

**TOWN OF GLENVILLE, NEW YORK**

**Statutory Financial Statements  
As of  
December 31, 2013  
Together with  
Independent Auditor's Report**

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

# TOWN OF GLENVILLE, NEW YORK

## TABLE OF CONTENTS DECEMBER 31, 2013

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INDEPENDENT AUDITOR'S REPORT.....	1-2
STATUTORY FINANCIAL STATEMENTS:	
Balance sheet – Governmental funds, fiduciary fund, and account groups.....	3
Statement of revenue, expenditures and changes in fund balance – governmental funds.....	4
Notes to financial statements.....	5-21
SUPPLEMENTARY INFORMATION	
Statement of revenue, expenditures, and changes in fund balance – budget and actual – General town-wide fund.....	22
Combining balance sheet – special revenue funds.....	23
Combining statement of revenue, expenditures, and changes in fund balance – Special revenue funds.....	24

## **INDEPENDENT AUDITOR'S REPORT**

June 24, 2014

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

### **Report on Financial Statements**

We have audited the accompanying financial statements of the Town of Glenville, New York (Town), which comprise the balance sheet – governmental funds, fiduciary fund, and account groups – statutory basis, and the statement of revenue, expenditures and changes in fund balance – governmental funds – statutory basis as of and for the year ended December 31, 2013, and the related notes to the financial statements which collectively comprise the statutory financial statements 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 the statutory basis as described in Note 1; this includes determining that the statutory basis of accounting is an acceptable basis of accounting for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion 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 opinion.

(Continued)

## **INDEPENDENT AUDITOR'S REPORT**

(Continued)

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Town of Glenville, New York, as of December 31, 2013, and the change in financial position for the year then ended, in accordance with the basis of the accounting as described in Note 1.

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the statutory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements referred to above as a whole. The statement of revenue, expenditures, and changes in fund balance – budget to actual – General town-wide fund, combining balance sheet – special revenue funds, and combining statement of revenue, expenditures, and changes in fund balance – special revenue funds is presented for the purposes of additional analysis and is not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 balance sheet – special revenue funds and combining statement of revenues, expenditures, and changes in fund balance – special revenue funds are fairly stated, in all material respects, in relation to the financial statements as a whole.

**TOWN OF GLENVILLE, NEW YORK**

**BALANCE SHEET - GOVERNMENTAL FUNDS, FIDUCIARY FUND, AND ACCOUNT GROUPS  
DECEMBER 31, 2013**

	Governmental Funds					Fiduciary Fund	Account Groups		Total (Memorandum Only)
	General Town-Wide	General Town-Outside	Special Revenue Funds	Capital Projects	Debt Service	Trust & Agency	General Fixed Assets	General Long- Term Debt	
<b>ASSETS</b>									
Cash	\$ 1,205,813	\$ 1,200,726	\$ 5,630,525	\$ 1,211,412	\$ 20	\$ 62,177	\$ -	\$ -	\$ 9,310,673
Cash, restricted	19,868	15,422	1,092,761	-	-	-	-	-	1,128,051
Accounts receivable	16,125	168,098	325,176	-	-	-	-	-	509,399
Due from other governments	136,045	296,437	297,677	-	-	-	-	-	730,159
Due from other funds	11,253	-	22,668	-	-	-	-	-	33,921
Prepaid expenditures	74,154	168,476	82,014	-	-	-	-	-	324,644
General fixed assets	-	-	-	-	-	-	14,142,266	-	14,142,266
Amounts to be provided for long-term obligations	-	-	-	-	-	-	-	19,464,719	19,464,719
<b>Total assets</b>	<b>\$ 1,463,258</b>	<b>\$ 1,849,159</b>	<b>\$ 7,450,821</b>	<b>\$ 1,211,412</b>	<b>\$ 20</b>	<b>\$ 62,177</b>	<b>\$ 14,142,266</b>	<b>\$ 19,464,719</b>	<b>\$ 45,643,832</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE (DEFICIT)</b>									
<b>LIABILITIES</b>									
Accounts payable and accrued liabilities	131,538	160,206	202,908	-	-	60,177	-	-	554,829
Due to other governments	1,733	-	154,870	-	-	-	-	-	156,603
Due to other funds	2,818	17,462	2,388	9,253	-	2,000	-	-	33,921
Bond anticipation notes payable	-	-	-	3,270,385	-	-	-	-	3,270,385
Bonds payable	-	-	-	-	-	-	-	15,175,533	15,175,533
Compensated absences	-	-	-	-	-	-	-	1,913,333	1,913,333
Landfill closure/post-closure costs	-	-	-	-	-	-	-	74,310	74,310
Other postemployment benefits	-	-	-	-	-	-	-	2,301,543	2,301,543
Investment in general fixed assets	-	-	-	-	-	-	14,142,266	-	14,142,266
<b>TOTAL LIABILITIES</b>	<b>136,089</b>	<b>177,668</b>	<b>360,166</b>	<b>3,279,638</b>	<b>-</b>	<b>62,177</b>	<b>14,142,266</b>	<b>19,464,719</b>	<b>37,622,723</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
HAP payments received in advance	-	-	10,290	-	-	-	-	-	10,290
Small cities grant funding received in advance	-	-	155,024	-	-	-	-	-	155,024
Stop DWI grant revenue	-	9,478	-	-	-	-	-	-	9,478
Retiree health insurance premium received in advance	-	145	-	-	-	-	-	-	145
Deferred revenue - mortgage tax	122,038	-	-	-	-	-	-	-	122,038
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>122,038</b>	<b>9,623</b>	<b>165,314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>296,975</b>
<b>FUND BALANCE</b>									
Non-spendable	74,154	168,476	82,014	-	-	-	-	-	324,644
Restricted									
Debt service	19,868	-	836,254	-	-	-	-	-	856,122
Capital reserve	-	-	145,474	-	-	-	-	-	145,474
Repairs reserve	-	-	111,033	-	-	-	-	-	111,033
Asset forfeiture funds	-	15,422	-	-	-	-	-	-	15,422
<b>Total restricted fund balance</b>	<b>19,868</b>	<b>15,422</b>	<b>1,092,761</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,128,051</b>
Assigned									
Appropriated for subsequent year's expenditures	244,198	75,757	613,124	-	-	-	-	-	933,079
Operations of special revenue fund	-	-	5,137,442	-	-	-	-	-	5,137,442
<b>Total assigned fund balance</b>	<b>244,198</b>	<b>75,757</b>	<b>5,750,566</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,070,521</b>
Unassigned	866,911	1,402,213	-	(2,068,226)	20	-	-	-	200,918
<b>TOTAL FUND BALANCE (DEFICIT)</b>	<b>1,205,131</b>	<b>1,661,868</b>	<b>6,925,341</b>	<b>(2,068,226)</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,724,134</b>
<b>Total liabilities, deferred inflows of resources, and fund balance (deficit)</b>	<b>\$ 1,463,258</b>	<b>\$ 1,849,159</b>	<b>\$ 7,450,821</b>	<b>\$ 1,211,412</b>	<b>\$ 20</b>	<b>\$ 62,177</b>	<b>\$ 14,142,266</b>	<b>\$ 19,464,719</b>	<b>\$ 45,643,832</b>

