

# **Town of Lewisboro, New York**

Financial Statements and  
Supplementary Information

Year Ended December 31, 2021



## Town of Lewisboro, New York

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## **Independent Auditors' Report**

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

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Lewisboro, New York ("Town") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2021, and the respective changes in financial position and the respective budgetary comparison for the General, Highway and Special Districts for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with GAAS, we:

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

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

## ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2021 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 for the year ended December 31, 2021 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated August 4, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information was subjected to the audit procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

September 9, 2022

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## **Town of Lewisboro, New York**

### **Management's Discussion and Analysis (MD&A) December 31, 2021**

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#### **Introduction**

The following discussion and analysis of the Town of Lewisboro, New York's financial statements provides an overview of the financial activities of the Town for the fiscal year ending December 31, 2021. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section.

#### **Financial Highlights**

Key financial highlights for fiscal year 2021 are as follows:

- On the government-wide financial statements, the Town's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at the close of fiscal year 2021 by \$21,516,396. Of this amount, the unrestricted portion is a deficit of \$23,526,036. This deficit results primarily from the accrual of certain operating liabilities pursuant to Governmental Accounting Standards Board ("GASB") pronouncements discussed below, inclusive of other post employment benefit obligations ("OPEB"), and net pension liabilities pursuant to GASB Statement No. 68.
- As of the close of fiscal year 2021, the Town's governmental funds reported a combined ending fund balance of \$3,797,965, an overall increase of \$1,885,688 as compared to the prior year. Of this balance, \$41,333 is Restricted for Debt Service, \$1,597,110 is assigned for Highway and Special Districts funds and \$2,159,252 is unassigned \$4,046,950 unassigned in the General Fund and (\$14,609) and (\$1,873,089) represents the deficits in the Special District and Capital Projects funds, respectively.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$4,046,950, and increase of \$2,320,540 as compared to the prior year. This was a result of favorable variances in all revenues sources. The unassigned fund balance represented 26.4% of total General Fund expenditures and other financing uses.
- The Town is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the Town has recognized substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2021, the Town had liabilities of \$28.04 million for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, "Accounting and Financial Reporting for OPEB" and \$185,394 for its proportionate share of the net pension liabilities of the New York State and Local Employees' Retirement System ("ERS") recorded in accordance with the provision of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions". More detailed information about the Town's OPEB and pension reporting is presented in Note 3 in the notes to financial statements.
- During the current fiscal year, the Town did not issue any general obligation bonds and retired \$1,110,000 of general obligation debt. The Town's outstanding general obligation bonds payable at December 31, 2021 totaled \$8,165,000.

- Throughout the current fiscal year, the Town issued \$972,000 in short-term capital debt in the form of bond anticipation notes, redeemed \$81,000 of outstanding bond anticipation notes leaving short-term capital borrowings of \$3,561,500 at December 31, 2021.
- The Town also issued \$2,000,000 in short-term non-capital borrowing in the form of a tax anticipation note. The note was redeemed on June 15, 2021.

## **Overview of the Financial Statements**

The following is intended to serve as an introduction to the Town's financial statements, which includes three basic components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements.

### **Government-wide Financial Statements**

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

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

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

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the Town include general government support, public safety, health, transportation, culture and recreation, home and community services and interest.

The government-wide financial statements can be found immediately following this discussion and analysis.

### **Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

### **Governmental Funds**

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

*Government-wide financial statements* cover a broad spectrum of financial reporting. It is, therefore, also useful to examine the information presented in each separate governmental fund since it more closely represents the cost of individual governmental activities. This will also help readers understand both the long and short-term impacts of financial decisions. The governmental fund balance sheets and statement of revenues, expenditures and changes in the year-end fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Town maintains six individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Highway Fund, Special Districts Fund and Capital Projects Fund, which are considered to be major funds. Individual fund data for the non-major governmental funds, the Debt Service Fund and the Special Purpose Fund, is provided elsewhere in this report.

The Town adopts an annual appropriation budget for its General Fund, Highway Fund and Special Districts Fund. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with the respective budgets.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town programs. The Town maintains only one type of fiduciary fund that is known as a Custodial Fund. The Custodial Fund reports resources, not in a trust, but are held by the Town for other parties outside of the Town's reporting entity and, in the case of the Town, primarily to account for real property taxes collected for other governments.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

## **Notes to the Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are located following the basic financial statements section of this report.

## **Other Information**

Additional statements and schedules can be found immediately following the notes to financial statements. These include the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$21,516,396 at the close of the current fiscal year.

### Statement of Net Position

	2021	2020
Current Assets	\$ 10,011,167	\$ 6,743,429
Capital Assets, net	12,006,396	12,122,175
<b>Total Assets</b>	<b>22,017,563</b>	<b>18,865,604</b>
Deferred Outflows of Resources	6,410,956	6,619,705
Current Liabilities	5,656,844	3,965,010
Long-term Liabilities	37,494,540	42,477,692
<b>Total Liabilities</b>	<b>43,151,384</b>	<b>46,442,702</b>
Deferred Inflows of Resources	6,793,531	2,176,591
<b>Net Position</b>		
Net investment in capital assets	1,968,307	1,527,980
Restricted	41,333	48,779
Unrestricted	(23,526,036)	(24,710,743)
<b>Total Net Position</b>	<b>\$ (21,516,396)</b>	<b>\$ (23,133,984)</b>

Current assets and current liabilities increased by \$3,267,738 and \$1,691,834, respectively from the prior year due to the current year results of the Town's General Fund.

The largest component of the Town's net position reflects its net investment in capital assets, amounting to \$1,968,307. The Town uses these capital assets to provide services to its citizens and consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

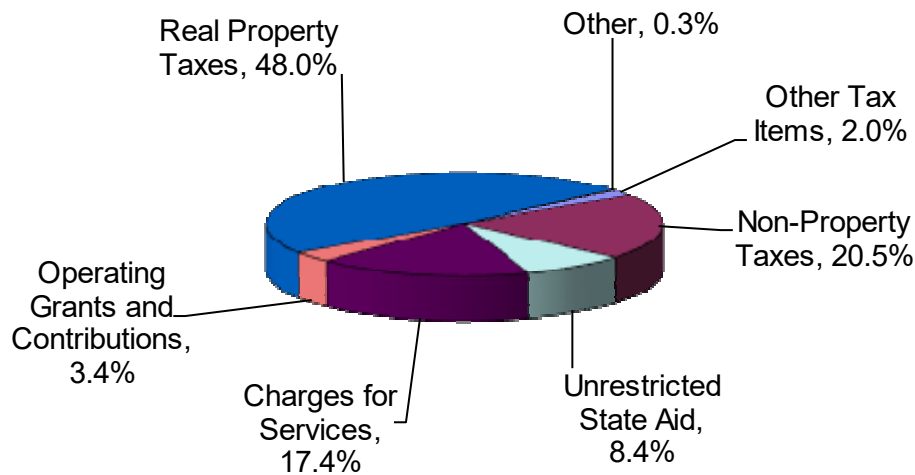
The restricted net position of \$41,333, (Restricted for Debt Service) represents resources that are subject to external restrictions on their use, or the respective fund that the restricted resources are allocated.

The remaining balance of unrestricted net position, which is a deficit of \$23,526,036, must be financed from future operations. This deficit results from a combination of the Town's long-term commitments, including repayment of general obligation bonds (\$8,165,000), retirement incentives and other pension obligations (\$326,852), compensated absences (\$779,042), net pension liability (\$185,394) and other postemployment benefit liabilities (\$28,038,252). These obligations are greater than currently available resources. Payments for these liabilities will be budgeted in the year the actual payment will be made.

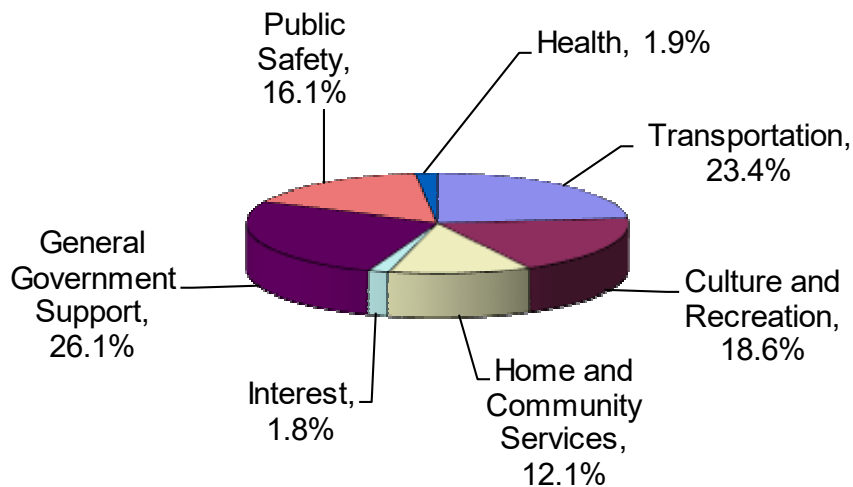
**Changes in Net Position  
December 31,**

	<u>2021</u>	<u>2020</u>
<b>Program Revenues</b>		
Charges for Services	\$ 2,732,197	\$ 1,645,778
Operating Grants and Contributions	528,190	350,139
<b>General Revenues</b>		
Real Property Taxes	7,537,860	8,305,744
Other Tax items	308,841	254,547
Non-Property Taxes	3,211,558	2,833,175
Unrestricted Use of Money and Property	6,559	19,460
Unrestricted State Aid	1,317,030	732,640
Gain on Sale of Real Property	8,450	474,378
Miscellaneous	39,339	121,554
	<u>15,690,024</u>	<u>14,737,415</u>
<b>Program Expenses</b>		
General Government Support	3,666,780	3,974,882
Public Safety	2,270,220	2,168,837
Health	267,927	249,590
Transportation	3,291,662	3,501,755
Culture and Recreation	2,619,421	2,452,235
Home and Community Services	1,708,493	1,695,501
Interest	247,933	314,191
	<u>14,072,436</u>	<u>14,356,991</u>
Total Expenses	<u>14,072,436</u>	<u>14,356,991</u>
Change in Net Position	1,617,588	380,424
<b>Net Position</b>		
Beginning	<u>(23,133,984)</u>	<u>(23,514,408)</u>
Ending	<u>\$ (21,516,396)</u>	<u>\$ (23,133,984)</u>

### Sources of Revenue for Fiscal Year 2021 Governmental Activities



### Expenses for Fiscal Year 2021 Governmental Activities



**Governmental Activities:** Governmental activities decreased the Town's deficit by \$1,617,588 for the year ended December 31, 2021. The total Town governmental activities revenues were \$15,690,024. Real property taxes provide 48.0% of total revenues and non-property tax items provide 20.5%. Charges for services and operating grants and contributions provided 20.80%. Total revenues increased by \$952,609 from the prior year. Governmental activities expenditures of the Town for the year ended December 31, 2021 totaled \$14,072,436, a decrease of \$238,215 as compared to the prior year. The largest components of these expenses are in the areas of General Government Support (26.1%), Transportation (23.4%) and Culture and Recreation (18.6%).

