

**TOWN OF GLENVILLE, NEW YORK**

**Financial Statements  
As of  
December 31, 2019  
Together with  
Independent Auditor's Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

# TOWN OF GLENVILLE, NEW YORK

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## **INDEPENDENT AUDITOR'S REPORT**

October 5, 2020

To the Town Board of  
Town of Glenville, New York:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Glenville, New York (the Town) as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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## INDEPENDENT AUDITOR'S REPORT

(Continued)

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town as of December 31, 2019 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Change in Accounting Principle**

As discussed in Note 3 to the financial statements, in 2019 the Town adopted Governmental Accounting Standards Board Statement No 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as it applies to accounting for capital assets. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of changes in total OPEB liability and related ratios, and schedules of contributions – pension plans and proportionate share of the net pension liability(asset) be presented to supplement the basic financial statements. Such information, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

#### *Other 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 nonmajor fund financial statements are presented for additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**TOWN OF GLENVILLE, NEW YORK****STATEMENT OF NET POSITION  
DECEMBER 31, 2019****ASSETS****CURRENT ASSETS:**

Cash and cash equivalents - unrestricted	\$ 6,427,199
Cash and cash equivalents - restricted	5,687,314
Accounts and loans receivable	506,758
Due from other governments	1,515,126
Due from fiduciary fund	2,000
Prepaid expenses	<u>337,369</u>
Total current assets	<u>14,475,766</u>

**NONCURRENT ASSETS:**

Capital assets	<u>33,955,537</u>
Total assets	<u>48,431,303</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred outflows of resources - ERS pension	676,308
Deferred outflows of resources - PFRS pension	1,101,498
Deferred outflows of resources - OPEB	<u>5,406,016</u>
Total deferred outflows of resources	<u>7,183,822</u>

**LIABILITIES****CURRENT LIABILITIES:**

Accounts payable	360,314
Accrued liabilities	241,085
Due to other governments	193,281
Bond anticipation note payable	3,792,500
Current portion of bonds payable	<u>992,393</u>
Total current liabilities	<u>5,579,573</u>

**LONG-TERM LIABILITIES:**

Long-term portion of bonds payable	8,184,777
Total OPEB liability	20,791,152
Net pension liability - ERS	710,020
Net pension liability - PFRS	1,116,349
Compensated absences	1,629,282
Landfill post-closure costs	<u>14,862</u>
Total long-term liabilities	<u>32,446,442</u>

**TOTAL LIABILITIES**38,026,015**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources - ERS pension	274,016
Deferred inflows of resources - PFRS pension	539,609
Deferred inflows - Other	<u>1,896</u>
Total deferred inflows of resources	<u>815,521</u>

**NET POSITION**

Net investment in capital assets	20,985,867
Restricted	5,687,314
Unrestricted	<u>(9,899,592)</u>
Total net position	<u>\$ 16,773,589</u>

# TOWN OF GLENVILLE, NEW YORK

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities -				
General governmental support	\$ 3,708,390	\$ 391,806	\$ -	\$ (3,316,584)
Public safety	4,854,724	177,066	3,042	(4,674,616)
Public health	2,868	15,880	-	13,012
Transportation	4,160,391	110,859	563,156	(3,486,376)
Economic assistance and opportunity	103,185	-	-	(103,185)
Culture and recreation	997,033	3,364	-	(793,669)
Home and community services	4,099,099	1,992,213	421,341	(1,435,545)
Interest on long-term debt	314,798	-	-	(314,798)
Total governmental activities	\$ 18,240,488	\$ 2,691,188	\$ 987,539	\$ (14,111,761)
GENERAL REVENUES:				
Real property taxes and real property tax items				9,274,987
Nonproperty tax items				3,134,456
Use of money and property				200,259
Sale of property and compensation for loss				61,324
Miscellaneous				1,010,228
State aid				570,539
Total general revenues				14,251,793
Change in net position				140,032
Net position - beginning of year, as previously stated				(3,471,640)
Prior period adjustment (Note 3)				20,105,197
Net position - beginning of year, as restated				16,633,557
Net position - end of year				\$ 16,773,589

The accompanying notes are an integral part of these statements.

TOWN OF GLENVILLE, NEW YORK

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	General Town-Wide	Major Funds					Non-Major Funds	Total
		General Town-Outside	Highway Part-Town	Water	Sewer	Capital Projects		
ASSETS								
Cash	\$ 1,083,864	\$ 990,234	\$ 141,437	\$ 1,311,219	\$ 1,011,196	\$ 1,038,467	\$ 850,782	\$ 6,427,199
Cash, restricted	573,257	727,498	1,775,492	851,716	1,759,351	-	-	5,687,314
Accounts receivable	25,216	216,510	5,543	218,099	41,390	-	-	506,758
Due from other governments	158,812	308,362	847,952	-	-	200,000	-	1,515,126
Due from other funds	12,117	12,811	22,747	-	-	-	-	47,675
Prepaid expenditures	55,095	206,118	46,459	25,601	4,096	-	-	337,369
Total assets	\$ 1,908,361	\$ 2,461,533	\$ 2,839,630	\$ 2,406,635	\$ 2,816,033	\$ 1,238,467	\$ 850,782	\$ 14,521,441
LIABILITIES								
Accounts payable and accrued liabilities	\$ 91,609	\$ 121,503	\$ 144,251	\$ 50,608	\$ 12,765	\$ 86,811	\$ 4,101	\$ 511,648
Due to other governments	-	3,896	-	-	189,385	-	-	193,281
Due to other funds	16,058	10,998	3,601	6,496	1,246	7,276	-	45,675
Bond anticipation notes payable	-	-	-	-	-	3,792,500	-	3,792,500
Total liabilities	107,667	136,397	147,852	57,104	203,396	3,886,587	4,101	4,543,104

(Continued)

The accompanying notes are an integral part of these statements.

TOWN OF GLENVILLE, NEW YORK

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2019  
(Continued)

	General Town-Wide	General Town-Outside	Highway Part-Town	Water	Sewer	Capital Projects	Non-Major Funds	Governmental Funds
Major Funds								
DEFERRED INFLOWS OF RESOURCES								
Unearned revenue	123,554	2,045	2,624	-	-	-	1,896	130,119
TOTAL DEFERRED INFLOWS OF RESOURCES	123,554	2,045	2,624	-	-	-	1,896	130,119
FUND BALANCE								
Non-spendable	55,095	206,118	46,459	25,601	4,096	-	-	337,369
Restricted								
Debt service	212,928	-	706,953	507,484	874,748	-	-	2,302,113
Employee benefits and accrued liabilities	-	100,895	-	-	-	-	-	100,895
Capital reserve	360,329	608,455	1,068,539	314,068	790,508	-	-	3,141,899
Repairs reserve	-	-	-	30,164	94,095	-	-	124,259
Asset forfeiture funds	-	18,148	-	-	-	-	-	18,148
Total restricted fund balance	573,257	727,498	1,775,492	851,716	1,759,351	-	-	5,687,314
Assigned								
Appropriated for subsequent year's expenditures	125,000	-	175,000	365,900	2,700	-	11,500	680,100
Operations of other governmental funds	-	1,389,475	692,203	1,106,314	846,490	-	833,285	4,867,767
Total assigned fund balance	125,000	1,389,475	867,203	1,472,214	849,190	-	844,785	5,547,867
Unassigned	923,788	-	-	-	-	(2,648,120)	-	(1,724,332)
TOTAL FUND BALANCE (DEFICIT)	1,677,140	2,323,091	2,689,154	2,349,531	2,612,637	(2,648,120)	844,785	9,848,218
Total liabilities, deferred inflows of resources, and fund balance (deficit)	\$ 1,908,361	\$ 2,461,533	\$ 2,839,630	\$ 2,406,635	\$ 2,816,033	\$ 1,238,467	\$ 850,782	\$ 14,521,441

The accompanying notes are an integral part of these statements.



## TOWN OF GLENNVILLE, NEW YORK

### RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2019

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Total fund balance - governmental funds	\$ 9,848,218
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	33,955,537
Pension related government-wide activity	
Deferred outflows of resources - ERS	676,308
Deferred outflows of resources - PFRS	1,101,498
Net pension liability - ERS	(710,020)
Net pension liability - PFRS	(1,116,349)
Deferred inflows of resources - ERS	(274,016)
Deferred inflows of resources - PFRS	(539,609)
Deferred outflow - OPEB	5,406,016
Revenue not received within 90-days of year-end is not recognized in the governmental funds but is recognized in the statement of activities	128,223
Bonds payable and other noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
OPEB liability	(20,791,152)
Bonds payable	(9,177,170)
Compensated absences	(1,629,282)
Landfill post-closure costs	(14,862)
Accrued interest on long-term debt is an expense in the funds when paid, but a liability in the statement of net position when incurred.	<u>(89,751)</u>
Total net position of governmental activities	<u>\$ 16,773,589</u>

The accompanying notes are an integral part of these statements.