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 FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<b>Governmental Funds</b>					<b>Total Governmental Funds</b>
	<b><u>General Town-Wide</u></b>	<b><u>General Town-Outside</u></b>	<b><u>Special Revenue Funds</u></b>	<b><u>Capital Projects</u></b>	<b><u>Debt Service</u></b>	
REVENUE:						
Real property taxes and tax items	\$ 1,953,971	\$ 2,861,474	\$ 3,477,096	\$ -	\$ -	\$ 8,292,541
Nonproperty tax items	-	1,642,748	1,319,293	-	-	2,962,041
Departmental income	17,448	266,103	1,561,446	-	-	1,844,997
Intergovernmental charges	21,700	21,147	336,032	-	-	378,879
Use of money and property	10,305	10,210	49,674	-	20	70,209
Licenses and permits	33,156	7,480	150	-	-	40,786
Fines and forfeitures	215,882	2,305	-	-	-	218,187
Sale of property and compensation of loss	840	2	38,536	-	-	39,378
Miscellaneous local sources	50,485	40,425	41,302	-	139,334	271,546
Interfund revenues	340,167	17,362	389,354	-	-	746,883
State aid	987,429	26,797	160,427	-	-	1,174,653
Federal aid	5,554	2,979	304,326	-	-	312,859
Total revenue	<u>3,636,937</u>	<u>4,899,032</u>	<u>7,677,636</u>	<u>-</u>	<u>139,354</u>	<u>16,352,959</u>
EXPENDITURES:						
General governmental support	1,022,833	124,198	48,813	-	80,400	1,276,244
Public safety	748,720	2,466,230	410,226	-	-	3,625,176
Health	-	3,707	-	-	-	3,707
Transportation	182,402	-	2,351,907	-	-	2,534,309
Economic assistance and opportunity	2,728	-	-	-	-	2,728
Culture and recreation	143,664	214,016	36,761	-	-	394,441
Home and community services	68,281	223,143	2,887,028	203,006	-	3,381,458
Employee benefits	836,337	1,619,547	1,104,543	-	-	3,560,427
Debt service - principal	271,329	-	1,070,080	-	-	1,341,409
Debt service - interest	35,797	-	285,147	-	-	320,944
Total expenditures	<u>3,312,091</u>	<u>4,650,841</u>	<u>8,194,505</u>	<u>203,006</u>	<u>80,400</u>	<u>16,440,843</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	324,846	248,191	(516,869)	(203,006)	58,954	(87,884)
OTHER FINANCING SOURCES (USES):						
BANs redeemed from appropriations	-	-	-	311,765	-	311,765
Proceeds from advanced bond refunding	-	-	-	-	6,825,000	6,825,000
Payments to escrow agents for bond refunding	-	-	-	-	(6,878,999)	(6,878,999)
Operating transfers in	54	-	4,886	-	-	4,940
Operating transfers (out)	-	-	-	(5)	(4,935)	(4,940)
Total other financing sources (uses)	<u>54</u>	<u>-</u>	<u>4,886</u>	<u>311,760</u>	<u>(58,934)</u>	<u>257,766</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	324,900	248,191	(511,983)	108,754	20	169,882
FUND BALANCE (DEFICIT) - beginning of year	<u>880,231</u>	<u>1,413,677</u>	<u>7,437,324</u>	<u>(2,176,980)</u>	<u>-</u>	<u>7,554,252</u>
FUND BALANCE (DEFICIT) - end of year	<u>\$ 1,205,131</u>	<u>1,661,868</u>	<u>\$ 6,925,341</u>	<u>\$ (2,068,226)</u>	<u>\$ 20</u>	<u>\$ 7,724,134</u>

The accompanying notes are an integral part of these statements.