The major changes in 2021 as compared to 2020 are as follows:

Revenues:

- Real Property Taxes decreased by \$767,887 as a result of slower tax collections in the current year, coupled with the adoption of GASB Statement No. 84 in the prior year.
- Non-Property Taxes consisting of franchise fees and non-operating tax distribution from the County increased by \$378,383 due to an increase in sales tax revenues resulting from a 1% increase in sales tax implemented in Westchester County, effective August 2019.
- Unrestricted State Aid increased \$584,390 primarily due to a significant increase in mortgage tax revenue.
- Charges for services revenue increased \$1,086,419 reflective of increases in departmental income – inspection fees and parks and recreation changes.

Expenses:

- The Town's decrease in other postemployment benefit liability resulted in a decrease in expenses which resulted in an overall decrease in program expenses of \$238,215.

### **Financial Analysis of the Town's Funds**

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

#### ***Governmental Funds***

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$3,797,695, an increase of \$1,885,688 from the prior year combined ending fund balance of \$1,912,007.

**The General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, the total fund balance of the General Fund reflected a positive fund balance of \$4,046,950, an overall increase of \$2,320,540 from the prior year. The unassigned fund balance of the General Fund was \$4,046,952 and represented 100% of total fund balance of the General Fund. Overall, General Fund expenditures and other financing uses were \$8,793,485. Revenues and other financing sources were \$11,114,025, which was \$2,260,534 more than the final budget. The major areas where revenues exceeded the final budget include Other Tax Items – interest and penalties on real property taxes - \$108,841, Non-Property Taxes – Sales Tax - \$338,874, Departmental income – Inspection Fees \$584,639, Parks and Recreation Changes - \$427,946 and State aid – Mortgage Tax Revenue - \$717,030. Expenditures and other financing uses were

\$8,793,485, which was \$60,006 less than the final budget reflected in the general government support function expenditure category.

**The Highway Fund** containing activity for transportation expenditures reflected a fund balance of \$905,409 at the end of the current fiscal year, an increase to fund balance of \$99,524. Overall, actual Highway Fund expenditures and other financing uses were \$82,083 less than the final budget and actual revenues and other financing sources were \$218,607 more than the final budget, resulting in net change in fund balance of \$99,524.

**The Special Districts Fund** reflected a combined fund balance of \$677,092. This is an increase of \$26,964 from the prior year balance of \$650,128. The increase results from increases in departmental income in the Oak Ridge Water District as well as reductions in State aid in the Wilde Oaks Sewer District.

**The Capital Projects Fund** reflected an unassigned deficit of (\$1,873,089) at December 31, 2021. This represents an increase from prior year's fund deficit of (\$1,319,195). The Town did not issue any general obligation bonds but had capital outlay expenditures of \$683,673.

**The Non-Major Governmental Fund** consists of the Debt Service and Special Purpose funds. The Debt Service Fund reflected \$4,133 in restricted fund balance while the Special Purpose Fund reflected no fund balance.

### Capital Assets

The Town's investment in capital assets for its governmental activities as of December 31, 2021 amounted to \$12,006,396 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, machinery and equipment and infrastructure.

#### Capital Assets (Net of Accumulated Depreciation)

	2021	2020
Land	\$ 725,000	\$ 725,000
Construction-in-progress	484,212	283,668
Land Improvements	917,492	984,718
Buildings and Improvements	1,003,020	1,006,256
Machinery and Equipment	1,412,360	1,399,402
Infrastructure	7,464,312	7,723,131
Total	<u>\$ 12,006,396</u>	<u>\$ 12,122,175</u>

Additional information on the Town's capital assets can be found in Note 3C, in the notes to financial statements.



### **Long-term / Short-Term Indebtedness**

At the end of the current fiscal year, the Town had total bonded debt outstanding of \$8,165,000. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

The Town did not issue any new bonds in fiscal year 2021 but retired \$1,110,000 in principal on outstanding obligations.

Short-term capital debt for the Town totaled \$3,561,500 in the form of bond anticipation notes (BAN's). The Town issued \$972,000 of new BAN's and redeemed \$81,000 of previously outstanding BAN's leaving a balance of \$3,561,500 in BANs at December 31, 2021 of short-term debt.

Additional information on the Town's short-term capital borrowings and long-term debt can be found in Note 3E and 3G, respectively, of this report.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Supervisor, Peter Parsons, Town of Lewisboro, 11 Main Street, South Salem, NY 10590.

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**Town of Lewisboro, New York**

## Statement of Net Position

December 31, 2021

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 8,014,543
Receivables	
Taxes, net	655,594
Accounts	279,271
Due from other governments	765,256
State and Federal aid	296,503
Capital assets	
Not being depreciated	1,209,212
Being depreciated, net	10,797,184
Total Assets	22,017,563
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	
OPEB related	2,899,805
	3,511,151
	6,410,956
<b>LIABILITIES</b>	
Accounts payable	183,667
Accrued liabilities	610,241
Deposits payable	555,425
Unearned revenue	642,152
Employee payroll deductions	22,661
Bond anticipation notes payable	3,561,500
Accrued interest payable	81,198
Non-current liabilities	
Due within one year	1,068,806
Due in more than one year	36,425,734
Total Liabilities	43,151,384
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	3,005,748
OPEB related	3,787,783
	6,793,531
<b>NET POSITION</b>	
Net investment in capital assets	1,968,307
Restricted for Debt service	41,333
Unrestricted	(23,526,036)
Total Net Position	\$ (21,516,396)

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

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# Town of Lewisboro, New York

## Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
General government support	\$ 3,666,780	\$ 1,227,501	\$ -	\$ (2,439,279)
Public safety	2,270,220	158,373	-	(2,111,847)
Health	267,927	-	-	(267,927)
Transportation	3,291,662	2,400	351,607	(2,937,655)
Culture and recreation	2,619,421	963,446	-	(1,655,975)
Home and community services	1,708,493	380,477	135,250	(1,192,766)
Interest	247,933	-	41,333	(206,600)
Total Governmental Activities	<u>\$ 14,072,436</u>	<u>\$ 2,732,197</u>	<u>\$ 528,190</u>	<u>(10,812,049)</u>
General revenues				
Real property taxes				7,537,860
Other tax items				
Interest and penalties on real property taxes				308,841
Non-property taxes				
Franchise fees				259,684
Non-property tax distribution from County				2,951,874
Unrestricted use of money and property				6,559
Unrestricted State aid				1,317,030
Gain on sale of real property				8,450
Miscellaneous				39,339
Total General Revenues				<u>12,429,637</u>
Change in Net Position				1,617,588
<b>NET POSITION</b>				
Beginning				<u>(23,133,984)</u>
Ending				<u>\$ (21,516,396)</u>

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

**Town of Lewisboro, New York**

Balance Sheet  
Governmental Funds  
December 31, 2021

	General	Highway	Special Districts
<b>ASSETS</b>			
Cash and equivalents	\$ 5,203,137	\$ 819,836	\$ 747,180
Taxes receivable, net	655,594	-	-
Other receivables			
Accounts	216,418	-	62,853
Due from other governments	765,256	-	-
State and Federal aid	-	296,503	-
Due from other funds	-	-	5,408
	981,674	296,503	68,261
Total Assets	<u>\$ 6,840,405</u>	<u>\$ 1,116,339</u>	<u>\$ 815,441</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 118,539	\$ 34,238	\$ 30,890
Accrued liabilities	452,741	157,500	-
Due to other funds	364,111	19,192	107,459
Deposits payable	555,425	-	-
Unearned revenue	642,152	-	-
Employee payroll deductions	22,661	-	-
Bond anticipation notes payable	-	-	-
Total Liabilities	2,155,629	210,930	138,349
Deferred inflows of resources			
Deferred tax revenues	637,826	-	-
Total Liabilities and Deferred Inflows of Resources	<u>2,793,455</u>	<u>210,930</u>	<u>138,349</u>
Fund balances (deficits)			
Restricted	-	-	-
Assigned	-	905,409	691,701
Unassigned	4,046,950	-	(14,609)
Total Fund Balances (Deficits)	<u>4,046,950</u>	<u>905,409</u>	<u>677,092</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 6,840,405</u>	<u>\$ 1,116,339</u>	<u>\$ 815,441</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 1,244,390	\$ -	\$ 8,014,543
-	-	655,594
	-	279,271
-	-	765,256
-	-	296,503
444,021	41,333	490,762
444,021	41,333	1,831,792
\$ 1,688,411	\$ 41,333	\$ 10,501,929
\$ -	\$ -	\$ 183,667
-	-	610,241
-	-	490,762
-	-	555,425
-	-	642,152
-	-	22,661
3,561,500	-	3,561,500
3,561,500	-	6,066,408
-	-	637,826
3,561,500	-	6,704,234
-	41,333	41,333
-	-	1,597,110
(1,873,089)	-	2,159,252
(1,873,089)	41,333	3,797,695
\$ 1,688,411	\$ 41,333	\$ 10,501,929

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## Town of Lewisboro, New York

### Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2021

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

Total Fund Balances - Governmental Funds	\$ 3,797,695
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	1,209,212
Capital assets - depreciable	55,651,791
Accumulated depreciation	<u>(44,854,607)</u>
	12,006,396
Differences between actual and expected experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	2,899,805
Deferred outflows - OPEB related	3,511,151
Deferred inflows - pension related	(3,005,748)
Deferred inflows - OPEB related	<u>(3,787,783)</u>
	<u>(382,575)</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>637,826</u>
Long-term liabilities that are not due and payable in the current period and therefore, are not reported in the funds.	
Accrued interest payable	(81,198)
General obligation bonds payable	(8,165,000)
Retirement incentives and other pension liabilities	(326,852)
Compensated absences	(779,042)
Net pension liability	(185,394)
Total OPEB liability	<u>(28,038,252)</u>
	<u>(37,575,738)</u>
Net Position of Governmental Activities	<u>\$ (21,516,396)</u>

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

**Town of Lewisboro, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Governmental Funds  
Year Ended December 31, 2021