**TOWN OF GLENVILLE, NEW YORK**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Major Funds					Capital Projects	Non-Major Funds	Total
	General Town-Wide	General Town-Outside	Highway Part-Town	Water	Sewer			
<b>REVENUE:</b>								
Real property taxes and tax items	\$ 2,477,344	\$ 3,333,901	\$ 1,470,814	\$ 608,553	\$ 852,119	\$ -	\$ 532,256	\$ 9,274,987
Nonproperty tax items	-	1,629,409	1,505,047	-	-	-	-	3,134,456
Departmental income	19,815	247,821	4,614	1,481,659	406,098	-	7,833	2,167,840
Intergovernmental charges	-	23,063	101,038	40,748	54,355	-	-	219,204
Use of money and property	95,135	38,328	17,717	25,925	20,368	65	2,721	200,259
Licenses and permits	43,648	17,040	8,210	-	-	-	-	68,898
Fines and forfeitures	234,593	653	-	-	-	-	-	235,246
Sale of property and compensation of loss	986	75,721	5,756	-	-	-	-	82,463
Miscellaneous local sources	256,336	108,978	93,993	23,760	7,764	3,123	-	493,954
Interfund revenues	357,529	12,051	146,694	-	-	-	-	516,274
State aid	571,142	12,801	840,155	-	-	450,000	225,000	2,099,098
Federal aid	-	-	-	-	-	-	411,582	411,582
<b>Total revenue</b>	<b>4,056,528</b>	<b>5,499,766</b>	<b>4,194,038</b>	<b>2,180,645</b>	<b>1,340,704</b>	<b>453,188</b>	<b>1,179,392</b>	<b>18,904,261</b>
<b>EXPENDITURES:</b>								
General governmental support	1,304,880	61,488	35,520	8,604	41,259	200	60	1,452,011
Public safety	853,671	3,057,547	-	-	-	-	461,981	4,373,199
Health	-	2,686	-	-	-	-	-	2,686
Transportation	238,856	-	2,928,946	-	-	402,683	38,018	3,608,503
Economic assistance and opportunity	89,633	-	-	-	-	-	-	89,633
Culture and recreation	440,902	1,000	-	-	-	-	-	441,902
Home and community services	3,713	379,442	-	-	-	276,836	55,140	773,878
Employee benefits	678,625	1,743,314	804,708	1,114,520	864,450	150,584	422,687	2,935,396
Debt service - principal	141,520	-	235,331	242,987	58,769	-	-	3,528,403
Debt service - interest	18,999	-	19,749	713,300	681,342	-	-	1,771,493
<b>Total expenditures</b>	<b>3,770,799</b>	<b>5,245,477</b>	<b>4,024,254</b>	<b>2,251,476</b>	<b>1,704,637</b>	<b>830,303</b>	<b>977,886</b>	<b>18,804,832</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>285,729</b>	<b>254,289</b>	<b>169,784</b>	<b>(70,831)</b>	<b>(363,933)</b>	<b>(377,115)</b>	<b>201,506</b>	<b>99,429</b>
<b>OTHER FINANCING SOURCES (USES):</b>								
BANs redeemed from appropriations	-	-	-	-	-	794,100	-	794,100
Transfers in	-	-	801	-	-	198,280	-	199,081
Transfers out	(144,500)	(4,400)	(26,380)	(23,000)	-	(801)	-	(199,081)
<b>Total other financing sources (uses)</b>	<b>(144,500)</b>	<b>(4,400)</b>	<b>(25,579)</b>	<b>(23,000)</b>	<b>-</b>	<b>991,579</b>	<b>-</b>	<b>794,100</b>
<b>CHANGE IN FUND BALANCE</b>	<b>141,229</b>	<b>249,889</b>	<b>144,205</b>	<b>(93,831)</b>	<b>(363,933)</b>	<b>614,464</b>	<b>201,506</b>	<b>893,529</b>
<b>FUND BALANCE (DEFICIT) - beginning of year</b>	<b>1,535,911</b>	<b>2,073,202</b>	<b>2,544,949</b>	<b>2,443,362</b>	<b>2,976,570</b>	<b>(3,262,584)</b>	<b>643,279</b>	<b>8,954,689</b>
<b>FUND BALANCE (DEFICIT) - end of year</b>	<b>\$ 1,677,140</b>	<b>\$ 2,323,091</b>	<b>\$ 2,689,154</b>	<b>\$ 2,349,531</b>	<b>\$ 2,612,637</b>	<b>\$ (2,648,120)</b>	<b>\$ 844,785</b>	<b>\$ 9,848,218</b>

The accompanying notes are an integral part of these statements.

## TOWN OF GLENVILLE, NEW YORK

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

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Net change in fund balances - governmental funds	\$ 893,529
Capital outlays, net of disposals, are expenditures in governmental funds, but are capitalized in the statement of net position, net of disposals	1,578,033
Depreciation is not recorded as an expenditure in the governmental funds but is recorded in the statement of activities	(1,724,967)
Pension expense resulting from the GASB 68 related pension reporting is not recorded as an expenditure in the government funds but is recorded in the statement of activities	(125,101)
Other postemployment expense resulting from GASB 75 related OPEB actuary reporting is not recorded as an expenditure in the governmental funds but is recorded in the statement of activities	(1,055,459)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position	1,771,493
BANs redeemed from appropriations are recorded as revenues in the governmental funds but are recorded as payments of liabilities in the statement of activities	(794,100)
Revenue not received within 90-days of year-end is not recognized in the governmental funds but is recognized in the statement of activities	(502,944)
Amortization of the landfill post-closure liability is recorded as an expenditure in the governmental funds, but is recorded as a decrease in the post-closure liability in the statement of net position	9,908
Certain expenses in the statement of activities do not require the expenditure of current resources and are, therefore not reported as changes to expenditures in the governmental funds:	
Accrued interest payable	(45,168)
Compensated absences	<u>134,808</u>
Change in net position of governmental activities	<u>\$ 140,032</u>

The accompanying notes are an integral part of these statements.

# TOWN OF GLENVILLE, NEW YORK

## STATEMENT OF FIDUCIARY NET POSITION DECEMBER 31, 2019

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	<u>Agency</u>
<b>ASSETS:</b>	
Cash	\$ 114,621
Cash - Restricted	<u>2,375</u>
Total assets	<u><u>\$ 116,996</u></u>
<b>LIABILITIES:</b>	
Agency liabilities	\$ 114,996
Due to governmental funds	<u>2,000</u>
Total liabilities	<u><u>\$ 116,996</u></u>

The accompanying notes are an integral part of these statements.

## **TOWN OF GLENVILLE, NEW YORK**

### **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2019**

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#### **NOTE 1 - ORGANIZATION**

##### **Organization**

The Town of Glenville, New York (Town) in Schenectady County, was incorporated in 1821. The Town is governed by its Charter, Town Law and other general laws of the State of New York, as well as various local laws and ordinances. The Town Board is the legislative body responsible for overall operations of the Town and consists of the Town Supervisor and four board members. The Town Supervisor serves as chief executive officer and chief fiscal officer.

The Town provides the following basic services to its residents: general government support, public safety, transportation, parks and recreation, sewer, water, lighting and highway maintenance.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Basis of Presentation**

The financial statements of the Town have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

##### **Financial Reporting Entity**

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

The decision to include a potential component unit in the Town's reporting entity is based on several criteria set forth by the GASB including legal standing, fiscal dependency, and financial accountability. A component unit is included in the Town's reporting entity if it is both fiscally dependent on the Town and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Based on the application of these criteria, the Town has determined that there are no component units to be included in the Town's reporting entity.

##### **Government-Wide Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the Town's services are classified as governmental activities.

