annuities	Y
Life Insurance	N
Other (describe)	
7) Has your Fire District adopted an investment policy as required by General Municipal Law, Section 39?	Y

Elsmere FIRE DISTRICT  
Employee and Retiree Benefits  
For the Fiscal Year Ending 2022

<b>Total Full Time Employees:</b>					
<b>Total Part Time Employees:</b>		7			
<b>Account Code</b>	<b>Description</b>	<b>Total Expenditures (All Funds)</b>	<b># of Full Time Employees</b>	<b># of Part Time Employees</b>	<b># of Retirees</b>
90108	State Retirement System				
90158	Police and Fire Retirement				
90258	Local Pension Fund	\$51,894.00		70	19
90308	Social Security	\$3,871.00		7	
90408	Worker's Compensation Insurance	\$508.00		7	
90458	Life Insurance				
90508	Unemployment Insurance				
90558	Disability Insurance				
90608	Hospital and Medical (Dental) Insurance				
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits				
<b>Total</b>		<b>\$56,273.00</b>			
Computed Total From Financial Section (comparative purposes only)		<b>\$56,273.00</b>			

Elsmere FIRE DISTRICT  
Energy Costs and Consumption  
For the Fiscal Year Ending 2022

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	\$4,324	1,219	gallons	
Diesel Fuel	\$5,076	1,231	gallons	
Fuel Oil	\$		gallons	
Natural Gas	\$6,343	6,282	cubic feet	ccf
Electricity	\$22,780	120,890	kilowatt-hours	kwh
Coal	\$		tons	
Propane	\$		gallons	

## FIRE DISTRICT DEMOGRAPHICS

### Postal or Mailing Address:

15 WEST POPLAR DRIVE	DELMAR	NY	12054
Street Address or PO Box	City	State	Zip
(518) 439-9144	(518) 439-0454		
Fire District Telephone Number	Fire District Fax Number		
COMMISSIONERS@ELSMEREFIRE.ORG	WWW.ELSMEREFIRE.COM		
Official Email Address	Website		
Physical Address: (If Different From Postal Address)			
Street Address	City	State	Zip

## BOARD DEMOGRAPHICS

### CHIEF FISCAL OFFICER

GEORGE KAUFMAN	ADMIN SEC/TREASURER		
Name	Title		
15 WEST POPLAR DRIVE	DELMAR	NY	12054
Street Address or PO Box	City	State	Zip
(518) 439-9144	(518) 439-0454		
Telephone Number	Fax Number		
	12/31/2022		
Email Address	Term End Date		

### CHAIRMAN OF THE BOARD

RICHARD WEBSTER	CHAIRMAN		
Name	Title		
15 WEST POPLAR DRIVE	DELMAR	NY	12054
Street Address or PO Box	City	State	Zip
(518)439-9144	(518)439-0454		
Telephone Number	Fax Number		
	12/31/2022		
Email Address	Term End Date		

I, GEORGE KAUFMAN hereby certify that I am the Chief Fiscal Officer of the DISTRICT OF ELSMERE, NEW YORK, and that the information provided in the annual financial report of the DISTRICT OF ELSMERE, NEW YORK, for the fiscal year ended 12/31/2022, is true and correct to the best of my knowledge and belief. By entering the personal identification number assigned by the Office of the State Comptroller to me as the Chief Fiscal Officer of the DISTRICT OF ELSMERE, NEW YORK, and adopted by me as my signature for use in conjunction with the filing of the DISTRICT OF ELSMERE, NEW YORK's annual financial report, I am evidencing my express intent to authenticate my certification of the DISTRICT OF ELSMERE, NEW YORK's annual financial report report for the fiscal year ended 12/31/2022 and filed by means of electronic data transmission.

KENNETH A SPEANBURG JR	*****	04/27/2023
Name of Report Preparer if different than Chief Fiscal Officer	Personal Identification Number of Chief Fiscal Officer	Date

Elsmere FIRE DISTRICT  
Financial Comments  
For the Fiscal Year Ending 2022

(A) GENERAL

Adjustment Reason

Account Code A8012 CHECK#17503 FOR \$373.33 VOID AFTER PREPARATION OF ORIGINAL 2021 AFRUD

**ELSMERE FIRE DISTRICT  
NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
DECEMBER 31, 2022**

**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

***Nature of Organization***

The Elsmere Fire District (the District) was formed in 1928 to provide fire protection service to the residents of Elsmere. The District was established by the Town of Bethlehem in accordance with New York State Law, and as such, is a political subdivision of the State of New York and therefore exempt from income and other taxes. The District is funded primarily by tax revenue assessed by the Town of Bethlehem.