	General	Highway	Special Districts
<b>REVENUES</b>			
Real property taxes	\$ 3,797,752	\$ 3,377,414	\$ 664,705
Other tax items	308,841	-	-
Non-property taxes	3,211,558	-	-
Departmental income	2,135,756	-	307,701
Intergovernmental charges	34,292	-	-
Use of money and property	118,126	-	247
Licenses and permits	19,730	-	-
Fines and forfeitures	123,151	-	-
Sale of property and compensation for loss	-	23,267	-
State aid	1,317,030	328,340	135,003
Miscellaneous	39,339	-	-
Total Revenues	11,105,575	3,729,021	1,107,656
<b>EXPENDITURES</b>			
Current			
General government support	2,364,825	76,000	29,000
Public safety	1,282,635	-	-
Health	266,063	-	-
Transportation	153,879	2,153,893	16,043
Culture and recreation	1,815,035	-	-
Home and community services	193,227	-	768,164
Employee benefits	2,094,156	859,594	-
Debt service			
Principal	-	-	-
Interest	10,576	13,316	12,149
Capital outlay	-	-	-
Total Expenditures	8,180,396	3,102,803	825,356
Excess (Deficiency) of Revenues Over Expenditures	2,925,179	626,218	282,300
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance premium	-	-	-
Sale of real property	8,450	-	-
Transfers in	-	-	-
Transfers out	(613,089)	(526,694)	(255,336)
Total Other Financing Sources (Uses)	(604,639)	(526,694)	(255,336)
Net Change in Fund Balances	2,320,540	99,524	26,964
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	1,726,410	805,885	650,128
End of Year	\$ 4,046,950	\$ 905,409	\$ 677,092

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 7,839,871
-	-	308,841
-	-	3,211,558
-	-	2,443,457
-	-	34,292
-	-	118,373
-	-	19,730
-	-	123,151
-	-	23,267
-	-	1,780,373
-	-	39,339
-	-	15,942,252
-	-	2,469,825
-	-	1,282,635
-	-	266,063
-	-	2,323,815
-	-	1,815,035
-	-	961,391
-	-	2,953,750
-	1,110,000	1,110,000
-	204,119	240,160
683,673	-	683,673
683,673	1,314,119	14,106,347
(683,673)	(1,314,119)	1,835,905
-	41,333	41,333
-	-	8,450
129,779	1,314,119	1,443,898
-	(48,779)	(1,443,898)
129,779	1,306,673	49,783
(553,894)	(7,446)	1,885,688
(1,319,195)	48,779	1,912,007
\$ (1,873,089)	\$ 41,333	\$ 3,797,695

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## Town of Lewisboro, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2021

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 1,885,688</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	1,096,586
Depreciation expense	<u>(1,212,365)</u>
	<u>(115,779)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>(302,011)</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal paid on general obligation bonds	<u>1,110,000</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	(7,773)
Compensated absences	28,032
Retirement incentives and other pension liabilities	73,335
Changes in pension liabilities and related deferred outflows and inflows of resources	283,112
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(1,337,016)</u>
	<u>(960,310)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 1,617,588</u></u>

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

# Town of Lewisboro, New York

## Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual General, Highway and Special Districts Funds Year Ended December 31, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 3,783,651	\$ 3,783,651	\$ 3,797,752	\$ 14,101
Other tax items	200,000	200,000	308,841	108,841
Non-property taxes	2,873,000	2,873,000	3,211,558	338,558
Departmental income	1,092,400	1,092,400	2,135,756	1,043,356
Intergovernmental charges	42,600	42,600	34,292	(8,308)
Use of money and property	124,100	124,100	118,126	(5,974)
Licenses and permits	15,740	15,740	19,730	3,990
Fines and forfeitures	100,000	100,000	123,151	23,151
Sale of property and compensation for loss	-	-	-	-
State aid	620,000	600,000	1,317,030	717,030
Miscellaneous	2,000	22,000	39,339	17,339
Total Revenues	8,853,491	8,853,491	11,105,575	2,252,084
<b>EXPENDITURES</b>				
Current				
General government support	2,501,994	2,424,830	2,364,825	60,005
Public safety	1,197,277	1,282,635	1,282,635	-
Health	266,100	266,063	266,063	-
Transportation	154,180	153,879	153,879	-
Culture and recreation	1,760,072	1,815,035	1,815,035	-
Home and community services	175,493	193,227	193,227	-
Employee benefits	2,155,040	2,094,157	2,094,156	1
Debt service				
Interest	30,246	10,576	10,576	-
Total Expenditures	8,240,402	8,240,402	8,180,396	60,006
Excess of Revenues Over Expenditures	613,089	613,089	2,925,179	2,312,090
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of real property	-	-	8,450	8,450
Transfers out	(613,089)	(613,089)	(613,089)	-
Total Other Financing Uses	(613,089)	(613,089)	(604,639)	8,450
Net Change in Fund Balances	-	-	2,320,540	2,320,540
<b>FUND BALANCES</b>				
Beginning of Year	-	-	1,726,410	1,726,410
End of Year	\$ -	\$ -	\$ 4,046,950	\$ 4,046,950

Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,377,414	\$ 3,377,414	\$ 3,377,414	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	23,267	23,267
170,000	170,000	328,340	158,340
-	-	-	-
3,547,414	3,547,414	3,729,021	181,607
76,000	76,000	76,000	-
-	-	-	-
-	-	-	-
2,022,582	2,071,810	2,153,893	(82,083)
-	-	-	-
-	-	-	-
908,822	859,594	859,594	-
13,316	13,316	13,316	-
3,020,720	3,020,720	3,102,803	(82,083)
526,694	526,694	626,218	99,524
-	-	-	-
(526,694)	(526,694)	(526,694)	-
(526,694)	(526,694)	(526,694)	-
-	-	99,524	99,524
-	-	805,885	805,885
\$ -	\$ -	\$ 905,409	\$ 905,409

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**Town of Lewisboro, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual (Continued)  
General, Highway and Special Districts Funds  
Year Ended December 31, 2021

	Special Districts Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 664,705	\$ 664,705	\$ 664,705	\$ -
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	199,729	199,729	307,701	107,972
Intergovernmental charges	-	-	-	-
Use of money and property	-	-	247	247
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	-	-
State aid	131,059	131,059	135,003	3,944
Miscellaneous	-	-	-	-
Total Revenues	995,493	995,493	1,107,656	112,163
<b>EXPENDITURES</b>				
Current				
General government support	29,000	29,000	29,000	-
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	14,699	14,699	16,043	(1,344)
Culture and recreation	-	-	-	-
Home and community services	646,989	684,309	768,164	(83,855)
Employee benefits	-	-	-	-
Debt service				
Interest	12,149	12,149	12,149	-
Total Expenditures	702,837	740,157	825,356	(85,199)
Excess of Revenues Over Expenditures	292,656	255,336	282,300	26,964
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	-	-	-	-
Transfers out	(292,656)	(255,336)	(255,336)	-
Total Other Financing Uses	(292,656)	(255,336)	(255,336)	-
Net Change in Fund Balances	-	-	26,964	26,964
<b>FUND BALANCES</b>				
Beginning of Year	-	-	650,128	650,128
End of Year	\$ -	\$ -	\$ 677,092	\$ 677,092

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



**Town of Lewisboro, New York**

Statement of Assets and Liabilities  
Fiduciary Fund  
December 31, 2021

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	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 8,141,364
Real property taxes receivable for other governments	<u>18,104,532</u>
Total Assets	<u><u>\$ 26,245,896</u></u>
<b>LIABILITIES</b>	
Due to other governments	<u><u>\$ 26,245,896</u></u>

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

**Town of Lewisboro, New York**

Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
Year Ended December 31, 2021

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Real property taxes collected for other governments	\$ 70,237,186
<b>DEDUCTIONS</b>	
Payments of real property taxes to other governments	<u>70,237,186</u>
Net Change in Fiduciary Net Position	-
<b>NET POSITION</b>	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

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

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

The Town of Lewisboro, New York ("Town") was established in 1731 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as the chief executive officer and the Director of Finance serves as the chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, culture and recreation, home and community services and general and administrative support.

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

**A. Financial Reporting Entity**

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

**B. Government-Wide Financial Statements**

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

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

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

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

**C. Fund Financial Statements**

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

**Fund Categories**

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

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

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

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenues of this fund are real property taxes and state aid.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's sewer, water and lighting districts. The major revenues of this fund are real property taxes and departmental income.

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

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

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

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

Special Purpose Fund – The Special Purpose Fund is used to account for assets held by the Town in accordance with the terms of a trust agreement.

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Fiduciary fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor in determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to retirement incentives and other pension obligations, compensated absences, net pension liability and other postemployment benefit liabilities are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

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

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

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

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

The Town follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**Risk Disclosure**

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

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 "*Deposit and Investment Risk Disclosures – an Amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the

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

pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2021.

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

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

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special districts taxes which are due April 1st and payable without penalty to April 30th. School districts taxes for the period July 1st to June 30th are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County of Westchester ("County") and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

The Town functions in both a fiduciary and guarantor relationship with the County and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and satisfy the balance of forty percent by October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligations to the municipalities regardless of the amounts collected. County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "*Fiduciary Activities*", and therefore have been accounted for within the Custodial Fund.

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

**Due From/To Other Funds** - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

**Inventory** - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

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

In the case of the initial capitalization of general infrastructure assets, the Town chose to include all such items regardless of their acquisition date or amount. The Town was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Life in Years</u>
Land Improvements	20
Buildings and Improvements	20-50
Machinery and Equipment	5-20
Infrastructure	10-50

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

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$642,152 in American Rescue Plan Act funds received in advance in the General Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.



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

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

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

The Town reported deferred inflows of resources of \$637,826 for real property taxes in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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

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

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

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

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

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

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

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

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

**Fund Balances** - Generally, fund balance represents the difference between current assets and deferred outflows at resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

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

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or delegated to the Deputy Supervisor for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining

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

amounts, except for negative balances that are not classified as nonspendable and are neither restricted nor committed.

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

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

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Highway and Special Districts funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 9, 2022.

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

**A. Budgetary Data**

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.

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

- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for the General, Highway, Special Districts and Debt Service funds.
- i) Budgets for the General, Highway, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. The Town Board does not adopt an annual budget for the Special Purpose Fund since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- k) Appropriations in the General, Highway, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

**B. Property Tax Limitation**

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

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

of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

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

**C. Expenditures in Excess of Budget**

The following categories of expenditures exceeded their budgetary provisions by the amounts indicated:

Highway Fund	
Transportation	\$ 82,083
Special Districts Fund	
Transportation	\$ 1,344
Home and Community Services	\$ 83,855

**D. Fund Deficits**

The following sub-fund in the Special Districts Fund reflects a deficit as of December 31, 2021:

Oak Ridge Water District	\$ 14,609
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The Town will address this deficit in the ensuing year.