In the government-wide statement of net position, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Town first uses restricted resources to finance qualifying activities.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Government-Wide Statements (Continued)**

The government-wide statement of activities reports both the gross and net cost of each of the Town's functions, i.e., public safety and transportation, etc. The functions are also supported by general government revenues (property, sales taxes, mortgage tax, state revenue sharing, and investment earnings, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (restricted purposes and agency). Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Town, these funds are not incorporated into the government-wide financial statements.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

### **Fund Financial Statements**

The Town uses funds to maintain its accounting records. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The fund statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The accounts of the Town are organized into funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenue, and expenditures. The various funds are summarized by type in the financial statements. Significant transactions between funds within a fund type have been eliminated. The fund types and account groups used by the Town are as follows:

**Governmental Funds** - Governmental funds are those major and non-major funds 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 determination of financial position and changes in financial position. The following are the Town's governmental fund types:

#### **Major Funds**

- **General Fund** - The General Fund is the primary operating fund of the Town. It includes all revenues and expenditures not required by law to be accounted for in other funds.
- **General Town Outside** - Used to account for transactions which by statute effect only those areas outside the boundaries of the Village located within the Town.
- **Highway Part-Town Fund** - used to account for taxes, revenues and expenditures for highway services only to those areas outside the boundaries of the Village located within the Town.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Fund Financial Statements (Continued)

#### Governmental Funds (Continued)

##### Major Funds (Continued)

- **Water** - used to account for taxes, user fees and other revenues to provide water services throughout the Town.
- **Sewer** - used to account for taxes, user fees, and other revenues to provide sewer services throughout the Town.
- **Capital Projects Fund** - used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

##### Non-major Funds

- **Special Grant Fund** – used principally to account for the use of federal monies received under the Community Development and other Department of Housing and Urban Development Funds.
- **Drainage Fund** - used to account for taxes, user fees and other revenues to provide drainage services throughout the Town.
- **Lighting Fund** - used to account for taxes, user fees and other revenues to provide lighting throughout the Town.
- **Park Fund** – used to account revenues and expenditures incurred to maintain park districts in the Town.
- **Recreation Fund** – Used to account for the revenue and expenditures for the operation and maintenance of recreation services throughout the Town.
- **Fire Protection Fund** – used to account for taxes and other revenues to provide fire protection services in one fire district in the Town.

**Fiduciary Funds** - Fiduciary funds are used to account for assets held by the Town as an agent for individuals, private organizations, other governmental units, and/or other funds. The Town's fiduciary funds are presented in the fiduciary fund financial statements. By definition these assets are being held for the benefit of a third party (other local governments, private parties, deferred compensation participants, etc.) and cannot be used to address activities or obligations of the government, accordingly, these funds are not incorporated into the government-wide statements. The Town utilizes one fiduciary fund:

- **Agency Fund** - is custodial in nature and does not present results of operations or have a measurement focus. This fund is used to account for assets that the Town holds for others in an agency capacity.

#### **Measurement Focus and Basis of Accounting**

Measurement focus refers to what is being measured, whereas basis of accounting refers to when revenues and expenditures are recognized. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Accrual basis of accounting**

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources focus means all assets and all liabilities associated with the operation (whether current or non-current) of the Town are included in the statement of net position and the statement of activities presents increases (revenues) and decreases (expenses) in total assets. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions in which the Town gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

### **Modified accrual basis of accounting**

The governmental funds are accounted for using the modified accrual basis with a current financial resources focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet.

Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when they are susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter, within 90 days, to be used to pay liabilities of the current period.

Expenditures are recorded when incurred except that:

- Expenditures for prepaid expenses and inventory-type items are recognized at the time of the disbursement.
- Principal and interest on indebtedness are not recognized as an expenditure until due and paid.
- Compensated absences, such as vacation and compensatory time which vests or accumulates, are charged as an expenditure when paid.

In applying the susceptible-to-accrual concept to state and federal aid, the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are generally reflected as revenues at the time of receipt.

Sales tax is recorded when it is susceptible to accrual. Fines and forfeitures and miscellaneous local source revenues are recorded when received in cash because they are generally not measurable until actually received. Inter-governmental revenues are accrued when their receipt occurs within 90 days of the end of the accounting period and such amounts relate to the current period. Departmental income, which consists principally of revenues generated from providing Town water and sewer services, are recorded annually when the meters are read and billings are generated.



## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Modified accrual basis of accounting (Continued)**

The Town reports unearned revenue revenues other than property taxes. Unearned revenues arise when potential revenue does not meet both of the measurable and available criteria for recognition in the current period. Unearned revenues also arise when the Town receives resources before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for unearned revenue is removed from the combining balance sheet and revenue is recognized.

### **Budgets**

General Budget Process - Prior to September 30 of each year, the Town Supervisor submits to the Town Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers' comments. No later than November 20, the budget is adopted by the Town Board. Any revisions to the budget are approved by the Town Board and are incorporated into the Town's modified budget.

Budgetary controls for certain special grants are established in accordance with the applicable grant agreements, which may cover a period other than the Town's fiscal year.

All budget modifications must be approved by the governing body.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgeting control purposes to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year-end are recorded as reservations of fund balances since the commitments do not constitute expenditures or liabilities. Open encumbrances, after review by the Town Council, are added to the subsequent year's budget to provide the modified budget presented in the combining financial statements. Expenditures for such commitments are recorded in the period in which the liability is incurred.

The budget is developed on the basis generally consistent with accounting principles generally accepted in the United States of America. The only significant difference is that the budget treats encumbrances as expenditures, whereas accounting principles generally accepted in the United States of America treat them as reservations of fund balances.

### **Real Property Taxes**

Town real property taxes are levied together with Schenectady County property taxes annually no later than January 1 and become a lien on January 1. Taxes for Schenectady County purposes are levied together with taxes for Town and special districts purposes as a single bill.

The Town is responsible for collecting Town and County taxes; however, the Town is authorized to satisfy its entire tax roll from the first taxes collected. The Town collects taxes from January 1 through April 30. The balance and subsequent collections are remitted to the County and the County is responsible for the collection of delinquent taxes.

### **Use of Estimates**

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

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Cash**

The Town's deposit policies are governed by State statutes. In addition, the Town has its own written investment policy. Town monies must be deposited in FDIC-insured commercial banks or trust companies located within New York State. The Town Comptroller is authorized to use demand accounts and certificates of deposits. Permissible investments include obligations of the United States Treasury and United States agencies, repurchase agreements, and obligations of New York State, or its localities.

All deposits shall be fully secured by insurance of the FDIC or collateralized by obligations of the United States, federal agencies and obligations of the State of New York or its local governments.

### **Accounts Receivable**

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. Generally accepted accounting principles require the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method. Receivables are stated at net realizable value. Town management has deemed the amounts to be fully collectible for the year ended December 31, 2019.

### **Prepaid Expenditures/Expenses**

Prepaid expenditures represent payments made by the Town for which benefits extend beyond year-end.

### **Interfund Transactions**

The operations of the Town include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. Permanent transfers of funds include the transfer of expenditures and revenues to provide other services.

The amounts reported on the balance sheet - governmental funds, fiduciary fund, and account groups for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the balance sheet - governmental funds, fiduciary fund, and account groups when it is the Town's practice to settle these amounts at a net balance based upon the right of legal offset.

### **Capital Assets**

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Donated assets are reported at estimated fair value on the date received.

The Town capitalizes all assets with a value greater than \$10,000 for land, buildings and improvements, machinery and equipment and infrastructure. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Fixed assets are depreciated using the straight-line method of depreciation over estimated lives of 5 to 40 years.

### **Compensated Absences**

Town employees are granted vacation, sick leave and earn compensatory absences in varying amounts. Vacation leave must be taken in the year earned unless approved by a supervisor. In most cases, upon separation of service, an employee with ten years or more of service is entitled to cash payment for accumulated sick leave and unused compensatory absences at various rates subject to certain maximum limitations. The cash payment of accumulated sick leave upon separation of service no longer applies for most employees hired after September 16, 2015.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Compensated Absences (Continued)**

The Town recognizes a liability for compensatory absences and additional salary-related items as the benefits are earned by the employees based on the rendering of past service and the probability that the employees will be compensated for the benefits through paid time off or some other means. This includes compensatory absences that were earned but not used during the current or prior periods and for which employees can receive compensation in a future period.

In addition, the Town recognizes a liability for vesting sick leave and additional salary-related items as employees earn benefits and to the extent it is probable that the Town will compensate the employees for the benefits through cash payments.

Payment of sick leave and compensatory absences recorded in the statement of net position 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 payment of sick leave and compensatory absences when such payment becomes due.

### **Deferred Outflows and Inflows of Resources**

In addition to assets and liabilities, the statement of net position will sometimes report a separate section for deferred outflows/inflows of resources. The separate financial statement element, deferred outflows of resources, represents a use of resources that applies to a future period and so will not be recognized as an outflow (expense/expenditure) until then. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

### **Fund Balance**

There are five allowable classifications of fund balance:

Non-spendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed - Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority, i.e., the Town Board. The Town has no committed fund balance at December 31, 2019.

Assigned - Includes amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned - Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the Town.

### **Order of Fund Balance Spending Policy**

The Town's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as assigned fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Net Position**

#### **Government-Wide Statements**

Equity is classified as net position and displayed in three components:

**Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

**Restricted net position** - consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of an other government; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted net position** - all other net position that does not meet the definition of restricted or net investment in capital assets.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Self-Insurance**

The Town participates in a public entity risk pool to cover losses under the Worker's Compensation Law. Other cities, towns, villages, fire districts, youth commissions and public benefit corporations can participate. Each participant is billed by the Plan for their share of the estimated costs for the ensuing year. Any deficiencies in the amount billed are added to the next year's bill.

In addition, the Town is self-insured for certain vehicle liability risks.