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

### **NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013**

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#### **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **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: general government support, public safety, transportation, parks and recreation, sewer, water, lighting and highway maintenance.

##### **Financial Statement Presentation**

The Town has elected to prepare its financial statements using the statutory basis required by the New York State Office of the State Comptroller for annual reports to that office. This statutory basis is an other comprehensive basis of accounting (OCBOA) which varies from accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The statutory basis under the New York State Office of the Comptroller uses the modified accrual basis of accounting for governmental funds and fiduciary funds; accrual basis accounting is used for the account groups. This basis differs from GAAP primarily in that government wide financial statements are not prepared, nor is a Management's Discussion and Analysis prepared.

##### **Use of Estimates**

The preparation of financial statements in conformity with accounting practices described above 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 statutory financial statements follows.

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

In evaluating how to define the Town for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America. Based on the application of these criteria, the Town has determined there are no component units to be included in the financial statements.

## **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All 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 60 days, to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt and compensated absences, are recorded when the liability is incurred, if measurable.

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 sixty 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.

The Town reports unearned revenue for certain 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.

Governmental fund expenditures are recorded when the fund liability is incurred except that:

- Payment of prepaid expenses and purchase of inventory type items are recorded as expenditures when the related amounts are due and payable. This method is generally referred to as the “purchase” method, as opposed to the “consumption” method used in the government-wide financial statements.



## NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### Measurement Focus and Basis of Accounting (Continued)

- Principal and interest on indebtedness are recorded as expenditures when the related debt service amounts are due and payable, which normally approximates the date the debt is paid.
- Compensated absences, such as sick leave and compensatory time, which vest or accumulate with eligible employees, are recorded as expenditures in the payroll period that the leave credits are used by employees.
- Costs of acquiring fixed assets are recorded as expenditures when the related acquisition amounts are due and payable.

### Fund Types and Account Groups

Governmental funds are those in which most governmental functions of the Town are reported. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities are accounted for through the governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon determination of net income. The following are the Town's governmental fund types and account groups:

General Fund – The general fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The fund operates within the financial limits of an annual budget adopted by the Town Board.

General Town Outside Village Fund – used to account for transactions which by statute effect only those areas outside the boundaries of the Village located within the Town.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specified purposes. All funds, with the exception of the Special Grant Fund and the Recreation Fund, operate within the financial limits of an annual budget adopted by the Town Board and consist of the following:

- Highway Part-Town Fund – used to account for highway operations.
- Special District Funds – used to account for resources of the special districts. The Town has drainage, water, sewer, park, recreation, fire protection and lighting districts which supply services to portions of the Town.
- Special Grant Fund – used to account for federal monies received to subsidize rental housing and economic development assistance.

Capital Projects Fund – The capital projects fund is used to account for financial resources used for the acquisition or construction of major capital facilities. Financing is generally provided from the proceeds of bond and note sales, transfers from other funds and or Federal and State grants.

Debt Service Fund – The Debt Service Fund is used to account for proceeds and payments related to the issuance of bond refunding or advanced bond refunding.

Fiduciary Funds – Fiduciary funds are used to account for assets held by the local government in a trustee or custodial capacity.

Account Groups - are used to establish accounting control and accountability for general fixed assets and general long-term debt. An account group is not a "fund." It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

## **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

### **Fund Types and Account Groups (Continued)**

- General Long-term Debt Account Group – This account group is used to record all long-term debt of the Town, such as compensated absences, other post-employment benefits, and bonds.
- General Fixed Assets Account Group – This account group is used to record all general fixed assets of the Town by asset classification.

### **Budgetary Data**

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. Town taxes are due and payable by January 31 without penalty and interest.

### **Cash**

The Town's investment 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 is shown at gross. No allowance for uncollectible accounts has been provided since it is believed that such an allowance would not be material.

### **Prepaid Expenditures**

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

### **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 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.

### **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.

## **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

### **Interfund Transactions (Continued)**

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.

### **General Fixed 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, and machinery and equipment. 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 not depreciated.

### **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, except the Highway Department employees, who have no years of service requirement, is entitled to payment for accumulated sick leave and unused compensatory absences at various rates subject to certain maximum limitations.

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. Amounts do not include leave expected to lapse and includes leave that new employees will eventually qualify for.

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.

Estimated sick leave and compensatory absences accumulated by governmental fund type employees and additional salary related items have been recorded in the general long-term debt account group.

Payment of sick leave and compensatory absences recorded in the general long-term debt account group 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.