**E. Capital Projects Fund Deficit**

The Capital Projects Fund reflects a deficit of \$1,873,089 at December 31, 2021. The deficit arises in part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the project. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

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

#### **A. Taxes Receivable**

Taxes receivable at December 31, 2021 consisted of the following:

Town and County taxes - Current	\$	81,314
Tax liens		878,531
Property acquired for taxes		<u>355,969</u>
		1,315,814
Allowance for uncollectible taxes		<u>(660,220)</u>
	\$	<u>655,594</u>

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2022. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$637,826, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

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

The balances reflected as due from/to other funds at December 31, 2021 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 364,111
Highway	-	19,192
Special Districts	5,408	107,459
Capital Projects	444,021	-
Debt Service	<u>41,333</u>	<u>-</u>
	<u>\$ 490,762</u>	<u>\$ 490,762</u>

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

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
 December 31, 2021

**Note 3 - Detailed Notes on All Funds (Continued)****C. Capital Assets**

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

Class	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Capital Assets, not being depreciated:				
Land	\$ 725,000	\$ -	\$ -	\$ 725,000
Construction-in-progress	283,668	200,544	-	484,212
Total Capital Assets, not being depreciated	<u>\$ 1,008,668</u>	<u>\$ 200,544</u>	<u>\$ -</u>	<u>\$ 1,209,212</u>
Capital Assets, being depreciated:				
Land improvements	\$ 2,477,549	\$ 10,498	\$ -	\$ 2,488,047
Buildings and improvements	2,801,718	66,466	-	2,868,184
Machinery and equipment	3,908,000	240,636	-	4,148,636
Infrastructure	45,568,482	578,442	-	46,146,924
Total Capital Assets, being depreciated	<u>54,755,749</u>	<u>896,042</u>	<u>-</u>	<u>55,651,791</u>
Less Accumulated Depreciation for:				
Land improvements	1,492,831	77,724	-	1,570,555
Buildings and improvements	1,795,462	69,702	-	1,865,164
Machinery and equipment	2,508,598	227,678	-	2,736,276
Infrastructure	37,845,351	837,261	-	38,682,612
Total Accumulated Depreciation	<u>43,642,242</u>	<u>1,212,365</u>	<u>-</u>	<u>44,854,607</u>
Total Capital Assets, being depreciated, net	<u>\$ 11,113,507</u>	<u>\$ (316,323)</u>	<u>\$ -</u>	<u>\$ 10,797,184</u>
Governmental Activities				
Capital Assets, net	<u>\$ 12,122,175</u>	<u>\$ (115,779)</u>	<u>\$ -</u>	<u>\$ 12,006,396</u>

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

Governmental Activities:	
General Government Support	\$ 91,749
Transportation	382,739
Culture and Recreation	39,398
Home and Community Services	<u>698,479</u>
Total Depreciation Expense	<u>\$ 1,212,365</u>

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

#### **D. Accrued Liabilities**

Accrued liabilities at December 31, 2021 were as follows:

	General Fund	Highway Fund	Total
Payroll and Employee Benefits	\$ 449,949	\$ 94,876	\$ 544,825
Other	2,792	62,624	65,416
	<u>\$ 452,741</u>	<u>\$ 157,500</u>	<u>\$ 610,241</u>

#### **E. Short-Term Capital Borrowings**

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

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance January 1, 2021	New Issues	Redemptions	Balance December 31, 2021
Oakridge Water District	2003	04/15/22	1.50 %	\$ 574,000	\$ -	\$ 14,000	\$ 560,000
Oakridge Water Facility Upgrades	2019	04/15/22	1.50	482,500	-	4,100	478,400
Trucks and Vehicles	2019	04/15/22	1.50	474,000	-	24,000	450,000
Building Renovations	2019	04/15/22	1.50	155,000	-	29,800	125,200
Road Resurfacing	2019	04/15/22	1.50	180,000	-	9,100	170,900
Trucks and Vehicles	2020	04/15/22	1.50	504,000	-	-	504,000
Police Vehicles	2020	04/15/22	1.50	114,000	-	-	114,000
Parks and Facilities Improvements	2020	04/15/22	1.50	168,000	-	-	168,000
Software	2020	04/15/22	1.50	19,000	-	-	19,000
Field Maintenance Vehicles	2021	04/15/22	1.50	-	15,000	-	15,000
Various Park Improvements	2021	04/15/22	1.50	-	435,000	-	435,000
Resurfacing of Town Roads	2021	04/15/22	1.50	-	180,000	-	180,000
Trucks and Vehicles	2021	04/15/22	1.50	-	342,000	-	342,000
				<u>\$ 2,670,500</u>	<u>\$ 972,000</u>	<u>\$ 81,000</u>	<u>\$ 3,561,500</u>

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

Interest expenditures/expense of \$5,246, \$13,316 and \$12,149 was recorded in the fund financial statements in the General Fund, Highway Fund, and Special Districts Fund – Oakridge Water. Interest expense of \$47,010 was recorded in the government-wide financial statements for governmental activities.



**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
 December 31, 2021

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**Note 3 - Detailed Notes on All Funds (Continued)****F. Short-Term Non-Capital Borrowings**

The schedule below details the changes in short-term non-capital borrowings. The borrowings consisted of notes issued in anticipation of the collection of real property taxes for the 2021 fiscal year.

<u>Purpose</u>	<u>Balance January 1, 2021</u>	<u>Issued</u>	<u>Redemptions</u>	<u>Balance December 31, 2021</u>
Tax Anticipation Notes	<u>\$ -</u>	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ -</u>

The tax anticipation note was issued on February 12, 2021 and was redeemed on June 15, 2021 with interest at 0.78%. Interest expenditure/expense of \$5,330 was recorded in the fund financial statements in the General Fund and in the government-wide financial statements.

**G. Long-Term Liabilities**

The following table summarizes changes in the Town's long-term liability for the year ended December 31, 2021:

	<u>Balance January 1, 2021</u>	<u>New Issues/ Additions</u>	<u>Maturities and/or Payments</u>	<u>Balance December 31, 2021</u>	<u>Due Within One Year</u>
General Obligation Bonds Payable	\$ 9,275,000	\$ -	\$ 1,110,000	\$ 8,165,000	\$ 915,000
Retirement Incentives and Other Pension Liabilities	400,187	-	73,335	326,852	75,806
Compensated Absences	807,074	52,968	81,000	779,042	78,000
Net Pension Liability	2,832,126	-	2,646,732	185,394	-
Other Postemployment Benefit Liabilities	<u>29,163,305</u>	<u>2,736,719</u>	<u>3,861,772</u>	<u>28,038,252</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 42,477,692</u>	<u>\$ 2,789,687</u>	<u>\$ 7,772,839</u>	<u>\$ 37,494,540</u>	<u>\$ 1,068,806</u>

Each governmental fund's liability for bonds is liquidated by the Debt Service Fund. The liability for retirement incentives and other pension liabilities, compensated absences, net pension liability and other postemployment benefit liabilities is liquidated by the General, Highway and Special Districts funds.

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

#### **General Obligation Bonds Payable**

General obligation bonds payable at December 31, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2021
Public Improvements - Road Resurfacing	2008	\$ 3,085,000	June, 2022	4.000 %	\$ 285,000
Land Acquisition - Bell Property	2009	2,160,000	June, 2029	3.750 - 4.000	1,065,000
EFC - Oakridge Sewer District	2010	5,925,822	October, 2039	3.405 - 4.603	3,855,000
Public Improvements - Various	2014	1,125,900	April, 2024	2.000 - 2.500	370,000
Public Improvements - Various	2018	3,105,567	March, 2032	3.000	2,590,000
					<u>\$ 8,165,000</u>

Interest expenditures of \$204,119 were recorded in the Debt Service Fund. Interest expense of \$195,593 was recorded in the government-wide financial statements for governmental activities.

#### **Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2021 including interest payments of \$1,028,124 are as follows:

Year Ending December 31,	General Obligation Bonds Payable	
	Principal	Interest
2022	\$ 915,000	\$ 169,319
2023	645,000	147,725
2024	660,000	131,336
2025	545,000	116,055
2026	560,000	100,710
2027-2031	2,745,000	268,761
2032-2036	1,390,000	64,467
2037-2041	705,000	29,751
	<u>\$ 8,165,000</u>	<u>\$ 1,028,124</u>

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

#### **Legal Debt Margin**

The Town is subject to legal limitations on the amount of debt that it may issue. The Town's legal debt margin is 7% of the five year average full valuation of taxable real property. At December 31, 2021, that amount was \$209,546,856. As of December 31, 2021, the total outstanding debt applicable to the limit was \$11,726,500, which is 5.60% of the total debt limit.

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

**Retirement Incentives and Other Pension Liabilities**

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS and PFRS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The Town has elected to amortize the maximum allowable ERS and PFRS contributions for fiscal years 2012 through 2017 as noted in the table below. In the current year \$73,335 was paid for these obligations. The balance due at December 31, 2021 was \$326,852.

The current year payments were charged to General Fund retirement expenditures.

	Original Amount Amortized	Current Year Payments	Balance Due	Due Within One Year
2012 ERS	\$ 150,015	\$ 16,576	\$ 17,075	\$ 17,075
2012 PFRS	24,831	2,744	2,826	2,826
2013 ERS	226,339	19,774	86,818	20,518
2013 PFRS	11,821	1,033	4,534	1,071
2014 ERS	193,117	16,257	90,232	16,827
2015 ERS	129,790	10,574	71,214	10,924
2016 ERS	42,114	3,362	26,144	3,450
2017 ERS	39,503	3,015	28,009	3,115
	<u>\$ 817,530</u>	<u>\$ 73,335</u>	<u>\$ 326,852</u>	<u>\$ 75,806</u>

**Compensated Absences**

Pursuant to the Town's collective bargaining agreements, when an employee separates from service in good standing and has given at least two weeks' notice, the employee or beneficiary will be compensated for their accumulated sick leave. The employee shall be paid for up to 45 days at the current salary rate. For each day in excess of 45 days, the employee shall be paid one half the current salary rate. Fulltime employees who are not members of collective bargaining agreements hired after January 1, 2009, who separate from service in good standing and provided at least two weeks' notice, will receive accumulated sick leave for up to, but not to exceed 45 days at the current salary rate. Employees are allowed to carry a maximum of five vacation days from a given calendar year into the following calendar year except for those employees who are members of the Municipal Workers Association. Upon separation from service in good standing the employee shall be paid at the current salary rate.

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

**Pension Plans**

*New York State and Local Retirement System*

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

The System is noncontributory except for employees who joined 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, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2021 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	21.4 %
	2 75I	19.5
	4 A15	16.0
	5 A15	13.3
	6 A15	9.5
PFRS	2 375E	16.5 %
	2 384D	25.6
	6 384D *	15.7

\* Indicates employees are required to make a contribution for this PFRS tier/plan.

# Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

At December 31, 2021, the Town reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2021	March 31, 2021
Net pension liability	\$ 8,235	\$ 177,159
Town's proportion of the net pension liability	0.0082704%	0.0102034%
Change in proportion since the prior measurement date	(0.0002083%)	(0.0004880%)

The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2021, the Town recognized its proportionate share of pension expense in the government-wide financial statements of \$268,766 for ERS and \$87,226 for PFRS. Pension expenditures inclusive of retirement incentives and other pension obligations of \$599,932 for ERS and \$126,501 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 394,682	\$ 126,501
Highway	205,250	-
Total	<u>\$ 599,932</u>	<u>\$ 126,501</u>

At December 31, 2021, the Town reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>PFRS</u>		<u>Total</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 100,574	\$ -	\$ 39,311	\$ -	\$ 139,885	\$ -
Changes of assumptions	1,514,181	28,558	435,260	-	1,949,441	28,558
Net difference between projected and actual earnings on pension plan investments	-	2,365,625	-	520,925	-	2,886,550
Changes in proportion and differences between Town contributions and proportionate share of contributions	242,481	56,605	2,692	34,035	245,173	90,640
Town contributions subsequent to the measurement date	463,838	-	101,468	-	565,306	-
	<u>\$ 2,321,074</u>	<u>\$ 2,450,788</u>	<u>\$ 578,731</u>	<u>\$ 554,960</u>	<u>\$ 2,899,805</u>	<u>\$ 3,005,748</u>

\$463,838 and \$101,468 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Town's accrued contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the plan's year ended March 31,

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

2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2022	\$ (66,911)	\$ (30,011)
2023	5,723	(11,196)
2024	(96,168)	(23,121)
2025	(436,196)	(96,952)
2026	-	83,583
Thereafter	-	-
	<u>\$ (593,552)</u>	<u>\$ (77,697)</u>

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

	ERS	PFRS
Measurement date	March 31, 2021	March 31, 2021
Actuarial valuation date	April 1, 2020	April 1, 2020
Investment rate of return	5.9%	5.9% *
Salary scale	4.4%	4.4%
Inflation rate	2.7%	2.7%
Cost of living adjustments	1.4%	1.4%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020.

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

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

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
 December 31, 2021

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

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	4.95
Absolute Return Strategies	3	4.50
Opportunistic Portfolio	4	3.63
Real Assets	3	5.95
Bonds and Mortgages	23	-
Cash	1	0.50
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.7%.

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	<u>1% Decrease (4.9%)</u>	<u>Current Discount Rate (5.9%)</u>	<u>1% Increase (6.9%)</u>
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,285,764</u>	<u>\$ 8,235</u>	<u>\$ (2,092,179)</u>
Town's proportionate share of the PFRS net pension liability (asset)	<u>\$ 753,379</u>	<u>\$ 177,159</u>	<u>\$ (299,803)</u>

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

The components of the collective net pension liability as of the March 31, 2021 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 220,680,157,000	\$ 41,236,775,000	\$ 261,916,932,000
Fiduciary net position	220,580,583,000	39,500,500,000	260,081,083,000
Employers' net pension liability	<u>\$ 99,574,000</u>	<u>\$ 1,736,275,000</u>	<u>\$ 1,835,849,000</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>	<u>95.79%</u>	<u>99.30%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of December 31, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS and PFRS for the nine months ended December 31, 2021 were \$463,838 and \$101,468 respectively.

#### *Voluntary Defined Contribution Plan*

The Town can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

#### **Other Postemployment Benefit Liability ("OPEB")**

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

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	41
Active employees	<u>42</u>
	<u>83</u>

The Town's total OPEB liability of \$28,038,252 was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.



## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.0%, average, including inflation
Discount rate	1.84%
Healthcare cost trend rates	4.5% for 2021, decreasing 0.10% per year to an ultimate rate of 4.20% for 2024 and decreasing to 3.784% for 2075 and later years
Retirees' share of benefit-related costs	Varies from 0% to 100%, depending on applicable retirement year and bargaining unit

The discount rate was based on the Fidelity General Obligation 20-Year AA Municipal Bond Index.

Mortality rates were based on the sex-distinct and job category specific headcount-weighted Pub2010 Public Retirement Plans Mortality Tables for employees and health retirees, and then adjusted for mortality improvements with scale MP-2021 mortality improvement scale on a generational basis in order to reflect the most recent experience available.

The actuarial assumptions used in the January 1, 2021 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS and TRS. ERS and TRS tables were based on a version released in 2020.

The Town's change in the total OPEB liability for the year ended December 31, 2021 is as follows:

Total OPEB Liability - Beginning of Year	\$ 29,163,305
Service cost	1,097,991
Interest	534,365
Changes of benefit terms	-
Differences between expected and actual experience	(3,224,293)
Changes in assumptions or other inputs	1,104,363
Benefit payments	<u>(637,479)</u>
Total OPEB Liability - End of Year	<u><u>\$ 28,038,252</u></u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (.84%) or 1 percentage point higher (2.84%) than the current discount rate:

	1% Decrease (.84%)	Current Discount Rate (1.84%)	1% Increase (2.84%)
Total OPEB Liability	<u><u>\$ 33,087,577</u></u>	<u><u>\$ 28,038,252</u></u>	<u><u>\$ 24,023,956</u></u>

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
 December 31, 2021

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

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (3.5% decreasing to 2.784%) or 1 percentage point higher (5.5% decreasing to 4.784%) than the current healthcare cost trend rates:

	1% Decrease (3.5% decreasing to 2.784%)	Current Healthcare Cost Trend Rates (4.5% decreasing to 3.784%)	1% Increase (5.5% decreasing to 4.784%)
Total OPEB Liability	<u>\$ 23,414,654</u>	<u>\$ 28,038,252</u>	<u>\$ 34,037,778</u>

For the year ended December 31, 2021, the Town recognized OPEB expense of \$1,974,495 in the government-wide financial statements. At December 31, 2021, the Town 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
Changes of assumptions or other inputs	\$ 3,511,151	\$ 2,727,553
Differences between expected and actual experience	-	1,060,230
	<u>\$ 3,511,151</u>	<u>\$ 3,787,783</u>

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

<u>Year Ended December 31,</u>	
2022	\$ 193,222
2023	(276,647)
2024	(63,550)
2025	(40,470)
2026	(89,187)
Thereafter	-
	<u>\$ (276,632)</u>

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

**H. Revenues and Expenditures**

**Interfund Transfers**

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

Transfers Out	Transfers In		Total
	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ 29,800	\$ 583,289	\$ 613,089
Highway Fund	33,100	493,594	526,694
Special Districts Fund	18,100	237,236	255,336
Non-Major Governmental Funds	48,779	-	48,779
	<u>\$ 129,779</u>	<u>\$ 1,314,119</u>	<u>\$ 1,443,898</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and 2) move amounts to the Debt Service Fund from the operating funds as debt service principal and interest payments become due.

**I. Net Position**

The components of net position are detailed below:

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

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

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

# Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2021

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

### J. Fund Balances

	2021						2020					
	General Fund	Highway Fund	Special Districts Funds	Capital Projects Fund	Non-Major Governmental	Total	General Fund	Highway Fund	Special Districts Funds	Capital Projects Fund	Non-Major Governmental	Total
Restricted:												
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 41,333	\$ 41,333	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special purpose	-	-	-	-	-	-	-	-	-	-	48,779	48,779
Total Restricted	-	-	-	-	41,333	41,333	-	-	-	-	48,779	48,779
Assigned -												
Major funds	-	905,409	691,701	-	-	1,597,110	-	805,885	650,128	-	-	1,456,013
Unassigned	4,046,950	-	(14,609)	(1,873,089)	-	2,159,252	1,726,410	-	-	(1,319,195)	-	407,215
Total Fund Balances	<u>\$ 4,046,950</u>	<u>\$ 905,409</u>	<u>\$ 677,092</u>	<u>\$ (1,873,089)</u>	<u>\$ 41,333</u>	<u>\$ 3,797,695</u>	<u>\$ 1,726,410</u>	<u>\$ 805,885</u>	<u>\$ 650,128</u>	<u>\$ (1,319,195)</u>	<u>\$ 48,779</u>	<u>\$ 1,912,007</u>

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

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned. Unassigned fund balance in the Capital Projects Fund represents the deficit balance in this fund.

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

**A. Litigation**

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Town if adversely settled.

The Town is also defendant in various claims by taxpayers for redetermination of assessed valuation and special franchises. The settlement of such claims could result in the payment of refunds by the Town. However, the amount of the possible refunds cannot be determined at the present time. Any payments resulting from such claims will be funded in the year the payment is made.

**B. Risk Management**

The Town purchases various conventional insurance policies to reduce its exposure to loss. The general liability, law enforcement and public official's liability policies maintained provide coverage up to \$1 million per occurrence. The Town also maintains an umbrella liability policy which provides coverage up to \$10 million per occurrence.

The Town purchases health insurance and conventional workers' compensation coverage at statutory levels. However, the Town has a secondary disability policy which will pay two-thirds of an employee's salary up to \$2,200 for the first week and supplements workers compensation up to two-thirds of salary up to \$2,200 for each week thereafter.

**C. Contingencies**

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

**Note 5 - Subsequent Event**

On April 13, 2022, the Town issued a bond anticipation note in the amount of \$3,381,100. The note matures on April 13, 2023, with interest at 1.63%.

**Note 6 - Recently Issued GASB Pronouncements**

GASB Statement No. 87, "*Leases*", as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users. This Statement defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding liability. The Statement also provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, as well as detailing the requirements for note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

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

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## Town of Lewisboro, New York

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

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 1,097,991	\$ 961,034	\$ 703,271	\$ 946,168
Interest	534,365	735,146	800,852	1,073,616
Changes of benefit terms	-	-	-	(7,693,754)
Differences between expected and actual experience	(3,224,293) (4)	-	(367,766)	-
Changes of assumptions or other inputs	1,104,363	2,068,282	4,829,471	(4,639,845)
Benefit payments	(637,479)	(745,496)	(658,975)	(676,154)
Net Change in Total OPEB Liability	(1,125,053)	3,018,966	5,306,853	(10,989,969)
Total OPEB Liability – Beginning of Year	29,163,305	26,144,339	20,837,486	31,827,455 (3)
Total OPEB Liability – End of Year	<u>\$ 28,038,252</u>	<u>\$ 29,163,305</u>	<u>\$ 26,144,339</u>	<u>\$ 20,837,486</u>
Town's covered-employee payroll	<u>\$ 4,835,856</u>	<u>\$ 4,314,831</u>	<u>\$ 4,557,104</u>	<u>\$ 4,427,000</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>579.80%</u>	<u>675.89%</u>	<u>573.71%</u>	<u>470.69%</u>
Discount Rate	<u>1.84%</u>	<u>2.00%</u>	<u>2.75%</u>	<u>3.71%</u>

#### Notes to Schedule:

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

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

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

#### (4) Changes of benefit terms, assumptions or other inputs

As of December 31, 2021, the mortality improvement scale was updated from Scale MP-2020 to Scale MP-2021 mortality improvement scale on a generational basis. The revised assumption resulted in an increase in liabilities.