The Town is required to cover a portion of costs under Section 207-C of the General Municipal Law for police officers. Officers are entitled to their full pay when out on Workers Compensation leave. The Town is required to cover any amount of costs not reimbursed by Workers' Compensation.

The Town has no reported liability at December 31, 2019 for insured and uninsured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

#### **Landfill Post-Closure Costs**

Landfill post-closure costs represent the remaining estimated non-current portion of future landfill monitoring and maintenance costs at December 31, 2019. The estimated costs are amortized on a straight line basis through the year 2021, the anticipated conclusion of the post-closure monitoring requirements. Actual costs may vary due to inflation, changes in technology, or changes in regulations.

#### **Other Postemployment Benefits**

In addition to providing the retirement benefits described, the Town provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the Town and its employees. Substantially all of these employees may become eligible for these benefits if they reach normal retirement age while working in the Town. The Town pays a variable percentage of the cost of premiums to various insurance companies.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Retirement Benefits

#### Retirement Systems

The Town's employees participate in the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System.

#### Deferred Compensation Plan

Employees of the Town may elect to participate in the Town's Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement.

Under the terms of the amended Plan agreement, these monies are not subject to the claims of the Town's general creditors after they are paid to the Plan's Trustee.

## NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

During 2019, the Town adopted GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Accordingly, prior period adjustment to properly record capital assets, including infrastructure assets, in the government-wide statement of net position net of accumulated depreciation was recorded. As a result, beginning capital assets, net of accumulated depreciation, and beginning net position were adjusted as noted in the following table:

	<u>Capital Assets</u>	<u>Net Position</u>
Balance at December 31, 2018, as previously reported	\$ 13,997,274	\$ (3,471,640)
Restatement of beginning balance - Adoption of of GASB Statement 34 - Increase to capital assets	<u>20,105,197</u>	<u>20,105,197</u>
Balance at December 31, 2018, as restated	<u>\$ 34,102,471</u>	<u>\$ 16,633,557</u>

## NOTE 4 — CASH

Deposits are exposed to custodial credit risk if they are not covered by depository insurance or collateral. At December 31, 2019, all of the Town's cash balances were either insured or collateralized with securities held by the pledging financial institutions' trust department, or through qualifying letters of credit issued by the Federal Home Loan Bank, in the Town's name, as follows:

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash, including agency fund	<u>\$ 12,534,795</u>	<u>\$ 12,229,543</u>
Collateralized with securities held by the pledging financial institution's trust department or agent in	\$ 2,612,573	
Irrevocable letter of credit issued by the Federal Home Loan Bank	9,025,352	
Covered by FDIC insurance	<u>896,870</u>	
Total	<u>\$ 12,534,795</u>	

**NOTE 4 – CASH (Continued)**

Restricted cash has its use limited by legal requirements. These assets represent amounts required by local or state statute to be restricted for various purposes. Restricted cash consisted of the following at December 31, 2019:

General Fund

Debt service	\$ 212,928
Capital reserve	360,329
	<u>573,257</u>

Other Governmental Funds

## General Town Outside:

Employee benefits and accrued liabilities	100,895
Capital reserve	608,455
Asset forfeiture funds	18,148
	<u>727,498</u>

## Highway:

Debt service	706,953
Capital reserve	1,068,539
	<u>1,775,492</u>

## Water:

Debt service	507,484
Capital reserve	314,068
Repairs reserve	30,164
	<u>851,716</u>

## Sewer:

Debt service	874,748
Capital reserve	790,508
Repairs reserve	94,095
	<u>1,759,351</u>

Total restricted cash	<u><u>\$ 5,687,314</u></u>
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## NOTE 5 — CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2019 is as follows:

	January 1, 2019 Balance (Restated)	Additions & Adjustments	Disposals & Adjustments	December 31, 2019 Balance
Capital assets that are not depreciated:				
Land	\$ 2,219,866	\$ 97,832	\$ -	\$ 2,317,698
Construction in progress	144,927	358,785	-	503,712
Total non-depreciable cost	<u>2,364,793</u>	<u>456,617</u>	<u>-</u>	<u>2,821,410</u>
Capital assets that are depreciated:				
Infrastructure	44,561,323	174,989		44,736,312
Buildings and improvements	2,388,146	10,275	-	2,398,421
Improvements other than buildings	935,008	248,977	-	1,183,985
Machinery and equipment	5,106,012	708,314	228,541	5,585,785
Total depreciable cost	<u>52,990,489</u>	<u>1,142,555</u>	<u>228,541</u>	<u>53,904,503</u>
Less accumulated depreciation:				
Infrastructure	15,743,545	1,114,055	-	16,857,600
Buildings and improvements	1,660,907	55,270	-	1,716,177
Improvements other than buildings	205,892	49,399	-	255,291
Machinery and equipment	3,642,467	506,243	207,402	3,941,308
Total accumulated depreciation	<u>21,252,811</u>	<u>1,724,967</u>	<u>207,402</u>	<u>22,770,376</u>
Total general capital assets	<u>\$ 34,102,471</u>	<u>\$ (125,795)</u>	<u>\$ 21,139</u>	<u>\$ 33,955,537</u>

Depreciation expense is allocated to specific functions as follows:

General governmental support	\$ 354,445
Public safety	432,516
Public health	200
Transportation	422,148
Economic assistance and opportunity	13,552
Culture and recreation	78,781
Home and community services	<u>423,325</u>
Depreciation expense	<u>\$ 1,724,967</u>

## NOTE 6 — BOND ANTICIPATION NOTES PAYABLE

Liabilities for bond anticipation notes (BANs) are accounted for in the capital projects fund. Debt service expenditures are recorded in the fund benefitting from the capital project financed by the note. State law required that BANs issued for capital purposes be paid off or converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable public improvement projects (e.g. water or sewer improvements) may be renewed for periods equivalent to the maximum life of the permanent financing, providing that stipulated annual reductions of principal are made.

Bond anticipation notes are comprised of the following at December 31, 2019:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN matured 03/22/2019 1.79%	\$ 394,600	\$ -	\$ 394,600	\$ -
BAN maturing 03/20/2020 2.23%	190,000	-	10,500	179,500
BAN maturing 03/20/2020 2.23%	139,000	-	89,000	50,000
BAN maturing 03/20/2020 2.23%	425,000	-	25,000	400,000
BAN maturing 03/20/2020 2.23%	874,500	-	31,500	843,000
BAN maturing 03/20/2020 2.23%	902,500	-	47,500	855,000
BAN maturing 03/20/2020 2.23%	75,000	-	35,000	40,000
BAN maturing 03/20/2020 2.23%	168,000	-	42,000	126,000
BAN maturing 03/20/2020 2.23%	88,000	-	44,000	44,000
BAN maturing 03/20/2020 2.23%	375,000	-	75,000	300,000
BAN maturing 03/20/2020 2.23%	-	245,000	-	245,000
BAN maturing 03/20/2020 2.23%	-	130,000	-	130,000
BAN maturing 03/20/2020 2.23%	-	580,000	-	580,000
	<u>\$ 3,631,600</u>	<u>\$ 955,000</u>	<u>\$ 794,100</u>	<u>\$ 3,792,500</u>

## NOTE 7 — LONG-TERM DEBT

The following is a summary of changes in long-term liabilities outstanding in the general long-term debt account group at December 31, 2019:

	Beginning Balance	Issued	Redeemed	Ending Balance	Due within One Year
Bonds payable	\$ 10,154,563	\$ -	\$ 977,393	\$ 9,177,170	\$ 992,393
Compensated absences (*)	1,764,090	-	134,808	1,629,282	-
Landfill closure/post closure costs	24,770	-	9,908	14,862	-
Other postemployment benefits	20,463,278	1,189,331	861,457	20,791,152	-
Net pension liability - ERS (*)	317,069	392,951	-	710,020	-
Net pension liability - PFRS (*)	685,868	430,481	-	1,116,349	-
Total long-term liabilities	<u>\$ 33,409,638</u>	<u>\$ 2,012,763</u>	<u>\$ 1,983,566</u>	<u>\$ 33,438,835</u>	<u>\$ 992,393</u>

(\*) Additions and deletions to compensated absences and net pension liability balances are shown net because it is impracticable to determine these amounts separately.



## NOTE 7 — LONG-TERM DEBT (Continued)

### Bonds Payable

The Town borrows money in order to construct infrastructure and perform improvements. This enables the cost of capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are secured by the full faith and credit of the Town, are recorded in the statement of net position.