## **NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

### **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, 2013.

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.

### **Fund Deficit**

The capital projects fund has a fund deficit at December 31, 2013 which will be alleviated through the redemption and/or conversion of the bond anticipation notes into long term debt over future years.

### **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, 2013 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, 2013. The estimated costs are amortized on a straight line basis over 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.

**NOTE 1 — ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**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.

**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.

**Newly Adopted Accounting Standards**

During the year ended December 31, 2013, the Town adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This statement also provides financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of major fund calculations and limiting the use of the term deferred in the financial statements.

During the year ended December 31, 2013, the Town adopted GASB Statement No. 66, *Technical Corrections-2012-an amendment of GASB Statements No. 10 and No. 62*. This Statement improves accounting and financial reporting by clarifying guidance regarding risk financing, operating lease payments, and accounting for loans. Management has assessed this statement and there is no impact on the Town's financial statements.

## NOTE 2 — CASH

Restricted cash has its use limited by legal requirements. These assets represent amounts required by local or state statute to be reserved for various purposes. Restricted cash consisted of the following at December 31, 2013:

<u>General Fund</u>	
Debt service	\$ 19,868
<u>Special Revenue Funds</u>	
General Town Outside:	
Asset forfeiture funds	15,422
Highway:	
Debt service	5
Water:	
Debt service	591,844
Capital reserve	145,474
Repairs reserve	44,750
Sewer:	
Debt service	244,405
Repairs reserve	66,283
Total restricted cash	<u>\$ 1,128,051</u>

Deposits are exposed to custodial credit risk if they are not covered by depository insurance or collateral. At December 31, 2013, all of the Town's cash balances were either insured or collateralized with securities held by the pledging financial institutions' trust department in the Town's name.

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash, including trust and agency funds	<u>\$ 10,512,549</u>	<u>\$ 10,436,837</u>
Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	\$ 9,623,709	
Covered by FDIC insurance	<u>888,840</u>	
Total	<u>\$ 10,512,549</u>	

The Town does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.

The Town does not purchase investments denominated in foreign currency, and is therefore, not exposed to foreign credit risk.

### NOTE 3 — GENERAL FIXED ASSETS

The Town's general fixed assets are recorded in the general fixed asset account group. The following provides a summary of changes in general fixed assets:

	December 31, 2012 <u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	December 31, 2013 <u>Balance</u>
Land	\$ 913,176	\$ 159,000	\$ -	\$ 1,072,176
Buildings and improvements	5,375,868	-	-	5,375,868
Improvements other than buildings	573,073	-	-	573,073
Machinery and equipment	<u>6,872,019</u>	<u>476,912</u>	<u>227,782</u>	<u>7,121,149</u>
Total general fixed assets	<u>\$ 13,734,136</u>	<u>\$ 635,912</u>	<u>\$ 227,782</u>	<u>\$ 14,142,266</u>

### NOTE 4 — 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 that benefits 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, 2013:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
BAN maturing 01/10/2014 0.54%	\$ 1,060,500	\$ -	\$ 151,500	\$ 909,000
BAN maturing 02/28/2014 0.69%	250,750	-	7,375	243,375
BAN maturing 03/21/2014 0.63%	70,800	-	35,400	35,400
BAN maturing 03/21/2014 0.63%	550,000	-	25,000	525,000
BAN maturing 06/13/2014 0.57%	251,000	-	10,040	240,960
BAN maturing 08/15/2014 0.65%	153,600	-	51,200	102,400
BAN maturing 09/19/2014 0.58%	1,062,500	-	31,250	1,031,250
BAN maturing 12/05/2014 0.88%	<u>-</u>	<u>183,000</u>	<u>-</u>	<u>183,000</u>
	<u>\$ 3,399,150</u>	<u>\$ 183,000</u>	<u>\$ 311,765</u>	<u>\$ 3,270,385</u>

## NOTE 5 — 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, 2013:

	Beginning Balance	Issued	Redeemed	Ending Balance
Bonds payable	\$ 15,765,177	\$ 7,265,000	\$ 7,854,644	\$ 15,175,533
Compensated absences (A)	1,781,075	132,258	-	1,913,333
Landfill closure/postclosure costs	84,218	-	9,908	74,310
Other postemployment benefits	<u>2,009,079</u>	<u>889,301</u>	<u>596,837</u>	<u>2,301,543</u>
Total long-term liabilities	<u>\$ 19,639,549</u>	<u>\$ 8,286,559</u>	<u>\$ 8,461,389</u>	<u>\$ 19,464,719</u>

(A) Additions and deletions to compensated absences are shown net because it is impracticable to determine these amounts separately.

### **Bonds Payable**

The Town borrows money in order to construct infrastructure and perform improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are secured by the full faith and credit of the Town, are recorded in the General Long-term Debt Account Group. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

On May 8, 2012, \$3,375,000 in general obligation bonds with an average coupon interest rate of 3.16% were issued to advance refund \$3,355,000 of outstanding bonds with an average coupon interest rate of 4.99%. The net proceeds of \$3,474,450 (after \$158,713 of premiums received and payment of \$59,263 in underwriting fees, insurance, and other issuance costs) were used to purchase U. S. Government securities.