***Financial Reporting Entity***

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

***Basis of Accounting***

The financial statements of the District have been prepared using accounting practices set forth in the Uniform System of Accounts (USA) prescribed and permitted by the New York State Office of the State Comptroller (OSC), which differs from accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The financial statements of the District have been prepared using the modified accrual basis of accounting. This method differs from GAAP, which requires the accrual basis of accounting to be used. Under the modified accrual basis of accounting, revenues are recognized when measurable and available and expenditures are recorded when the related fund liability is incurred. The District considers all revenues reported to be available if the revenues are expected to be collected within one year after the end of the fiscal year.

Expenditures are recorded when a liability is incurred except that:

- a. Expenditures for inventory-type items are recognized at the time of purchase.
- b. Principal and interest on indebtedness are recognized as expenditures when payment is due.
- c. Compensated absences, such as vacation and sick leave which vests or accumulates, are charged as expenditures when payment is due.
- d. Other post-employment benefits are charged as expenditures when payment is due.

***Fund Accounting***

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

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

The District records its transactions in the fund types described below.



**ELSMERE FIRE DISTRICT  
NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
DECEMBER 31, 2022**

**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

***Fund Categories***

Governmental Funds - Governmental funds are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon the determination of financial position and changes in financial position (the sources, uses, and balances of current financial resources). The following are the District's governmental fund types.

General Fund - the principal operating fund and includes all operations not accounted for and reported in another fund.

***Land, Buildings, Machinery, and Equipment***

Certain land, buildings, machinery, and equipment are included in the statutory financial statements at estimated historical cost based on an independent valuation. The valuation integrated all fixed assets under the District's control including assets acquired by the Fire Company. No depreciation is taken on buildings, machinery, and equipment.

***Estimates***

The preparation of the statutory financial statements in conformity with the modified accrual basis of accounting requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statutory financial statements and the reported revenues and expenses during the reporting period.

***Equity Classifications***

The District complies with Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). GASB 54 requires the classification of fund balance to focus on the constraints imposed on resources in governmental funds.

Fund balance is broken down into five different classifications: nonspendable, restricted, committed, assigned, and unassigned.

**Nonspendable** - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes prepaid operating expenses in the amount of \$46,581.

**Restricted** - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of all other governments; or imposed by law through constitutional provisions or enabling legislation. The District has established the following restricted fund balances:

**ELSMERE FIRE DISTRICT**  
**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT**  
**DECEMBER 31, 2022**

**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

***Equity Classifications***

Reserve for Repairs

Used to account for budget appropriations that have been set aside in separate bank accounts by the District; to be used for repairs.

Capital Reserve

Used to account for budget appropriations that have been set aside in separate bank accounts by the District; to acquire property and equipment or to be used for repairs to buildings, machinery, and equipment.

Restricted fund balance includes the following:

General Fund:

Reserve for Repairs	\$ 24,249
Capital Reserve	862,599
Restricted for LOSAP	714,238
Total Restricted Funds	<u>\$ 1,601,086</u>

**Committed** - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority, i.e., the Board of Fire Commissioners. The District has no committed fund balance as of December 31, 2022.

**Assigned Appropriated** - Includes amounts that are constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. All encumbrances of the General Fund are classified as Assigned Fund Balance in the General Fund.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments of expenditures are recorded for budgetary control purposes in order to reserve applicable appropriations, is employed as a control in preventing over-expenditure of established appropriations.

Purpose of Encumbrances

General Fund	
General Support	<u>\$ 45,956</u>

**Assigned Unappropriated** - The portion of fund balance that the Board of Commissioners have established an intended use of moneys. The District's assigned unappropriated fund balance as of December 31, 2022 is \$60,646 in the General Fund.

**ELSMERE FIRE DISTRICT  
NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

***Equity Classifications***

**Unassigned** - Includes all other General Fund balances that do not meet the definition of the above four classifications and are deemed to be available for general use by the District. The District has unassigned fund balance as of December 31, 2022 of \$8,856.

When resources are available from multiple classifications, the District spends funds in the following order: restricted, committed, assigned, unassigned.

***Stewardship, Compliance, Accountability***

Budget Policies - The budget policies are as follows:

- a. No later than October 1, the budget officer submits a tentative budget to the Board of Fire Commissioners for the fiscal year commencing January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- b. After public hearings are conducted to obtain taxpayer comments, no later than November 4, the governing board adopts the budget.
- c. All modifications of the budget must be approved by the governing board.
- d. Budgets are adopted annually on a basis consistent with modified accrual accounting.
- e. Appropriations in all budgeted funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated in the subsequent year.

***Capital Assets***

Capital Assets, which include property, plant, equipment, and infrastructure assets, are reported in the Schedule of General Fixed Assets ((K) Fund). The District has a capitalization policy to capitalize all assets placed in service having a value of \$5,000 or more and an estimated useful life of two years or more. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

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

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

**ELSMERE FIRE DISTRICT  
NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
DECEMBER 31, 2022**

**1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

***Prepaid Items***

Payments to vendors for costs, such as rent and insurance that apply to future accounting periods are recorded as prepaid assets in the fund financial statements.