The following is a summary of bonds outstanding at December 31, 2019:

<u>Bond Issue</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Balance</u>
Serial Bonds - Sewer Fund	2002	2031	0.8-4.9%	\$ 4,494,464	\$ 1,860,000
Statutory Installment Bonds - Sewer Excess	2007	2026	4.69%	386,667	142,456
Serial Bonds - Sewer Fund	2010	2036	0.00%	2,133,100	1,394,714
Serial Bonds - Refunding 2002 Serial Bonds	2012	2027	2.0-4.0%	3,375,000	1,650,000
Serial Bonds - Refunding 2005 Serial Bonds	2013	2026	2.0-3.0%	6,825,000	4,130,000
				<u>\$ 17,214,231</u>	<u>\$ 9,177,170</u>

The following is a summary of the maturity of bonds payable:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending December 31,			
2020	\$ 992,393	\$ 230,139	\$ 1,222,532
2021	1,012,393	208,673	1,221,066
2022	1,027,393	185,852	1,213,245
2023	1,052,393	160,472	1,212,865
2024	1,062,393	132,670	1,195,063
2025-2029	3,145,911	262,518	3,408,429
2030-2034	720,210	15,069	735,279
2035-2036	<u>164,084</u>	<u>-</u>	<u>164,084</u>
Totals	<u>\$ 9,177,170</u>	<u>\$ 1,195,393</u>	<u>\$ 10,372,563</u>

Interest on all debt for the year was composed of:

Interest paid - long-term debt	\$ 204,804
Interest paid - short-term debt	64,826
Less: Interest accrued in the prior year	(44,583)
Plus: Interest accrued in the current year	<u>89,751</u>
Total expense	<u>\$ 314,798</u>

## NOTE 8 — INTERFUND ACTIVITY

Interfund receivables and payables at December 31, 2019 were as follows:

	Interfund		Interfund	
	<u>Receivable</u>	<u>Payable</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund - town-wide	\$ 12,117	\$ 16,058	\$ -	\$ 144,500
General fund - town-outside	12,811	10,998	-	4,400
Highway part-town fund	22,747	3,601	801	26,380
Sewer fund	-	1,246	-	-
Water fund	-	6,496	-	23,000
Capital projects fund	-	7,276	198,280	801
Trust & agency	-	2,000	-	-
Total interfund activity	<u>\$ 47,675</u>	<u>\$ 47,675</u>	<u>\$ 199,081</u>	<u>\$ 199,081</u>

## NOTE 9 — SALES TAX

The Town is a beneficiary of a sales tax agreement with the County and City of Schenectady, effective December 1, 2012, for the period December 1, 2012 through November 30, 2020, wherein the County reauthorized a 3.0% countywide sales tax to be allocated and distributed as follows:

<u>Sales Tax Periods</u>	<u>City</u>	<u>Towns as a Unit</u>
December 1, 2012 – November 30, 2013	\$11,700,000	\$7,772,064
December 1, 2013 – November 30, 2020	same % as '12/'13	\$7,772,064 / year

Per the terms of the agreement, the Town of Glenville is scheduled to receive approximately \$1,790,000 per year for each of the years covered by this agreement. In addition, the Town also receives a portion of a 0.5% countywide sales tax imposed to fund the Schenectady Metroplex Development Authority. The Authority retains 70% of all monies collected through this source and distributes the other 30% to the towns and villages of Schenectady County. The towns and villages split this revenue proportionately based upon their populations as stated in the most recent federal decennial census. In 2019, the Town received \$967,837 from this sales tax source.

## NOTE 10 — TAX ABATEMENTS

All real property in New York is subject to taxation unless specific legal provisions grant it exempt status. Real property tax exemptions are granted on the basis of many different criteria, including the use to which the property is put, the owner's ability to pay taxes, the desire of the state and local governments to encourage certain economic or social activities, and other such considerations. Most exemptions are granted under Article 4 of the Real Property Tax Law, but others are authorized by a wide variety of statutes ranging from Article 18-A of the real property tax law, the Agriculture and Markets Law to the Transportation Law. Certain exemptions provide full relief from taxation (wholly exempt property) and others reduce the taxes which would otherwise be payable by varying degrees (partially exempt property). Some exemptions apply to taxes levied for District, city/town, and school purposes, whereas others pertain only to some of these purposes. Yet another difference involves the extent of local government autonomy: while some exemptions are mandated by state law, others are subject to local option and/or local determination of eligibility criteria.

#### **NOTE 10 — TAX ABATEMENTS (Continued)**

In 2019, the Town was subject to seven tax abatement agreements entered into by the Schenectady County Industrial Development Authority (IDA). These seven agreements resulted in Payment In Lieu of Taxes (PILOT) revenues of \$136,128 to the Town for the year ended December 31, 2019. Four of these agreements resulted in abated Town property taxes, net of PILOT payments received, of \$29,499 for the year ended December 31, 2019. The remaining three IDA agreements assign fixed assessed values to the affected properties which prevent the ability to calculate the abated Town property taxes.

In 2019, the Town was also subject to four tax abatement agreements entered into by the Schenectady Metroplex Development Authority. These four agreements resulted in PILOT revenues of \$31,218 to the Town for the year ended December 31, 2019. Two of these agreements resulted in abated Town property taxes, net of PILOT payments received, of \$39,505 for the year ended December 31, 2019. The remaining two Schenectady Metroplex Development Authority agreements assign fixed assessed values to the affected properties which prevent the ability to calculate the abated Town property taxes.

#### **NOTE 11 — DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources for the governmental funds at December 31, 2019 are as follows:

General Fund		
Mortgage Tax	\$	123,554
General Town-Outside		
Sales tax received in advance	\$	1,870
Employee contributions received in advance	\$	175
Highway Part-Town		
Sales tax received in advance	\$	2,624
Special Grant Fund		
HAP received in advance	\$	1,896

#### **NOTE 12 — PENSION PLANS**

##### **Plan Description**

The Town participates in the New York State and Local Employees' Retirement System (ERS), the New York State and Local Police and Fire Retirement System (PFRS) and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing multiple-employer retirement system. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller adopts and may amend rules and regulations for the administration and transaction of the business of the systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244 or on their website at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).

## NOTE 12 — PENSION PLANS (Continued)

### Funding Policies

Membership, benefits, and employer and employee obligations to contribute are described in the NYSRSSL using the tier concept. Pension legislation established tier membership by the date a member last joined the Retirement System. They are as follows:

- Tier 1 - Those persons who last became members of the System before July 1, 1973.
- Tier 2 - Those persons who last became members on or after July 1, 1973, but before July 27, 1976.
- Tier 3 - Generally those persons who are State correction officers who last became members on or after July 27, 1976, and all others who last became members on or after July 27, 1976, but before September 1, 1983.
- Tier 4 - Generally, except for correction officers, those persons who last became members on or after September 1, 1983.
- Tier 5 - Those persons who last became members of the System on or after January 1, 2010.
- Tier 6 - Those persons who last became members of the System on or after April 1, 2012.

### Contributions

The System is noncontributory for the employee who joined prior to July 27, 1976. For employees who joined the System after July 27, 1976, and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the System more than ten years are no longer required to contribute. For employees who joined after January 1, 2010 (ERS) or January 9, 2010 (PFRS), employees in the System generally contribute 3% of their salary throughout their active membership. Employees who join on or after April 1, 2012 will contribute 3% of their reportable salary. Beginning April 1, 2013, the contribution rate for Tier 6 members will vary based on each member's annual compensation varying between 3-6%. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly as used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

The Town is required to contribute at an actuarially determined rate. The required contribution for the current year and two preceding years were:

	ERS	PFRS
2019	\$ 411,567	\$ 552,218
2018	\$ 400,406	\$ 504,319
2017	\$ 407,017	\$ 502,459

The Town's contribution made to the Systems was equal to 100 percent of the contributions required for each year.

### Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At December 31, 2019, the Town reported a net pension liability of \$710,020 and \$1,116,349 for its proportionate share of the ERS and PFRS net pension liability, respectively. The net pension liability was measured as of March 31, 2019, and the total pension liability was determined by an actuarial valuation as of April 1, 2018. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plans relative to the projected contributions of all participating members, actuarially determined.

**NOTE 12 — PENSION PLANS (Continued)****Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

At December 31, 2019, the Town's proportionate shares were 0.0100210% and 0.0665657% for ERS and PFRS, respectively, which was an increase of .0001969% for ERS and a decrease of .0012912% for PFRS from the proportionate shares at December 31, 2018. At December 31, 2019, the Town recognized deferred outflows of resources and deferred inflows of resources from the following sources:

<u>ERS</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 139,818	\$ 47,662
Changes of Assumptions	178,470	-
Net difference between projected and actual earnings on pension plan investments	-	182,230
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	32,340	44,124
Contributions subsequent to the measurement date	325,680	-
Total	<u>\$ 676,308</u>	<u>\$ 274,016</u>

  

<u>PFRS</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 271,192	\$ 119,189
Changes of Assumptions	405,600	-
Net difference between projected and actual earnings on pension plan investments	-	223,577
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	2,240	196,843
Contributions subsequent to the measurement date	422,466	-
Total	<u>\$ 1,101,498</u>	<u>\$ 539,609</u>

For the year ended December 31, 2019, the Town recognized pension expense of \$428,152 and \$670,125 for ERS and PFRS, respectively.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense for ERS and PFRS, respectively:

<u>ERS</u>		<u>PFRS</u>	
Plan's Year Ending March 31:		Plan's Year Ending March 31:	
2020	\$ 118,774	2020	\$ 162,040
2021	(135,942)	2021	(92,270)
2022	(5,644)	2022	(41,088)
2023	99,423	2023	98,486
2024	-	2024	12,254
Thereafter	-	Thereafter	-
	<u>\$ 76,611</u>		<u>\$ 139,422</u>

## NOTE 12 — PENSION PLANS (Continued)

### Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

The Town recognized \$325,680 and \$422,466 for ERS and PFRS, respectively, as deferred outflows of resources related to pensions from contributions made subsequent to the measurement date of March 31, 2019, which will be recognized as a reduction of the net pension liability in the year ending December 31, 2020.