Those securities were deposited into an irrevocable trust with an escrow agent to provide for the debt service payment on the call date of June 15, 2012. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 15 years by nearly \$612,000 resulting in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$510,000.

On April 9, 2013, \$6,825,000 in general obligation bonds with an average coupon interest rate of 2.23% were issued to advance refund \$6,385,000 of outstanding bonds with an average coupon interest rate of 4.03%. The net proceeds of \$6,878,979 (after \$139,334 of premiums received and payment of \$85,335 in underwriting fees, insurance, and other issuance costs) were used to purchase U. S. Government securities.

Those securities were deposited into an irrevocable trust with an escrow agent to provide for the debt service payment on the call date of April 9, 2014. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. This refunding decreases total debt service payments over the next 13 years by over \$628,000 resulting in an economic gain of approximately \$556,000.



**NOTE 5 — LONG-TERM DEBT (Continued)****Bonds Payable (continued)**

The following is a summary of bonds outstanding at December 31, 2013:

<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	1995	2014	4.10%	\$ 388,200	\$ 20,000
Serial Bonds - Sewer Fund	2002	2031	5.00%	4,494,464	2,790,000
Statutory Installment Bonds - BH-BL Baseball	2005	2017	4.35%	147,000	49,000
Serial Bonds - Various Public Improvements	2005	2014	4.03%	2,591,000	395,000
Statutory Installment Bonds - Sewer Excess	2007	2026	4.69%	386,667	264,562
Serial Bonds - Sewer Fund	2010	2036	0.00%	2,133,100	1,886,971
Serial Bonds - Refunding 2002 Serial Bonds	2012	2027	2.0-4.0%	3,375,000	3,055,000
Serial Bonds - Refunding 2005 Serial Bonds	2013	2026	2.0-3.0%	6,825,000	6,715,000
				<u>\$ 20,340,431</u>	<u>\$ 15,175,533</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,			
2014	\$ 994,644	\$ 374,576	\$ 1,369,220
2015	1,009,644	347,634	1,357,278
2016	1,019,644	323,441	1,343,085
2017	1,039,644	298,270	1,337,914
2018	957,394	273,099	1,230,493
2019-2023	5,061,965	1,035,856	6,097,821
2024-2028	3,971,262	375,723	4,346,985
2029-2033	875,210	34,534	909,744
2034-2036	246,126	-	246,126
Totals	<u>\$ 15,175,533</u>	<u>\$ 3,063,133</u>	<u>\$ 18,238,666</u>

## NOTE 6 — INTERFUND ACTIVITY

Interfund receivables and payables at December 31, 2013 were as follows:

	Interfund		Interfund	
	<u>Receivable</u>	<u>Payable</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General fund - town-wide	\$ 11,253	\$ 2,818	\$ 54	\$ -
General fund - town-outside	-	17,462	-	-
Highway part-town fund	22,668	-	376	-
Sewer fund	-	413	358	-
Water fund	-	1,975	4,152	-
Capital projects fund	-	9,253	-	5
Debt service fund	-	-	-	4,935
Trust & agency	-	2,000	-	-
Total interfund activity	<u>\$ 33,921</u>	<u>\$ 33,921</u>	<u>\$ 4,940</u>	<u>\$ 4,940</u>

## NOTE 7 — 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 imposed a 3.0% county-wide sales tax to be allocated and distributed as follows:

### (a) 3.0% Sales Tax Revenues Distribution

<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

Based on 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% county-wide 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 2013, the Town received \$848,425 from this sales tax source.

## NOTE 8 — DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources for the general fund and special revenue funds at December 31, 2013 are as follows:

General Fund		
Mortgage Tax	\$	122,000
Revenue Received in Advance		38
General Town - Outside Village		
Retiree health insurance received in advance		145
Stop DWI grant revenue		9,478
Special Grant Fund		
HAP received in advance		10,290
Small Cities grant funding received in advance		155,024

## NOTE 9 — EMPLOYEE BENEFIT 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 systems. 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 12207.

### Funding Policy

The Systems are noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 who contribute 3% of their salary for the first ten years of membership and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3% of their salary for the entire length of service.

For employees who joined after April 1, 2012, employees contribute 3% of their salary until April 1, 2013, and then contribute 3% to 6% of their salary throughout their active membership. Under the authority of the NYSRSSL, the Comptroller certifies annually the rates expressed as proportions of payroll of members, which is used in computing the contributions required to be made by employers to the pension accumulation fund.

## NOTE 9 — EMPLOYEE BENEFIT PLANS (Continued)

### Funding Policy (Continued)

The Town of Glenville is required to contribute at an actuarially determined rate. The required contributions for the Plan's current fiscal year and the two preceding years were:

	<u>ERS</u>	<u>PFRS</u>
March 31, 2013	\$ 712,330	\$ 578,541
March 31, 2012	610,277	535,902
March 31, 2011	548,719	407,022

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

## NOTE 10 – 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. Retirees are required to pay between 0 - 10% of such costs dependent on the date of hire and are covered for life; eligible dependents are covered through the retiree's lifetime and are required to pay between 0 – 50% of costs.

### Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB cost is calculated based on the annual required contribution of the employer, (ARC), an amount actuarially determined in accordance with generally accepted accounting principles. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year plus the amortization of the unfunded actuarial. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the Retirement Plan, and the changes in the Town's net OPEB obligation:

Annual required contribution	\$ 922,866
Interest on net OPEB obligation	80,364
Adjustment to ARC	<u>(113,929)</u>
Annual OPEB cost	889,301
Contributions made	<u>(596,837)</u>
Increase in net OPEB obligation	292,464
Net OPEB obligation - beginning of year	<u>2,009,079</u>
Net OPEB obligation - end of year	<u><u>\$ 2,301,543</u></u>

Percentage of annual OPEB cost contributed	67%
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**NOTE 10 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

*Trend information* – The Town's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

<u>Year Ended</u>	<u>OPEB Cost</u>	<u>Contribution (ARC)</u>	<u>OPEB Cost Contributed</u>	<u>% of ARC Contributed</u>	<u>Net OPEB Obligation</u>
12/31/13	\$ 889,301	\$ 889,301	\$ 596,837	67.1%	\$ 2,301,543
12/31/12	\$ 875,941	\$ 875,941	\$ 659,305	75.3%	\$ 2,009,079
12/31/11	\$ 1,061,786	\$ 1,061,786	\$ 615,055	57.9%	\$ 1,792,443

**Funded Status and Funding Progress**

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the OPEB Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The OPEB Plan is currently not funded.

The schedule of funding progress presents information on the actuarial value of plan assets relative to the actuarial accrued liabilities for benefits.

**Schedule of Town's Funding Progress**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) - Entry Age</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a percentage of Covered Payroll</u>
1/1/2013	\$ -	\$ 12,730,181	\$ 12,730,181	N/A	\$ 4,718,277	269.81%
1/1/2012	\$ -	\$ 12,491,846	\$ 12,491,846	N/A	\$ 4,625,762	270.05%
1/1/2011	\$ -	\$ 14,574,857	\$ 14,574,857	N/A	\$ 4,689,798	310.78%

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the employer and plan members and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2012 actuarial valuation, the following methods and assumptions were used:

Actuarial cost method	Projected unit credit
Discount rate*	4.0%
Medical care cost trend rate	7.06 (Pre 65) – 25.15% (Post 65) initially. The rate is reduced by decrements to an ultimate rate of 5.0%.

Unfunded actuarial accrued liability:

Amortization period	30 years
Amortization method	Level dollar
Amortization basis	Open

\*As the plan is unfunded, the assumed discount rate considers that the Town's investment assets are low risk in nature, such as money market funds or certificates of deposit.

## **NOTE 11 — 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.

### **Labor Relations**

Town employees are represented by three bargaining units with the balance by Town rules and regulations. There are three bargaining unit contracts, all of which are expired and under negotiations as of December 31, 2013.

## **NOTE 12 - ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED**

Statement No. 68 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement No. 68, as well as for non-employer governments that have a legal obligation to contribute to those plans. The Town is required to adopt the provisions of these Statements for the year ending December 31, 2015, with early adoption encouraged.

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations.

The term *government combinations* include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. The Town is required to adopt the provisions of this Statement for the year ending December 31, 2014. A prospective basis should be applied and early adoption is encouraged.

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Non-exchange Financial Guarantees*. This Statement establishes accounting and financial reporting standards for financial guarantees that are non-exchange transactions (non-exchange financial guarantees) extended or received by a state or local government. As issued in this Statement, a non-exchange financial guarantee is a guarantee of an obligation of a legally separate entity or individual, including a blended or discretely presented component unit, which requires the guarantor to indemnify a third-party obligation holder under specified conditions. The Town is required to adopt the provisions of this Statement for the year ending December 31, 2014. A prospective basis should be applied and early adoption is encouraged.

## **NOTE 12 - ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED (Continued)**

In November 2013, the GASB issued Statement No. 71, *Pension Transitions for Contributions Made Subsequent to the Transition Date – an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The Town is required to adopt the provisions of this Statement in conjunction with GASB Statement No. 68, for the year ending December 31, 2015, with early adoption encouraged.

Management is not able to estimate the extent of the potential impact of these Statements on the Town's financial statements.

## **NOTE 13 – SUBSEQUENT EVENTS**

In January 2014, the Town converted a bond anticipation note to a bond in the amount of \$775,000, at an interest rate of 1.74% that is due on November 15, 2018.

In February 2014, the Town issued a bond anticipation note in the amount of \$236,000, at an interest rate of .85% that is due on February 27, 2015.

In March 2014, the Town issued a bond anticipation note in the amount of \$500,000, at an interest rate of .80% that is due on March 20, 2015.