As of December 31, 2021, the accumulation of interest on total OPEB liability, accrual of additional benefits for active employees, revised discount rates, revised healthcare trend rate and benefit payments made to current retirees accounted for an increase in liabilities.

As of December 31, 2021, the increase in claims costs were less than expected accounted for a decrease in liabilities.

See independent auditors' report.

# **Town of Lewisboro, New York**

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

Schedule of the Town's Proportionate Share of the Net Pension Liability (2)							
	2021 (4)	2020 (3)	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	<u>0.0082704%</u>	<u>0.0084787%</u>	<u>0.0094948%</u>	<u>0.0088786%</u>	<u>0.0087581%</u>	<u>0.0101169%</u>	<u>0.0105078%</u>
Town's proportionate share of the net pension liability	<u>\$ 8,235</u>	<u>\$ 2,245,209</u>	<u>\$ 672,734</u>	<u>\$ 286,551</u>	<u>\$ 822,933</u>	<u>\$ 1,623,788</u>	<u>\$ 354,980</u>
Town's covered payroll	<u>\$ 3,420,370</u>	<u>\$ 3,265,018</u>	<u>\$ 3,258,617</u>	<u>\$ 3,127,343</u>	<u>\$ 3,045,638</u>	<u>\$ 2,905,815</u>	<u>\$ 2,869,868</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.24%</u>	<u>68.77%</u>	<u>20.64%</u>	<u>9.16%</u>	<u>27.02%</u>	<u>55.88%</u>	<u>12.37%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>
Discount Rate	<u>5.90%</u>	<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>

Schedule of Contributions							
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	<u>\$ 461,217</u>	<u>\$ 460,686</u>	<u>\$ 462,372</u>	<u>\$ 429,965</u>	<u>\$ 416,846</u>	<u>\$ 498,131</u>	<u>\$ 489,463</u>
Contributions in relation to the contractually required contribution	<u>(461,217)</u>	<u>(460,686)</u>	<u>(462,372)</u>	<u>(429,965)</u>	<u>(416,846)</u>	<u>(498,131)</u>	<u>(489,463)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 3,348,493</u>	<u>\$ 3,274,031</u>	<u>\$ 3,321,344</u>	<u>\$ 3,200,774</u>	<u>\$ 3,082,431</u>	<u>\$ 2,824,545</u>	<u>\$ 3,009,852</u>
Contributions as a percentage of covered payroll	<u>13.77%</u>	<u>14.07%</u>	<u>13.92%</u>	<u>13.43%</u>	<u>13.52%</u>	<u>17.64%</u>	<u>16.26%</u>

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

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

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

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

See independent auditors' report.



**Town of Lewisboro, New York**

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

Schedule of the Town's Proportionate Share of the Net Pension Liability (2)							
	2021 (4)	2020 (3)	2019	2018	2017	2016	2015
Town's proportion of the net pension liability	<u>0.0109808%</u>	<u>0.0109808%</u>	<u>0.0114689%</u>	<u>0.0111678%</u>	<u>0.0133704%</u>	<u>0.0147173%</u>	<u>0.0134806%</u>
Town's proportionate share of the net pension liability	<u>\$ 177,159</u>	<u>\$ 586,917</u>	<u>\$ 192,340</u>	<u>\$ 112,879</u>	<u>\$ 277,122</u>	<u>\$ 435,749</u>	<u>\$ 37,107</u>
Town's covered payroll	<u>\$ 512,723</u>	<u>\$ 475,567</u>	<u>\$ 492,970</u>	<u>\$ 478,961</u>	<u>\$ 536,289</u>	<u>\$ 578,430</u>	<u>\$ 538,157</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>34.55%</u>	<u>123.41%</u>	<u>39.02%</u>	<u>23.57%</u>	<u>51.67%</u>	<u>75.33%</u>	<u>6.90%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>95.79%</u>	<u>84.86%</u>	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>
Discount Rate	<u>5.90%</u>	<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.50%</u>

Schedule of Contributions							
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 95,962	\$ 95,963	\$ 92,898	\$ 94,715	\$ 119,722	\$ 113,271	\$ 117,421
Contributions in relation to the contractually required contribution	<u>(95,962)</u>	<u>(95,963)</u>	<u>(92,898)</u>	<u>(94,715)</u>	<u>(119,722)</u>	<u>(113,271)</u>	<u>(117,421)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 509,641</u>	<u>\$ 522,463</u>	<u>\$ 517,222</u>	<u>\$ 543,548</u>	<u>\$ 487,536</u>	<u>\$ 545,005</u>	<u>\$ 662,192</u>
Contributions as a percentage of covered payroll	<u>18.83%</u>	<u>18.37%</u>	<u>17.96%</u>	<u>17.43%</u>	<u>24.56%</u>	<u>20.78%</u>	<u>17.73%</u>

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

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

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

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

See independent auditors' report.

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# Town of Lewisboro, New York

General Fund  
Comparative Balance Sheet  
December 31,

	2021	2020
<b>ASSETS</b>		
Cash and equivalents	\$ 5,203,137	\$ 2,391,742
Taxes receivable		
Town and County taxes	81,314	100,115
Tax liens	878,531	843,329
Property acquired for taxes	355,969	363,980
	1,315,814	1,307,424
Allowance for uncollectible taxes	(660,220)	(363,980)
	655,594	943,444
Other receivables		
Accounts	216,418	559,029
Due from other governments	765,256	711,761
	981,674	1,270,790
Total Assets	\$ 6,840,405	\$ 4,605,976
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 118,539	\$ 68,793
Accrued liabilities	452,741	375,807
Due to other funds	364,111	905,453
Deposits	555,425	574,231
Unearned revenue	642,152	-
Employee payroll deductions	22,661	15,445
Total Liabilities	2,155,629	1,939,729
Deferred inflows of resources		
Deferred tax revenues	637,826	939,837
Total Liabilities and Deferred Inflows of Resources	2,793,455	2,879,566
Fund balance		
Unassigned	4,046,950	1,726,410
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 6,840,405	\$ 4,605,976

See independent auditors' report.

**Town of Lewisboro, New York**

## General Fund

Comparative Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Years Ended December 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 3,783,651	\$ 3,783,651	\$ 3,797,752	\$ 14,101
Other tax items	200,000	200,000	308,841	108,841
Non property taxes	2,873,000	2,873,000	3,211,558	338,558
Departmental income	1,092,400	1,092,400	2,135,756	1,043,356
Intergovernmental charges	42,600	42,600	34,292	(8,308)
Use of money and property	124,100	124,100	118,126	(5,974)
Licenses and permits	15,740	15,740	19,730	3,990
Fines and forfeitures	100,000	100,000	123,151	23,151
State aid	620,000	600,000	1,317,030	717,030
Miscellaneous	2,000	22,000	39,339	17,339
Total Revenues	8,853,491	8,853,491	11,105,575	2,252,084
<b>EXPENDITURES</b>				
Current				
General government support	2,501,994	2,424,830	2,364,825	60,005
Public safety	1,197,277	1,282,635	1,282,635	-
Health	266,100	266,063	266,063	-
Transportation	154,180	153,879	153,879	-
Culture and recreation	1,760,072	1,815,035	1,815,035	-
Home and community services	175,493	193,227	193,227	-
Employee benefits	2,155,040	2,094,157	2,094,156	1
Debt service				
Interest	30,246	10,576	10,576	-
Total Expenditures	8,240,402	8,240,402	8,180,396	60,006
Excess of Revenues Over Expenditures	613,089	613,089	2,925,179	2,312,090
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of real property	-	-	8,450	8,450
Transfers out	(613,089)	(613,089)	(613,089)	-
Total Other Financing Uses	(613,089)	(613,089)	(604,639)	8,450
Net Change in Fund Balance	-	-	2,320,540	2,320,540
<b>FUND BALANCE</b>				
Beginning of Year	-	-	1,726,410	1,726,410
End of Year	\$ -	\$ -	\$ 4,046,950	\$ 4,046,950

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,459,658	\$ 3,459,658	\$ 3,348,613	\$ (111,045)
200,000	200,000	254,547	54,547
2,883,000	2,883,000	2,833,175	(49,825)
1,623,500	1,623,500	1,173,762	(449,738)
34,600	34,600	59,978	25,378
115,800	115,800	128,939	13,139
15,790	15,790	16,989	1,199
200,000	200,000	82,964	(117,036)
537,000	500,000	732,640	232,640
2,000	39,000	121,554	82,554
9,071,348	9,071,348	8,753,161	(318,187)
2,518,094	2,482,110	2,267,498	214,612
1,043,386	1,125,887	1,082,214	43,673
247,160	247,160	247,156	4
158,180	158,180	150,736	7,444
2,182,452	2,092,160	1,532,851	559,309
179,843	187,557	181,353	6,204
2,111,273	2,147,334	1,959,561	187,773
41,816	41,816	21,645	20,171
8,482,204	8,482,204	7,443,014	1,039,190
589,144	589,144	1,310,147	721,003
-	-	474,378	474,378
(589,144)	(589,144)	(589,144)	-
(589,144)	(589,144)	(114,766)	474,378
-	-	1,195,381	1,195,381
-	-	531,029	531,029
\$ -	\$ -	\$ 1,726,410	\$ 1,726,410