***Insurance***

The District assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired, or a liability has been incurred and the amount of loss can be reasonably estimated. The District has general liability and property insurance.

**2. CASH BALANCES**

Deposits are valued at cost or cost plus interest and are categorized as either (1) insured, or for which the securities are held by the District's agent in the District's name, (2) collateralized, and for which the securities are held by the pledging financial institution's trust department or agent in the District's name, or (3) uncollateralized. At December 31, 2022, all deposits were fully insured and collateralized by the District's agent in the District's name.

**3. LENGTH OF SERVICE AWARDS PROGRAM - LOSAP**

The District established a defined contribution LOSAP (Program) for the active volunteer firefighters of the Elsmere Fire District. The Program took effect on January 1, 2013. The Program was established pursuant to Article 11-A of the General Municipal Law. The Program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. Elsmere Fire District is the Sponsor of the Program. Effective January 1, 2020, the District has amended the Length of Service Awards Program. The changes lower the entitlement age from 65 to 60, allow for deferment of claiming under certain circumstances, increase the annual contribution to \$1,200 per year, and establish a "Standby" activity for the purposes of attaining activity points.

**Participation, Vesting, and Service Credit**

Active volunteer firefighters who have reached the age of 18 (eighteen) and who are active members of the Sponsor are eligible to participate in the Program. No member entering the Program may be disabled. Participants acquire a non-forfeitable right to a service award after being credited with 5 (five) years of firefighting service or upon attaining the program's entitlement age. The Program's entitlement age is age 60 (sixty). In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty 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 who was an active member at the time of the Program's inception may also receive credit for up to 5 (five) years of firefighting service rendered prior to the establishment of the program.

**ELSMERE FIRE DISTRICT  
NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT  
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**3. LENGTH OF SERVICE AWARDS PROGRAM - LOSAP**

**Benefits**

A participant's benefit under the Program is the amount resulting from the contributions made by the sponsor on behalf of the participant, plus interest and/or other earnings resulting from the investment of the contributions, less necessary administrative costs, forfeitures, and losses resulting from the investment of contributions. Contributions in the amount of \$1,200 are made on behalf of each participant who is credited with a year of firefighting service. The maximum number of years of firefighting service for which a participant may receive a contribution is forty years. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandatory disability and death benefits.

**Fiduciary Investment and Control**

Service credit is determined by the governing board of the Sponsor, based on information certified to the governing board by each fire company having members who participate in the Program. Each fire company must maintain all required records on forms prescribed by the governing board.

The governing board of the Sponsor has retained and designated Penflex, Inc. (the Administrator) to assist in the administration of the Program. The designated Program Administrator's functions include installation assistance to include (1) Specimen Adoption Agreement, (2) Specimen Master Plan, (3) Insurance Applications, (4) Participant Enrollment Forms, (5) Explanation of Benefits, and (6) Annual Benefit Certificates and Administrative Assistance to include (a) Annual Reminder Letter to Sponsor with Census for Current Anniversary Date, and (b) Annual Schedule of Benefits and Costs. Disbursement of Program assets for the payment of benefits or administrative expenses must be approved. The following is an explanation of the process for approving disbursements:

**Fiduciary Investment and Control**

**Payment of Benefits:**

1. When a payment becomes due to a program participant under the Program, the Board of Fire Commissioners as Trustee shall arrange for the delivery to the Custodian of a schedule that shall indicate the amounts payable in respect of such program participant (and his or her beneficiaries) and shall provide a formula or other instructions for determining amounts so payable, the form in which such amount shall be paid (as provided for or available under the Program) and the time of commencement for payment of such amounts. Except as otherwise provided in the Trust Document, the Custodian shall make payments to the program participants and their beneficiaries in accordance with such payment schedule.
2. The entitlement of a program participant or his or her beneficiaries to benefits under the program shall be determined by the Board or such party as it shall designate under the Program and any claim for such benefits shall be considered and reviewed under the procedures set out in the Program.

**ELSMERE FIRE DISTRICT**  
**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT**  
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**3. LENGTH OF SERVICE AWARDS PROGRAM - LOSAP**

**Fiduciary Investment and Control**

Payment of Benefits:

3. The Board shall direct payment of benefits directly to the program participants or their beneficiaries as they become due under the terms of the program. The Board shall notify the Custodian of any decision to make payment of benefits directly prior to the time amounts are payable to participants or their beneficiaries. In addition, if the principal of the Trust, and any earnings thereon, are not sufficient to make payments of the benefits in accordance with the terms of the Program, the Fire District shall make the balance of each such payment as it falls due. The Custodian shall notify the Board where principal and earnings are not sufficient.