### Actuarial Assumptions

The total pension liability at March 31, 2019 was determined by using an actuarial valuation as of April 1, 2018, with the update procedures used to roll forward the total pension liability to March 31, 2019.

The actuarial valuation used the following actuarial assumptions for both ERS and PFRS:

Actuarial cost method:	Entry age normal
Inflation:	2.5%
Salary scale:	4.2% ERS, 5.0% PFRS, indexed by service
Projected COLAs:	1.3% annually
Decrement:	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015
Mortality improvement:	Society of Actuaries Scale MP-2014
Investment rate of return:	7.0% compounded annually, net of investment expenses

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic of real rates of return for each major asset class are summarized as of March 31, 2019 in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	36%	4.55%
International Equity	14%	6.35%
Private Equity	10%	7.50%
Real Estate	10%	5.55%
Absolute Return Strategies	2%	3.75%
Opportunistic Portfolio	3%	5.68%
Real Assets	3%	5.29%
Bonds & Mortgages	17%	1.31%
Cash	1%	-0.25%
Inflation-indexed Bonds	4%	1.25%
	<u>100.0%</u>	

## NOTE 12 — PENSION PLANS (Continued)

### Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

#### Discount Rate

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, 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% lower (6.0%) or 1% higher (8.0%) than the current rate:

#### ERS

##### Sensitivity of the Proportionate Share of the net Pension Liability (Asset) to the Discount Rate Assumption

	1 % Decrease (6.0%)	Current Rate (7.0%)	1% Increase (8.0%)
Proportionate share of net pension liability (asset)	\$ 3,104,323	\$ 710,020	\$ (1,301,363)

#### PFRS

##### Sensitivity of the Proportionate Share of the net Pension Liability (Asset) to the Discount Rate Assumption

	1 % Decrease (6.0%)	Current Rate (7.0%)	1% Increase (8.0%)
Proportionate share of net pension liability (asset)	\$ 4,034,317	\$ 1,116,349	\$ (1,320,494)

## NOTE 12 — PENSION PLANS (Continued)

### Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of March 31, 2019, were as follows:

	Pension Plan's Fiduciary Net Position	Town's Proportionate Share of Plan's Fiduciary Net Position	Town's Allocation Percentage as Determined by the Plan
<b>ERS</b>			
Total pension liability	\$ 189,803,429,000	\$ 19,020,202	0.0100210%
Net position	(182,718,124,000)	(18,310,181)	0.0100210%
Net pension liability (asset)	<u>\$ 7,085,305,000</u>	<u>\$ 710,020</u>	0.0100210%
Fiduciary net position as a percentage of total pension liability	96.27%	96.27%	
	Pension Plan's Fiduciary Net Position	Town's Proportionate Share of Plan's Fiduciary Net Position	Town's Allocation Percentage as Determined by the Plan
<b>PFRS</b>			
Total pension liability	\$ 34,128,100,000	\$ 22,717,609	0.0665657%
Net position	(32,451,037,000)	(21,601,260)	0.0665657%
Net pension liability (asset)	<u>\$ 1,677,063,000</u>	<u>\$ 1,116,349</u>	0.0665657%
Fiduciary net position as a percentage of total pension liability	95.09%	95.09%	

## NOTE 13 – TOTAL OTHER POSTEMPLOYMENT BENEFITS

### Plan Description

The Town administers its retiree health insurance plan (the Plan) as a single-employer defined benefit other postemployment benefit (OPEB) plan. The Plan provides for continuation of medical insurance benefits for certain qualifying retirees, who have reached the age of 55 and have a certain number of years of service, and their eligible dependents. The benefits, plan benefit levels, amendments, employee contributions and employer contributions are governed by the Town through its personnel manual and through labor negotiations. The Plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan. No assets are accumulated in a trust that meets all of the criteria in GASB 75, paragraph 4.

### Benefits Provided

The Town provides healthcare benefits for retirees and their dependents. Retirees are required to contribute between 0 - 20% of such costs, dependent on their date of hire. Depending on their date of hire, retirees are covered either for life or until becoming Medicare-eligible. Eligible dependents are covered while the retiree is covered (either lifetime or until Medicare eligibility) and are required to pay between 0 - 50% of costs.



## NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

### Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	61
Inactive employees or beneficiaries entitled to but not yet receiving benefits	-
Active employees	<u>70</u>
Total participants	<u><u>131</u></u>

### Total OPEB Liability

The Town's total OPEB liability of \$20,791,152 was measured as of January 1, 2019, and was determined by an actuarial valuation as of January 1, 2018.

### Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Cost Method	Entry Age Normal
Inflation	Pre-65 Year 1 - 10%; Post-65 Year 1 - 10%; Year 2 - 9.50%
Payroll Growth	2.00%
Discount Rate	3.44%
Healthcare Cost Trend Rates	9.5% for 2019, 9.00% for Year 2, decreasing annually to an ultimate rate of 5% for 2027.
Share of Benefit-Related Costs	The Town pays from 100% to 80% of the retirees medical benefits depending on the employee group. The Town pays from 100% to 50% of the cost of eligible spouses during the retiree's lifetime. The Town reimburses employees who retired before 2010 a portion of their out-of-pocket costs for prescription drug co-payments. The current annual amount of reimbursement is \$178.59.

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20-year general obligation AA municipal bond rate or higher as of January 1, 2018.

**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

Mortality rates were based on the RP-2000 Combined Healthy Participant Table Projected 10 Years using Projection Scale AA SOA RP-2014 Total Dataset Mortality with Scale MP-2017.

**Changes in the Total OPEB Liability**

Balance at December 31, 2018	\$ 20,463,278
Changes for the Year:	
Service cost	294,068
Interest cost	689,120
Changes of benefit terms	-
Differences between expected and actual experience	-
Assumption changes	206,143
Benefit payments	<u>(861,457)</u>
Balance at December 31, 2019	<u>\$ 20,791,152</u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.44%) or 1 percentage point higher (4.44%) than the current discount rate:

	1% Decrease (2.44%)	Current Discount (3.44%)	1% Increase (4.44%)
Total OPEB Liability	<u>\$ 21,446,086</u>	<u>\$ 20,791,152</u>	<u>\$ 19,974,992</u>

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease (8.50%)	Healthcare Baseline (9.50%)	1% Increase (10.50%)
Total OPEB Liability	<u>\$ 18,461,599</u>	<u>\$ 20,791,152</u>	<u>\$ 23,589,529</u>

## NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

For the year ended December 31, 2019, the Town recognized OPEB expense of \$1,911,816. At December 31, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Actual vs. expected experience	\$ 2,237,047	\$ -
Changes of assumptions	2,270,846	-
Benefit payments after measurement date	<u>898,123</u>	<u>-</u>
Total	<u>\$ 5,406,016</u>	<u>\$ -</u>

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

Fiscal year ending December 31:

2020	\$ 970,394
2021	970,394
2022	970,394
2023	970,394
2024	626,317
Thereafter	<u>-</u>
	<u>\$ 4,507,893</u>

## NOTE 14 — COMMITMENTS AND CONTINGENCIES

### Lawsuits

The Town has been named in several lawsuits arising in the ordinary course of the Town's operations. These claims and lawsuits, in the opinion of management, after considering all relevant facts, are either adequately covered by insurance or will not result in material judgments against the Town and, therefore, are not expected to have a material effect on the financial statements.

### Grant Programs

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

### Joint Venture

The Towns of Glenville, Niskayuna, Rotterdam, the City of Schenectady and the Village of Scotia, New York, jointly comprise the Intermunicipal Watershed Rules and Regulations Board. The venture operates under the terms of an agreement dated July 11, 1991. The agreement is for a period of five years with an option for renewal in increments of five-year periods. Separate financial statements are issued for the joint venture.

## **NOTE 14 — COMMITMENTS AND CONTINGENCIES (Continued)**

### **Labor Relations**

Town employees are represented by three bargaining units with the balance by Town rules and regulations. There are three bargaining unit contracts. One contract expires on December 31, 2021, while the other two expire on December 31, 2023.