**Town of Lewisboro, New York**

General Fund  
Schedule of Revenues and Other Financing Sources Compared to Budget  
Year Ended December 31, 2021  
(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
<b>REAL PROPERTY TAXES</b>	<u>\$ 3,783,651</u>	<u>\$ 3,783,651</u>	<u>\$ 3,797,752</u>	<u>\$ 14,101</u>	<u>\$ 3,348,613</u>
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	<u>200,000</u>	<u>200,000</u>	<u>308,841</u>	<u>108,841</u>	<u>254,547</u>
<b>NON-PROPERTY TAXES</b>					
Franchise fees	<u>260,000</u>	<u>260,000</u>	<u>259,684</u>	<u>(316)</u>	<u>260,504</u>
Non-property tax distribution from County	<u>2,613,000</u>	<u>2,613,000</u>	<u>2,951,874</u>	<u>338,874</u>	<u>2,572,671</u>
	<u>2,873,000</u>	<u>2,873,000</u>	<u>3,211,558</u>	<u>338,558</u>	<u>2,833,175</u>
<b>DEPARTMENTAL INCOME</b>					
Town Clerk fees	<u>4,300</u>	<u>4,300</u>	<u>4,045</u>	<u>(255)</u>	<u>4,213</u>
Police fees	<u>-</u>	<u>-</u>	<u>930</u>	<u>930</u>	<u>865</u>
Dog shelter redemptions	<u>200</u>	<u>200</u>	<u>90</u>	<u>(110)</u>	<u>150</u>
Inspection fees	<u>510,000</u>	<u>510,000</u>	<u>1,094,639</u>	<u>584,639</u>	<u>747,788</u>
Parking lot fees and on-street parking	<u>4,000</u>	<u>4,000</u>	<u>2,400</u>	<u>(1,600)</u>	<u>2,700</u>
Parks and recreation charges	<u>535,500</u>	<u>535,500</u>	<u>963,446</u>	<u>427,946</u>	<u>380,802</u>
Planning board fees	<u>20,000</u>	<u>20,000</u>	<u>19,306</u>	<u>(694)</u>	<u>9,669</u>
Cemetery fees	<u>18,400</u>	<u>18,400</u>	<u>50,900</u>	<u>32,500</u>	<u>27,575</u>
	<u>1,092,400</u>	<u>1,092,400</u>	<u>2,135,756</u>	<u>1,043,356</u>	<u>1,173,762</u>
<b>INTERGOVERNMENTAL CHARGES</b>					
Charges for services to other governments	<u>42,600</u>	<u>42,600</u>	<u>34,292</u>	<u>(8,308)</u>	<u>59,978</u>

**USE OF MONEY AND PROPERTY**

Earnings on investments	20,000	20,000	6,559	(13,441)	19,460
Rental of real property	104,100	104,100	111,567	7,467	109,479
	<u>124,100</u>	<u>124,100</u>	<u>118,126</u>	<u>(5,974)</u>	<u>128,939</u>

**LICENSES AND PERMITS**

Dog licenses	12,000	12,000	15,186	3,186	14,353
Other licenses	3,740	3,740	4,544	804	2,636
	<u>15,740</u>	<u>15,740</u>	<u>19,730</u>	<u>3,990</u>	<u>16,989</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	<u>100,000</u>	<u>100,000</u>	<u>123,151</u>	<u>23,151</u>	<u>82,964</u>
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**STATE AID**

Mortgage tax	600,000	600,000	1,317,030	717,030	731,648
Per capita	20,000	-	-	-	-
Other	-	-	-	-	992
	<u>620,000</u>	<u>600,000</u>	<u>1,317,030</u>	<u>717,030</u>	<u>732,640</u>

**MISCELLANEOUS**

Refund of prior year's expenditures	-	-	-	-	81,185
Medicare Part D reimbursement	-	-	-	-	1,132
Aim related payments	-	20,000	37,339	17,339	37,339
Unclassified	2,000	2,000	2,000	-	1,898
	<u>2,000</u>	<u>22,000</u>	<u>39,339</u>	<u>17,339</u>	<u>121,554</u>

**TOTAL REVENUES**

	<u>8,853,491</u>	<u>8,853,491</u>	<u>11,105,575</u>	<u>2,252,084</u>	<u>8,753,161</u>
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**OTHER FINANCING SOURCES**

Sale of real property	<u>-</u>	<u>-</u>	<u>8,450</u>	<u>8,450</u>	<u>474,378</u>
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**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

	<u>\$ 8,853,491</u>	<u>\$ 8,853,491</u>	<u>\$ 11,114,025</u>	<u>\$ 2,260,534</u>	<u>\$ 9,227,539</u>
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See independent auditors' report.

## Town of Lewisboro, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 69,860	\$ 70,347	\$ 70,347	\$ -	\$ 86,572
Town Justice	247,260	242,407	242,407	-	228,935
Supervisor	177,360	174,102	174,102	-	172,906
Finance	142,300	161,146	161,146	-	141,235
Independent audit	40,000	34,700	34,700	-	34,700
Receiver of Taxes	167,560	179,196	179,196	-	160,632
Assessor	132,300	131,311	131,311	-	129,635
Town Clerk	167,495	165,696	165,696	-	158,107
Law	153,000	113,278	113,278	-	154,513
Engineer	57,500	57,500	57,500	-	57,500
Elections	8,600	8,672	8,672	-	8,365
Records management	5,100	4,341	4,341	-	4,078
Shared services	684,400	699,757	699,757	-	631,099
Central printing and mailing	46,200	51,611	51,611	-	43,840
Technical services	96,250	94,704	94,704	-	85,672
Insurance	160,000	162,891	162,891	-	157,466
Municipal association dues	3,375	3,375	3,375	-	3,375
Contingency	133,434	60,005	-	60,005	-
Metropolitan commuter transportation mobility tax	10,000	9,791	9,791	-	8,868
	<u>2,501,994</u>	<u>2,424,830</u>	<u>2,364,825</u>	<u>60,005</u>	<u>2,267,498</u>



**PUBLIC SAFETY**

Police	878,788	973,202	973,202	-	800,646
Control of dogs	3,250	2,294	2,294	-	637
Safety inspections	315,239	307,139	307,139	-	280,931
	<u>1,197,277</u>	<u>1,282,635</u>	<u>1,282,635</u>	<u>-</u>	<u>1,082,214</u>

**HEALTH**

Registrar of vital statistics	2,200	2,200	2,200	-	2,200
Advanced life support services	257,400	257,363	257,363	-	238,456
Drug abuse prevention council	6,500	6,500	6,500	-	6,500
	<u>266,100</u>	<u>266,063</u>	<u>266,063</u>	<u>-</u>	<u>247,156</u>

**TRANSPORTATION**

Superintendent of highways	144,180	144,180	144,180	-	144,180
Street lighting	10,000	9,699	9,699	-	6,556
	<u>154,180</u>	<u>153,879</u>	<u>153,879</u>	<u>-</u>	<u>150,736</u>

**CULTURE AND RECREATION**

Recreation administration	275,654	275,376	275,376	-	260,748
Parks	199,750	191,575	191,575	-	218,845
Playgrounds and day camp	143,500	203,438	203,438	-	87,764
Beach and pool	223,330	269,789	269,789	-	165,294
Tennis facility	31,950	24,295	24,295	-	28,287
Youth programs	309,037	280,073	280,073	-	243,760
Library	443,514	443,514	443,514	-	438,114
Historian	1,250	550	550	-	1,000
Celebrations	1,900	2,912	2,912	-	200
Program for the aging	80,137	81,632	81,632	-	75,458
Adult and family activities	28,300	18,893	18,893	-	9,147
Transportation	21,750	22,988	22,988	-	4,234
	<u>1,760,072</u>	<u>1,815,035</u>	<u>1,815,035</u>	<u>-</u>	<u>1,532,851</u>

(Continued)

## Town of Lewisboro, New York

General Fund

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

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
<b>HOME AND COMMUNITY SERVICES</b>					
Planning board	\$ 56,243	\$ 63,300	\$ 63,300	\$ -	\$ 59,452
Planning consultant	58,000	63,234	63,234	-	57,500
Environmental control	28,000	28,000	28,000	-	28,000
Storm water	9,000	10,611	10,611	-	11,973
Recycling	3,250	4,039	4,039	-	3,650
Community beautification	1,500	1,217	1,217	-	704
Cemeteries	19,500	22,826	22,826	-	20,074
	<u>175,493</u>	<u>193,227</u>	<u>193,227</u>	<u>-</u>	<u>181,353</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	389,000	394,682	394,682	-	355,305
Police retirement	135,000	126,501	126,501	-	99,366
Social security	270,640	280,027	280,027	-	251,042
Hospitalization, medical and dental insurance	1,141,000	1,088,226	1,088,225	1	1,026,706
Workers' compensation benefits	50,000	44,228	44,228	-	48,517
Unemployment insurance	5,000	-	-	-	18,155
Disability	20,000	9,014	9,014	-	15,440
Dental	44,000	55,907	55,907	-	53,934
Medicare	72,000	72,359	72,359	-	69,972
Wellcare benefit	28,400	23,213	23,213	-	21,124
	<u>2,155,040</u>	<u>2,094,157</u>	<u>2,094,156</u>	<u>1</u>	<u>1,959,561</u>

**DEBT SERVICE**

## Interest

Bond anticipation notes

5,246

5,246

5,246

-

5,816

Tax anticipation notes

25,000

5,330

5,330

-

15,829

30,246

10,576

10,576

-

21,645

**TOTAL EXPENDITURES**

8,240,402

8,240,402

8,180,396

60,006

7,443,014

**OTHER FINANCING USES**

## Transfers out

Capital Projects Fund

29,800

29,800

29,800

-

-

Debt Service Fund

583,289

583,289

583,289

-

589,144

**TOTAL OTHER FINANCING USES**

613,089

613,089

613,089

-

589,144

**TOTAL EXPENDITURES AND OTHER  
FINANCING USES**

\$ 8,853,491

\$ 8,853,491

\$ 8,793,485

\$ 60,006

\$ 8,032,158

See independent auditors' report.

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**Town of Lewisboro, New York**

Highway Fund  
Comparative Balance Sheet  
December 31,

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 819,836	\$ 502,497
State and Federal aid	296,503	-
Due from other funds	<u>-</u>	<u>458,473</u>
Total Assets	<u><u>\$ 1,116,339</u></u>	<u><u>\$ 960,970</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 34,238	\$ 11,835
Accrued liabilities	157,500	143,250
	<u>19,192</u>	<u>-</u>
Total Liabilities	210,930	155,085
Fund balance		
Assigned	<u>905,409</u>	<u>805,885</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,116,339</u></u>	<u><u>\$ 960,970</u></u>

See independent auditors' report.