## **SUPPLEMENTARY INFORMATION**



**TOWN OF GLENVILLE, NEW YORK**

**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL TOWN-WIDE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2013**

	<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	\$ 1,929,782	\$ 1,929,782	\$ 1,953,971	\$ 24,189
Departmental income	15,855	15,855	17,448	1,593
Intergovernmental charges	-	6,453	21,700	15,247
Use of money and property	27,014	27,014	10,305	(16,709)
Licenses and permits	31,040	31,040	33,156	2,116
Fines and forfeitures	200,000	200,000	215,882	15,882
Sale of property and compensation for loss	-	-	840	840
Miscellaneous local sources	347,720	1,100	50,485	49,385
Interfund revenues	-	340,167	340,167	-
State aid	747,311	747,311	987,429	240,118
Federal aid	-	-	5,554	5,554
Total revenue	<u>3,298,722</u>	<u>3,298,722</u>	<u>3,636,937</u>	<u>338,215</u>
EXPENDITURES:				
General governmental support	1,148,371	1,148,371	1,022,833	125,538
Public safety	762,813	762,813	748,720	14,093
Health	1,000	1,000	-	1,000
Transportation	201,145	201,145	182,402	18,743
Economic assistance and opportunity	3,000	3,000	2,728	272
Culture and recreation	125,277	125,277	143,664	(18,387)
Home and community services	54,908	54,908	68,281	(13,373)
Employee benefits	962,787	962,787	836,337	126,450
Debt service - principal	269,868	269,868	271,329	(1,461)
Debt service - interest	37,903	37,903	35,797	2,106
Total expenditures	<u>3,567,072</u>	<u>3,567,072</u>	<u>3,312,091</u>	<u>254,981</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(268,350)	(268,350)	324,846	593,196
OTHER FINANCING SOURCES:				
Operating transfers in	-	-	54	54
NET CHANGE IN FUND BALANCE	(268,350)	(268,350)	324,900	593,250
FUND BALANCE - beginning of year	<u>880,231</u>	<u>880,231</u>	<u>880,231</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 611,881</u>	<u>\$ 611,881</u>	<u>\$ 1,205,131</u>	<u>\$ 593,250</u>

The accompanying notes are an integral part of these statements.

**TOWN OF GLENVILLE, NEW YORK**  
**COMBINING BALANCE SHEET - SPECIAL REVENUE FUNDS**  
**DECEMBER 31, 2013**

	<i>Highway Part-Town</i>	<i>Special Grant</i>	<i>Water</i>	<i>Drainage</i>	<i>Lighting</i>	<i>Park</i>	<i>Sewer</i>	<i>Recreation</i>	<i>Fire Protection</i>	<i>Total Special Revenue Funds</i>
<b>ASSETS</b>										
Cash	\$ 1,006,525	\$ 328,561	\$ 2,018,864	\$ 111,748	\$ 106,045	\$ 6,078	\$ 1,711,226	\$ 339,337	\$ 2,141	\$ 5,630,525
Cash, restricted	5	-	782,068	-	-	-	310,688	-	-	1,092,761
Accounts receivable	225	155,024	169,927	-	-	-	-	-	-	325,176
Due from other governments	297,677	-	-	-	-	-	-	-	-	297,677
Due from other funds	22,668	-	-	-	-	-	-	-	-	22,668
Prepaid expenditures	59,517	-	19,103	-	-	-	3,394	-	-	82,014
<b>TOTAL ASSETS</b>	<b>\$ 1,386,617</b>	<b>\$ 483,585</b>	<b>\$ 2,989,962</b>	<b>\$ 111,748</b>	<b>\$ 106,045</b>	<b>\$ 6,078</b>	<b>\$ 2,025,308</b>	<b>\$ 339,337</b>	<b>\$ 2,141</b>	<b>\$ 7,450,821</b>
<b>LIABILITIES</b>										
Accounts payable and accrued liabilities	108,669	-	73,450	233	4,567	-	15,089	900	-	202,908
Due to other governments	749	-	-	-	-	-	154,121	-	-	154,870
Due to other funds	-	-	1,975	-	-	-	413	-	-	2,388
<b>TOTAL LIABILITIES</b>	<b>109,418</b>	<b>-</b>	<b>75,425</b>	<b>233</b>	<b>4,567</b>	<b>-</b>	<b>169,623</b>	<b>900</b>	<b>-</b>	<b>360,166</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
HAP received in advance	-	10,290	-	-	-	-	-	-	-	10,290
Small Cities grant funding received in advance	-	155,024	-	-	-	-	-	-	-	155,024
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>165,314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>165,314</b>
<b>FUND BALANCE</b>										
<b>Nonspendable:</b>										
Prepaid expenditures	59,517	-	19,103	-	-	-	3,394	-	-	82,014
<b>Restricted for:</b>										
Debt service	5	-	591,844	-	-	-	244,405	-	-	836,254
Capital reserve	-	-	145,474	-	-	-	-	-	-	145,474
Repairs reserve	-	-	44,750	-	-	-	66,283	-	-	111,033
Other	-	-	-	-	-	-	-	-	-	-
	5	-	782,068	-	-	-	310,688	-	-	1,092,761
<b>Assigned:</b>										
Appropriated for ensuing year's budget	289,674	-	282,450	-	-	-	41,000	-	-	613,124
Operations of special revenue fund	928,003	318,271	1,830,916	111,515	101,478	6,078	1,500,603	338,437	2,141	5,137,442
	1,217,677	318,271	2,113,366	111,515	101,478	6,078	1,541,603	338,437	2,141	5,750,566
<b>TOTAL FUND BALANCE</b>	<b>1,277,199</b>	<b>318,271</b>	<b>2,914,537</b>	<b>111,515</b>	<b>101,478</b>	<b>6,078</b>	<b>1,855,685</b>	<b>338,437</b>	<b>2,141</b>	<b>6,925,341</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE</b>	<b>\$ 1,386,617</b>	<b>\$ 483,585</b>	<b>\$ 2,989,962</b>	<b>\$ 111,748</b>	<b>\$ 106,045</b>	<b>\$ 6,078</b>	<b>\$ 2,025,308</b>	<b>\$ 339,337</b>	<b>\$ 2,141</b>	<b>\$ 7,450,821</b>

See independent auditor's report.