Payment of Administrative Expenses:

1. Per the executed Service Fee Agreement, the Sponsor agrees to make payments as contracted.

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

Authority to invest Program assets, based on participant direction, is vested in the Lincoln Financial group. Subject to restrictions in the Program document, program assets are invested in accordance with a statutory “prudent person” rule.

**Program Financial Condition**

**Assets and Liabilities**

Assets Available for Benefits

Bonds	\$ 365,627
U.S. Equities	172,654
International Equities	77,377
Sector Equities	13,891
Allocation	17,489
Total Assets Available for Benefits	<u>647,038</u>
Less: Liabilities	<u>-</u>
Net Assets Available for Benefits	<u><u>\$ 647,038</u></u> *

**ELSMERE FIRE DISTRICT  
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**3. LENGTH OF SERVICE AWARDS PROGRAM - LOSAP**

**Receipts and Disbursements**

Plan Net Assets, beginning of year		\$ 717,548
Changes during the year:		
+ Contributions	\$ 69,670	
+ Investment income earned	17,547	
+/- Changes in fair market value of investments	(105,833)	
+/- Changes in investment income receivable	-	
- Benefits paid/payable	(51,894)	
- Investment fees	-	
Net change in Plan Net Assets		<u>(70,510)</u>
Plan Net Assets, end of year		<u><u>\$ 647,038</u></u> *

**Contributions**

Amount of sponsor's required contribution - 2022	\$ 67,200
Amount of sponsor's actual contribution - 2022	\$ 67,200

**Administration Fees**

Fees paid to administrative/actuarial services provider	\$ 2,875
Fees paid for investment management	\$ 8,410

\*The difference between the amount reported above and the amount reported as restricted for service award program is related to the District contribution which will be made in 2023.

**4. SERIAL BONDS**

The District 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 full faith and credit debt of the local government, are recorded in the Schedule of Non-Current Governmental Liabilities ((W) fund). The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

On May 31, 2018, the District issued \$1,300,000 of general obligation serial bonds secured by tax revenues of the District. The bonds carry interest rates of 1.1% to 4.8% and mature between 2020 and 2038. The proceeds of this bond issue were used to finance the costs of construction equipment additions for a new substation. The outstanding balance at December 31, 2022 was \$1,087,238. On January 24, 2020, the District issued \$100,000 of general obligation serial bonds secured by tax revenues of the District. The bonds carry interest rates of 1.3% to 2.0% and mature between 2020 and 2023. The proceeds of this bond issue were used to purchase forty (40) new self-contained breathing apparatus. The outstanding balance on December 31, 2022 was \$34,000.

**ELSMERE FIRE DISTRICT**  
**NOTES TO ANNUAL FINANCIAL REPORT UPDATE DOCUMENT**  
**DECEMBER 31, 2022**

**4. SERIAL BONDS**

The following is a summary of the maturing debt service requirements for the bonds:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 89,347	\$ 37,110	\$ 126,457
2024	56,288	35,489	91,777
2025	57,358	34,419	91,777
2026	58,562	33,215	91,777
2027	59,909	31,868	91,777
2028-2032	325,385	133,500	458,885
2033-2037	386,816	72,069	458,885
2038	87,573	4,203	91,776
Total	<u>\$ 1,121,238</u>	<u>\$ 381,873</u>	<u>\$ 1,503,111</u>

**5. CAPITAL ASSETS**

A summary of changes in capital assets follows:

	<u>2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>2022</u>
Buildings	\$ 3,964,607	\$ -	\$ -	\$ 3,964,607
Machinery and Equipment	<u>3,744,572</u>	<u>68,433</u>	<u>(8,500)</u>	<u>3,804,505</u>
Total Assets	<u>7,709,179</u>	<u>68,433</u>	<u>(8,500)</u>	<u>7,769,112</u>

**6. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through September 13, 2023, which is the date these statutory financial statements were available to be issued and have determined that there are no subsequent events that require disclosure or recording.





BUSINESS  
ADVISORS  
AND CPAS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF THE STATUTORY  
FINANCIAL STATEMENTS CONTAINED IN THE ANNUAL  
FINANCIAL REPORT UPDATE DOCUMENT PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Fire Commissioners  
Elsmere Fire District

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 statutory financial statements of the Elsmere Fire District (the District), as of and for the year ended December 31, 2022, and the related notes to the statutory financial statements, and have issued our report thereon dated September 13, 2023.

***Report on Internal Control Over Financial Reporting***

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

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

As part of obtaining reasonable assurance about whether the District's statutory financial statements are free of 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 statutory 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mengel, Metzger, Barw & Co. LLP*

Latham, NY  
September 13, 2023