## **NOTE 15 – SUBSEQUENT EVENTS**

The BAN outstanding as of December 31, 2019 matured on March 20, 2020. On the maturity date, \$802,500 in principal was paid and \$375,000 was converted to a 15-year statutory installment bond; the remaining BAN balance was renewed. The Town also received \$805,000 in additional BAN proceeds for the acquisition of highway equipment and major park improvements on the renewal date. As of the renewal date, the Town has one overall BAN outstanding in the amount of \$3,420,000.

The United States is presently in the midst of a national health emergency related to a virus, commonly known as novel coronavirus (COVID-19). On March 20, 2020, New York Governor Andrew Cuomo signed the New York State on PAUSE executive order. This executive order caused all non-essential businesses to close as of Sunday, March 22. Accordingly, many businesses such as restaurants/bars, retail stores and automobile dealers either were temporarily closed or had their operations reduced significantly. Many employees of these businesses lost their jobs either through layoffs or temporary furlough. The Town is following the Governor's guidance as to re-opening local businesses. It is uncertain when all local businesses will be able to operate without restriction. The economic effect on the Town's finances is unknown but is expected to be significant.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

TOWN OF GLENVILLE, NEW YORK

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL TOWN-WIDE FUND - (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
REVENUE:				
Real property taxes and tax items	\$ 2,473,318	\$ 2,473,318	\$ 2,477,344	\$ 4,026
Departmental income	18,100	18,100	19,815	1,715
Use of money and property	55,050	92,050	95,135	3,085
Licenses and permits	36,020	40,520	43,648	3,128
Fines and forfeitures	195,000	226,000	234,593	8,593
Sale of property and compensation for loss	320	320	986	666
Miscellaneous local sources	44,777	252,742	256,336	3,594
Interfund revenues	357,529	357,529	357,529	-
State aid	759,465	570,300	571,142	842
Total revenue	3,939,579	4,030,879	4,056,528	25,649
EXPENDITURES:				
General governmental support	1,357,744	1,385,244	1,304,880	80,364
Public safety	920,988	914,588	853,671	60,917
Transportation	296,300	237,300	238,856	(1,556)
Economic assistance and opportunity	44,700	96,700	89,633	7,067
Culture and recreation	500,898	548,498	440,902	107,596
Home and community services	3,600	6,600	3,713	2,887
Employee benefits	809,829	806,429	678,625	127,804
Debt service - principal	141,520	141,520	141,520	-
Debt service - interest	19,000	19,000	18,999	1
Total expenditures	4,094,579	4,155,879	3,770,799	385,080
Excess (deficiency) of revenue over expenditures	(155,000)	(125,000)	285,729	410,729
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	(30,000)	(144,500)	(114,500)
Total other financing sources (uses)	-	(30,000)	(144,500)	(114,500)
CHANGE IN FUND BALANCE	(155,000)	(155,000)	141,229	296,229
FUND BALANCE - beginning of year	1,535,911	1,535,911	1,535,911	-
FUND BALANCE - end of year	\$ 1,380,911	\$ 1,380,911	\$ 1,677,140	\$ 296,229

TOWN OF GLENVILLE, NEW YORK

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL TOWN-OUTSIDE FUND - (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
REVENUE:				
Real property taxes and tax items	\$ 3,328,477	\$ 3,328,477	\$ 3,333,901	\$ 5,424
Nonproperty tax items	1,570,315	1,570,315	1,629,409	59,094
Departmental income	185,000	247,200	247,821	621
Intergovernmental charges	16,000	16,000	23,063	7,063
Use of money and property	11,000	33,000	38,328	5,328
Licenses and permits	12,500	14,500	17,040	2,540
Fines and forfeitures	-	-	653	653
Sale of property and compensation for loss	3,000	67,700	75,721	8,021
Miscellaneous local sources	85,211	106,211	108,978	2,767
Interfund revenues	12,000	12,000	12,051	51
State aid	5,000	55,000	12,801	(42,199)
Total revenue	5,228,503	5,450,403	5,499,766	49,363
EXPENDITURES:				
General governmental support	197,700	98,600	61,488	37,112
Public safety	2,943,779	3,117,379	3,057,547	59,832
Health	4,300	4,300	2,686	1,614
Culture and recreation	1,000	1,000	1,000	-
Home and community services	289,559	430,759	379,442	51,317
Employee benefits	1,892,765	1,894,565	1,743,314	151,251
Total expenditures	5,329,103	5,546,603	5,245,477	301,126
Excess (deficiency) of revenue over expenditures	(100,600)	(96,200)	254,289	350,489
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	(4,400)	(4,400)	-
Total other financing sources (uses)	-	(4,400)	(4,400)	-
CHANGE IN FUND BALANCE	(100,600)	(100,600)	249,889	350,489
FUND BALANCE - beginning of year	2,073,202	2,073,202	2,073,202	-
FUND BALANCE - end of year	\$ 1,972,602	\$ 1,972,602	\$ 2,323,091	\$ 350,489

**TOWN OF GLENVILLE, NEW YORK**

**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
HIGHWAY PART-TOWN FUND - (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Final Budget Variance with Budgetary Actual</u>
REVENUE:				
Real property taxes and tax items	\$ 1,468,423	\$ 1,468,423	\$ 1,470,814	\$ 2,391
Nonproperty tax items	1,467,685	1,467,685	1,505,047	37,362
Departmental income	3,000	3,000	4,614	1,614
Intergovernmental charges	67,000	89,100	101,038	11,938
Use of money and property	9,000	17,500	17,717	217
Licenses and permits	2,200	8,200	8,210	10
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	17,000	11,000	5,756	(5,244)
Miscellaneous local sources	54,289	91,389	93,993	2,604
Interfund revenues	223,050	223,050	146,694	(76,356)
State aid	298,000	840,155	840,155	-
Total revenue	<u>3,609,647</u>	<u>4,219,502</u>	<u>4,194,038</u>	<u>(25,464)</u>
EXPENDITURES:				
General governmental support	107,700	35,500	35,520	(20)
Transportation	2,589,682	2,936,772	2,928,946	7,826
Employee benefits	992,183	985,983	804,708	181,275
Debt service - principal	235,331	235,331	235,331	-
Debt service - interest	19,751	19,751	19,749	2
Total expenditures	<u>3,944,647</u>	<u>4,213,337</u>	<u>4,024,254</u>	<u>189,083</u>
Excess (deficiency) of revenue over expenditures	<u>(335,000)</u>	<u>6,165</u>	<u>169,784</u>	<u>163,619</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	801	801
Transfers out	-	(307,049)	(26,380)	280,669
Total other financing sources (uses)	<u>-</u>	<u>(307,049)</u>	<u>(25,579)</u>	<u>281,470</u>
CHANGE IN FUND BALANCE	<u>(335,000)</u>	<u>(300,884)</u>	<u>144,205</u>	<u>445,089</u>
FUND BALANCE - beginning of year	<u>2,544,949</u>	<u>2,544,949</u>	<u>2,544,949</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 2,209,949</u>	<u>\$ 2,244,065</u>	<u>\$ 2,689,154</u>	<u>\$ 445,089</u>



**TOWN OF GLENVILLE, NEW YORK**

**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
WATER FUND - (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Final Budget Variance with Budgetary Actual</u>
REVENUE:				
Real property taxes and tax items	\$ 608,553	\$ 608,553	\$ 608,553	\$ -
Departmental income	1,393,000	1,438,500	1,481,659	43,159
Intergovernmental charges	40,748	40,748	40,748	-
Use of money and property	7,250	12,250	25,925	13,675
Sale of property and compensation for loss	5,200	5,200	-	(5,200)
Miscellaneous local sources	10,636	20,236	23,760	3,524
Interfund revenues	15,652	15,652	-	(15,652)
Total revenue	2,081,039	2,141,139	2,180,645	39,506
EXPENDITURES:				
General governmental support	58,700	9,100	8,604	496
Home and community services	1,311,405	1,398,105	1,114,520	283,585
Employee benefits	271,269	271,269	242,987	28,282
Debt service - principal	713,300	713,300	713,300	-
Debt service - interest	172,065	172,065	172,065	-
Total expenditures	2,526,739	2,563,839	2,251,476	312,363
Excess (deficiency) of revenue over expenditures	(445,700)	(422,700)	(70,831)	351,869
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	(23,000)	(23,000)	-
Total other financing sources (uses)	-	(23,000)	(23,000)	-
CHANGE IN FUND BALANCE	(445,700)	(445,700)	(93,831)	351,869
FUND BALANCE - beginning of year	2,443,362	2,443,362	2,443,362	-
FUND BALANCE - end of year	\$ 1,997,662	\$ 1,997,662	\$ 2,349,531	\$ 351,869