**TOWN OF GLENVILLE, NEW YORK**  
**COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<i>Highway Part-Town</i>	<i>Special Grant</i>	<i>Water</i>	<i>Drainage</i>	<i>Lighting</i>	<i>Park</i>	<i>Sewer</i>	<i>Recreation</i>	<i>Fire Protection</i>	<i>Total Special Revenue Funds</i>
REVENUE:										
Real property taxes and tax items	\$ 1,290,006	\$ -	\$ 677,991	\$ 31,400	\$ 54,692	\$ 2,035	\$ 1,010,746	\$ -	\$ 410,226	\$ 3,477,096
Nonproperty tax items	1,319,293	-	-	-	-	-	-	-	-	1,319,293
Departmental income	-	26,408	1,190,007	-	-	-	342,031	3,000	-	1,561,446
Intergovernmental charges	118,039	-	216,453	-	-	-	1,540	-	-	336,032
Use of money and property	2,503	5,107	36,755	71	70	1	4,573	590	4	49,674
Licenses and permits	150	-	-	-	-	-	-	-	-	150
Fines and Forfeitures	-	-	-	-	-	-	-	-	-	-
Sale of property and compensation of loss	23,317	-	7,975	-	-	-	7,244	-	-	38,536
Miscellaneous local sources	28,946	-	10,784	-	-	-	1,572	-	-	41,302
Interfund revenues	373,702	-	15,652	-	-	-	-	-	-	389,354
State aid	160,427	-	-	-	-	-	-	-	-	160,427
Federal aid	-	304,326	-	-	-	-	-	-	-	304,326
Total revenue	<u>3,316,383</u>	<u>335,841</u>	<u>2,155,617</u>	<u>31,471</u>	<u>54,762</u>	<u>2,036</u>	<u>1,367,706</u>	<u>3,590</u>	<u>410,230</u>	<u>7,677,636</u>
EXPENDITURES:										
General governmental support	40,809	-	4,236	-	-	-	3,768	-	-	48,813
Public safety	-	-	-	-	-	-	-	-	410,226	410,226
Health	-	-	-	-	-	-	-	-	-	-
Transportation	2,311,195	-	-	-	40,712	-	-	-	-	2,351,907
Culture and recreation	-	-	-	-	-	978	-	35,783	-	36,761
Home and community services	-	869,579	1,218,391	21,130	-	-	777,928	-	-	2,887,028
Employee benefits	851,971	-	222,776	-	-	-	29,796	-	-	1,104,543
Debt service - principal	122,362	-	620,025	-	-	-	327,693	-	-	1,070,080
Debt service - interest	11,216	-	199,242	-	-	-	74,689	-	-	285,147
Total expenditures	<u>3,337,553</u>	<u>869,579</u>	<u>2,264,670</u>	<u>21,130</u>	<u>40,712</u>	<u>978</u>	<u>1,213,874</u>	<u>35,783</u>	<u>410,226</u>	<u>8,194,505</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(21,170)</u>	<u>(533,738)</u>	<u>(109,053)</u>	<u>10,341</u>	<u>14,050</u>	<u>1,058</u>	<u>153,832</u>	<u>(32,193)</u>	<u>4</u>	<u>(516,869)</u>
OTHER FINANCING SOURCES (USES):										
Operating transfers in	376	-	4,152	-	-	-	358	-	-	4,886
Operating transfers (out)	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>376</u>	<u>-</u>	<u>4,152</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>358</u>	<u>-</u>	<u>-</u>	<u>4,886</u>
EXCESS (DEFICIENCY) OF REVENUE AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>(20,794)</u>	<u>(533,738)</u>	<u>(104,901)</u>	<u>10,341</u>	<u>14,050</u>	<u>1,058</u>	<u>154,190</u>	<u>(32,193)</u>	<u>4</u>	<u>(511,983)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,297,993</u>	<u>852,009</u>	<u>3,019,438</u>	<u>101,174</u>	<u>87,428</u>	<u>5,020</u>	<u>1,701,495</u>	<u>370,630</u>	<u>2,137</u>	<u>7,437,324</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,277,199</u>	<u>\$ 318,271</u>	<u>\$ 2,914,537</u>	<u>\$ 111,515</u>	<u>\$ 101,478</u>	<u>\$ 6,078</u>	<u>\$ 1,855,685</u>	<u>\$ 338,437</u>	<u>\$ 2,141</u>	<u>\$ 6,925,341</u>

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