**Town of Lewisboro, New York**

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

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 3,377,414	\$ 3,377,414	\$ 3,377,414	\$ -
Sale of property and compensation for loss	-	-	23,267	23,267
State aid	170,000	170,000	328,340	158,340
Miscellaneous	-	-	-	-
Total Revenues	3,547,414	3,547,414	3,729,021	181,607
<b>EXPENDITURES</b>				
Current				
General government support	76,000	76,000	76,000	-
Transportation	2,022,582	2,071,810	2,153,893	(82,083)
Employee benefits	908,822	859,594	859,594	-
Debt service				
Interest	13,316	13,316	13,316	-
Total Expenditures	3,020,720	3,020,720	3,102,803	(82,083)
Excess of Revenues Over Expenditures	526,694	526,694	626,218	99,524
<b>OTHER FINANCING USES</b>				
Transfers out	(526,694)	(526,694)	(526,694)	-
Net Change in Fund Balance	-	-	99,524	99,524
<b>FUND BALANCE</b>				
Beginning of Year	-	-	805,885	805,885
End of Year	\$ -	\$ -	\$ 905,409	\$ 905,409

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,580,147	\$ 3,580,147	\$ 3,580,147	\$ -
-	-	50	50
212,000	212,000	169,803	(42,197)
-	-	40,000	40,000
3,792,147	3,792,147	3,790,000	(2,147)
72,000	73,002	73,002	-
2,298,443	2,297,441	1,736,302	561,139
914,969	914,969	813,352	101,617
11,631	11,631	11,631	-
3,297,043	3,297,043	2,634,287	662,756
495,104	495,104	1,155,713	660,609
(495,104)	(495,104)	(495,104)	-
-	-	660,609	660,609
-	-	145,276	145,276
\$ -	\$ -	\$ 805,885	\$ 805,885

**Town of Lewisboro, New York**

Special Districts Fund  
Combining Balance Sheet - Sub-Funds  
December 31, 2021  
(With Comparative Totals for 2020)

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	Oak Ridge Sewer District	Oak Ridge Water District
<b>ASSETS</b>		
Cash and equivalents	\$ 194,230	\$ 17,545
Receivables		
Water rents	-	62,853
Due from other funds	-	-
	-	62,853
Total Assets	\$ 194,230	\$ 80,398
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>		
Liabilities		
Accounts payable	\$ 17,293	\$ 4,351
Due to other funds	7,839	90,656
Total Liabilities	25,132	95,007
Fund balances (deficit)		
Assigned	169,098	-
Unassigned	-	(14,609)
Total Fund Balance (Deficit)	169,098	(14,609)
Total Liabilities and Fund Balances (Deficit)	\$ 194,230	\$ 80,398

See independent auditors' report.



Wild Oaks Sewer District	Wild Oaks Lighting District	Totals	
		2021	2020
\$ 535,405	\$ -	\$ 747,180	\$ 664,701
-	-	62,853	55,525
-	5,408	5,408	6,794
-	5,408	68,261	62,319
<u>\$ 535,405</u>	<u>\$ 5,408</u>	<u>\$ 815,441</u>	<u>\$ 727,020</u>
\$ 9,096	\$ 150	\$ 30,890	\$ 31,724
8,964	-	107,459	45,168
18,060	150	138,349	76,892
517,345	5,258	691,701	650,128
-	-	(14,609)	-
517,345	5,258	677,092	650,128
<u>\$ 535,405</u>	<u>\$ 5,408</u>	<u>\$ 815,441</u>	<u>\$ 727,020</u>

**Town of Lewisboro, New York**

Special Districts Fund  
Combining Schedule of Revenues, Expenditures and Changes  
in Fund Balances - Sub-Funds  
Year Ended December 31, 2021  
(With Comparative Totals for 2020)

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	Oak Ridge Sewer District	Oak Ridge Water District
<b>REVENUES</b>		
Real property taxes	\$ 507,595	\$ -
Departmental income	-	307,701
Use of money and property	-	91
State aid	-	-
	<hr/>	<hr/>
Total Revenues	<u>507,595</u>	<u>307,792</u>
<b>EXPENDITURES</b>		
Current		
General government support	4,200	-
Transportation	-	-
Home and community services	247,103	298,023
Debt service		
Interest	-	12,149
	<hr/>	<hr/>
Total Expenditures	<u>251,303</u>	<u>310,172</u>
Excess (Deficiency) of Revenues Over Expenditures	256,292	(2,380)
<b>OTHER FINANCING USES</b>		
Transfers out	<u>(232,793)</u>	<u>(18,100)</u>
Net Change in Fund Balances	23,499	(20,480)
<b>FUND BALANCES (DEFICIT)</b>		
Beginning of Year	<u>145,599</u>	<u>5,871</u>
End of Year	<u><u>\$ 169,098</u></u>	<u><u>\$ (14,609)</u></u>

See independent auditors' report.

Wild Oaks Sewer District	Wild Oaks Lighting District	Totals	
		2021	2020
\$ 142,411	\$ 14,699	\$ 664,705	\$ 653,450
-	-	307,701	202,606
156	-	247	286
135,003	-	135,003	140,000
<u>277,570</u>	<u>14,699</u>	<u>1,107,656</u>	<u>996,342</u>
24,800	-	29,000	29,000
-	16,043	16,043	13,173
223,038	-	768,164	748,280
-	-	12,149	18,900
<u>247,838</u>	<u>16,043</u>	<u>825,356</u>	<u>809,353</u>
29,732	(1,344)	282,300	186,989
(4,443)	-	(255,336)	(290,349)
25,289	(1,344)	26,964	(103,360)
<u>492,056</u>	<u>6,602</u>	<u>650,128</u>	<u>753,488</u>
<u>\$ 517,345</u>	<u>\$ 5,258</u>	<u>\$ 677,092</u>	<u>\$ 650,128</u>

**Town of Lewisboro, New York**

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

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	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,244,390	\$ 865,951
Due from other funds	<u>444,021</u>	<u>485,354</u>
Total Assets	<u>\$ 1,688,411</u>	<u>\$ 1,351,305</u>
<b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Bond anticipation notes payable	\$ 3,561,500	\$ 2,670,500
Fund deficit		
Unassigned	<u>(1,873,089)</u>	<u>(1,319,195)</u>
Total Liabilities and Fund Deficit	<u>\$ 1,688,411</u>	<u>\$ 1,351,305</u>

See independent auditors' report.

**Town of Lewisboro, New York**

Capital Projects Fund  
Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended December 31,

---

	<u>2021</u>	<u>2020</u>
<b>REVENUES</b>		
Miscellaneous	\$ -	\$ -
<b>EXPENDITURES</b>		
Capital outlay	<u>683,673</u>	<u>851,452</u>
Deficiency of Revenues Over Expenditures	(683,673)	(851,452)
<b>OTHER FINANCING SOURCES</b>		
Transfers in	<u>129,779</u>	<u>13,000</u>
Net Change in Fund Balance	(553,894)	(838,452)
<b>FUND DEFICIT</b>		
Beginning of Year	<u>(1,319,195)</u>	<u>(480,743)</u>
End of Year	<u><u>\$ (1,873,089)</u></u>	<u><u>\$ (1,319,195)</u></u>

See independent auditors' report.

**Town of Lewisboro, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2021  
(With Comparative Totals for 2020)

	Debt Service	Special Purpose	Totals	
			2021	2020
<b>ASSETS</b>				
Cash and equivalents	\$ -	\$ -	\$ -	\$ 48,779
Due from other funds	41,333	-	41,333	-
Total Assets	<u>\$ 41,333</u>	<u>\$ -</u>	<u>\$ 41,333</u>	<u>\$ 48,779</u>
<b>FUND BALANCE</b>				
Restricted	<u>\$ 41,333</u>	<u>\$ -</u>	<u>\$ 41,333</u>	<u>\$ 48,779</u>

See independent auditors' report.

**Town of Lewisboro, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2021  
(With Comparative Totals for 2020)

	Debt Service	Special Purpose	Totals	
			2021	2020
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Current				
Culture and recreation	-	-	-	11,268
Debt service				
Principal	1,110,000	-	1,110,000	1,085,000
Interest	204,119	-	204,119	276,597
Total Expenditures	1,314,119	-	1,314,119	1,372,865
Deficiency of Revenues Over Expenditures	(1,314,119)	-	(1,314,119)	(1,372,865)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance premium	41,333	-	41,333	-
Transfers in	1,314,119	-	1,314,119	1,361,597
Transfers out	-	(48,779)	(48,779)	-
Total Other Financing Sources (Uses)	1,355,452	(48,779)	1,306,673	1,361,597
Net Change in Fund Balances	41,333	(48,779)	(7,446)	(11,268)
<b>FUND BALANCES</b>				
Beginning of Year	-	48,779	48,779	60,047
End of Year	\$ 41,333	\$ -	\$ 41,333	\$ 48,779

See independent auditors' report.

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Town of Lewisboro, New York

Non-Major Governmental Fund - Debt Service Fund  
Comparative Balance Sheet  
December 31,

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Due from other funds	<u>\$ 41,333</u>	<u>\$ -</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ 41,333</u>	<u>\$ -</u>

**Town of Lewisboro, New York**

Non-Major Governmental Fund - Debt Service Fund  
 Comparative Schedule of Revenues, Expenditures and  
 Changes in Fund Balance - Budget and Actual  
 Years Ended December 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt service				
Serial bonds				
Principal	1,110,000	1,110,000	1,110,000	-
Interest	241,439	204,119	204,119	-
Total Expenditures	1,351,439	1,314,119	1,314,119	-
Deficiency of Revenues Over Expenditures	(1,351,439)	(1,314,119)	(1,314,119)	-
<b>OTHER FINANCING SOURCES</b>				
Issuance premium	-	-	41,333	41,333
Transfers in	1,351,439	1,314,119	1,314,119	-
Total Other Financing Sources	1,351,439	1,314,119	1,355,452	41,333
Net Change in Fund Balance	-	-	41,333	41,333
<b>FUND BALANCE</b>				
Beginning of Year	-	-	-	-
End of Year	\$ -	\$ -	\$ 41,333	\$ 41,333

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -
1,085,000	1,085,000	1,085,000	-
276,597	276,597	276,597	-
1,361,597	1,361,597	1,361,597	-
(1,361,597)	(1,361,597)	(1,361,597)	-
-	-	-	-
1,361,597	1,361,597	1,361,597	-
1,361,597	1,361,597	1,361,597	-
-	-	-	-
-	-	-	-
\$ -	\$ -	\$ -	\$ -

**Town of Lewisboro, New York**

Non-Major Governmental Fund - Special Purpose Fund  
Comparative Balance Sheet  
December 31,

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ -</u>	<u>\$ 48,779</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ -</u>	<u>\$ 48,779</u>

See independent auditors' report.

**Town of Lewisboro, New York**

Non-Major Governmental Fund - Special Purpose Fund  
Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balance  
Years Ended December 31,

---

	<u>2021</u>	<u>2020</u>
<b>REVENUES</b>	\$ -	\$ -
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>-</u>	<u>11,268</u>
Deficiency of Revenues Over Expenditures	-	(11,268)
<b>OTHER FINANCING USES</b>		
Transfers out	<u>(48,779)</u>	<u>-</u>
Net Change in Fund Balance	(48,779)	(11,268)
<b>FUND BALANCE</b>		
Beginning of Year	<u>48,779</u>	<u>60,047</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ 48,779</u></u>

See independent auditors' report.