TOWN OF GLENVILLE, NEW YORK

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
SEWER FUND - (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
REVENUE:				
Real property taxes and tax items	\$ 852,117	\$ 852,117	\$ 852,119	\$ 2
Departmental income	365,000	405,600	406,098	498
Intergovernmental charges	54,682	54,682	54,355	(327)
Use of money and property	7,108	17,708	20,368	2,660
Sale of property and compensation for loss	-	-	-	-
Miscellaneous local sources	6,969	8,469	7,764	(705)
Interfund revenues	-	-	-	-
Total revenue	1,285,876	1,338,576	1,340,704	2,128
EXPENDITURES:				
General governmental support	30,820	44,020	41,259	2,761
Public safety	-	-	-	-
Transportation	-	-	-	-
Economic assistance and opportunity	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	929,594	969,094	864,450	104,644
Employee benefits	76,852	76,852	58,769	18,083
Debt service - principal	681,342	681,342	681,342	-
Debt service - interest	58,818	58,818	58,817	1
Total expenditures	1,777,426	1,830,126	1,704,637	125,489
Excess (deficiency) of revenue over expenditures	(491,550)	(491,550)	(363,933)	127,617
CHANGE IN FUND BALANCE	(491,550)	(491,550)	(363,933)	127,617
FUND BALANCE - beginning of year	2,976,570	2,976,570	2,976,570	-
FUND BALANCE - end of year	\$ 2,485,020	\$ 2,485,020	\$ 2,612,637	\$ 127,617

**TOWN OF GLENVILLE, NEW YORK**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019		2018	
Measurement date	January 1, 2019		January 1, 2018	
<b>Total other postemployment benefits (OPEB) liability</b>				
Service cost	\$	294,068	\$	288,302
Interest		689,120		680,117
Changes in benefit terms		-		-
Differences between expected and actual experience in the measurement of the total OPEB liability		206,143		146,670
Changes of assumptions or other inputs		-		-
Change in actuarial cost method		-		-
Benefit payments		(861,457)		(845,287)
Net change in in total OPEB liability		327,874		269,802
Total OPEB liability - beginning		20,463,278		20,193,476
Total OPEB liability - ending	\$	20,791,152	\$	20,463,278
Covered payroll	\$	4,362,726	\$	4,277,182
Total OPEB liability as a percentage of covered payroll		476.56%		478.43%

10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

**Notes to schedule:**

**Changes of assumptions:** Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

	2019	2018	2017
Discount rate	3.44%	3.44%	4.00%

**Plan Assets:** No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits.

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the plan administrator and plan members

**TOWN OF GLENVILLE, NEW YORK**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) - (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN</b>										
Proportion of the net pension liability (asset)	0.0100210%	0.0098241%	0.0098275%	0.0105425%	0.0133712%					
Proportionate share of the net pension liability (asset)	\$ 710.0	\$ 317.1	\$ 923.4	\$ 1,692.1	\$ 451.7					
Covered-employee payroll	\$ 3,049.0	\$ 2,839.2	\$ 2,814.0	\$ 2,706.4	\$ 2,817.3					
Proportionate share of the net pension liability (asset)	23.29%	11.17%	32.82%	62.52%	16.03%					
as a percentage of its covered-employee payroll	96.3%	98.2%	94.7%	90.7%	97.9%					
Plan fiduciary net position as a percentage of the total pension liability (asset)										
Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.										
<b>NEW YORK STATE LOCAL POLICE AND FIRE RETIREMENT SYSTEM PLAN</b>										
Last 10 Fiscal Years (Dollar amounts displayed in thousands)										
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Proportion of the net pension liability (asset)	0.0665657%	0.0678569%	0.0674512%	0.0702259%	0.0707230%					
Proportionate share of the net pension liability (asset)	\$ 1,116.3	\$ 685.9	\$ 1,398.0	\$ 2,079.2	\$ 194.7					
Covered-employee payroll	\$ 2,105.8	\$ 1,969.4	\$ 1,880.5	\$ 1,782.3	\$ 1,839.5					
Proportionate share of the net pension liability (asset)	53.01%	34.83%	74.34%	116.66%	10.58%					
as a percentage of its covered-employee payroll	95.1%	96.9%	93.5%	90.7%	97.9%					
Plan fiduciary net position as a percentage of the total pension liability (asset)										
Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.										

**TOWN OF GLENVILLE, NEW YORK**  
**SCHEDULE OF CONTRIBUTIONS - PENSION PLANS - (UNAUDITED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN</b>										
Contractually required contribution	\$ 411.6	\$ 400.4	\$ 407.0	\$ 397.9	\$ 372.4					
Contributions in relation to the contractually required contribution	411.6	400.4	407.0	397.9	372.4					
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -					
Covered-employee payroll	\$ 3,049	\$ 2,839	\$ 2,814	\$ 2,706	\$ 2,817					
Contributions as a percentage of covered-employee payroll	13.50%	14.10%	14.46%	14.70%	13.22%					

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>NEW YORK STATE LOCAL POLICE AND FIRE RETIREMENT SYSTEM PLAN</b>										
Contractually required contribution	\$ 552.2	\$ 504.3	\$ 502.5	\$ 487.7	\$ 516.0					
Contributions in relation to the contractually required contribution	552.2	504.3	502.5	487.7	516.0					
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -					
Covered-employee payroll	\$ 2,106	\$ 1,969	\$ 1,881	\$ 1,782	\$ 1,840					
Contributions as a percentage of covered-employee payroll	26.22%	25.61%	26.71%	27.36%	28.04%					

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

## **OTHER INFORMATION**

TOWN OF GLENVILLE, NEW YORK

SCHEDULE OF COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	Special Grant	Drainage	Lighting	Park	Recreation	Fire Protection	Total
ASSETS							
Cash	\$ 491,876	\$ 171,872	\$ 128,182	\$ 14,654	\$ 40,871	\$ 3,327	\$ 850,782
Due from other governments	-	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 491,876	\$ 171,872	\$ 128,182	\$ 14,654	\$ 40,871	\$ 3,327	\$ 850,782
LIABILITIES							
Accounts payable and accrued liabilities							
Due to other funds	\$ -	\$ 302	\$ 3,799	\$ -	\$ -	\$ -	\$ 4,101
TOTAL LIABILITIES	-	302	3,799	-	-	-	4,101
DEFERRED INFLOWS OF RESOURCES							
Unearned revenue	1,896	-	-	-	-	-	1,896
TOTAL DEFERRED INFLOWS OF RESOURCES	1,896	-	-	-	-	-	1,896
FUND BALANCE							
Assigned:							
Appropriated for ensuing year's budget	-	2,550	8,950	-	-	-	11,500
Operations of other governmental funds	489,980	169,020	115,433	14,654	40,871	3,327	833,285
	489,980	171,570	124,383	14,654	40,871	3,327	844,785
TOTAL FUND BALANCE	489,980	171,570	124,383	14,654	40,871	3,327	844,785
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 491,876	\$ 171,872	\$ 128,182	\$ 14,654	\$ 40,871	\$ 3,327	\$ 850,782

**TOWN OF GLENVILLE, NEW YORK**

**SCHEDULE OF COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Special Grant	Drainage	Lighting	Park	Recreation	Fire Protection	Total
<b>REVENUE:</b>							
Real property taxes and tax items	\$ -	\$ 26,626	\$ 40,652	\$ 2,628	\$ -	\$ 462,350	\$ 532,256
Departmental income	7,833	-	-	-	-	-	7,833
Use of money and property	1,508	533	433	44	123	80	2,721
State aid	-	-	-	-	225,000	-	225,000
Federal aid	411,582	-	-	-	-	-	411,582
Total revenue	<u>420,923</u>	<u>27,159</u>	<u>41,085</u>	<u>2,672</u>	<u>225,123</u>	<u>462,430</u>	<u>1,179,392</u>
<b>EXPENDITURES:</b>							
General governmental support	-	-	60	-	-	-	60
Public safety	-	-	-	-	-	461,981	461,981
Transportation	-	-	38,018	-	-	-	38,018
Culture and recreation	-	-	-	-	55,140	-	55,140
Home and community services	411,588	11,099	-	-	-	-	422,687
Total expenditures	<u>411,588</u>	<u>11,099</u>	<u>38,078</u>	<u>-</u>	<u>55,140</u>	<u>461,981</u>	<u>977,886</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	9,335	16,060	3,007	2,672	169,983	449	201,506
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>480,645</u>	<u>155,510</u>	<u>121,376</u>	<u>11,982</u>	<u>(129,112)</u>	<u>2,878</u>	<u>643,279</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 489,980</u>	<u>\$ 171,570</u>	<u>\$ 124,383</u>	<u>\$ 14,654</u>	<u>\$ 40,871</u>	<u>\$ 3,327</u>	<u>\$ 844,785</u>

The accompanying notes are integral part of these schedules.