

Town of Lewisboro, New York

Financial Statements
Supplementary Information

Year Ended December 31, 2019

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 Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

As discussed in Note 5 in the notes to financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter.

Other Matters

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, 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 and Other Information

Our audit for the year ended December 31, 2019 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, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2019 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2019.

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, 2018 (not presented herein), and have issued our report thereon dated July 8, 2019, 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, 2018 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 2018 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2018 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
January 15, 2021

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Town of Lewisboro, New York

Management's Discussion and Analysis (MD&A) December 31, 2019

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, 2019. 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 2019 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 2019 by \$22,908,084. Of this amount, the unrestricted portion is a deficit of \$24,575,871. 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 2019, the Town's governmental funds reported a combined ending fund balance of \$1,615,421, an overall decrease of \$176,939 as compared to the prior year. The net decrease is primarily attributed to an increase in capital outlay in the Capital Projects Fund in the current fiscal year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$780,430 and represented 9.3% of total General Fund expenditures and other financing uses. The General Fund reported a total ending fund balance of \$1,137,353, an increase of \$427,436 as compared to the prior year, as a result of current year revenues exceeding the final budget in various categories.
- For the year ended December 31, 2018, the Town implemented the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")*. This statement addressed accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. This statement supersedes the provisions of GASB Statement No. 45, *"Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions"*. The primary distinction between the two standards is that since no mechanism exists under current New York State Law for New York municipalities and school districts to pre-fund these obligations in an irrevocable trust, entities must now report their *total* OPEB liability as opposed to the *net* OPEB liability that has been reported under the prior standard. As a result, the net position for governmental activities on the government-wide financial statements reflects a change in accounting principle adjustment of (\$17,043,492) to the

opening net position originally reported as of January 1, 2018 of (\$12,921,736), thereby restating the opening net position to (\$29,965,228). At December 31, 2019, The Town reported in its Statement of Net Position, a liability of \$26,144,339 for other postemployment benefits, as compared to a prior year liability of \$20,837,486.

- In addition to the impact of the Town's OPEB obligations, the government-wide financial statements for the year ended December 31, 2019 are also significantly impacted by the provisions of GASB Statement No. 68. This pronouncement established accounting and financial reporting requirements associated with the Town's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS"). Under the new standards, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At December 31, 2019, the Town reported in its Statement of Net Position a liability of \$865,074 for its proportionate share of the ERS and PFRS net pension liabilities. In addition, the Town has retirement incentives and other pension obligations totaling \$471,138 at December 31, 2019. More detailed information about the Town's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to financial statements.
- During the current fiscal year, the Town did not issue any general obligation bonds and retired \$1,010,567 of general obligation debt. The Town's outstanding general obligation bonds payable at December 31, 2019 totaled \$10,360,000.
- Throughout the current fiscal year, the Town issued \$1,466,500 in short-term capital debt in the form of bond anticipation notes, redeemed \$13,000 of outstanding bond anticipation notes leaving short-term capital borrowings of \$2,053,500 at December 31, 2019.

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, an Agency Fund. The Town holds resources in this fund purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization or government.

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 \$22,908,084 at the close of the current fiscal year.

Statement of Net Position

	2019	2018
Current Assets	\$ 30,811,766	\$ 30,321,997
Capital Assets, net	<u>12,448,483</u>	<u>12,492,219</u>
Total Assets	<u>43,260,249</u>	<u>42,814,216</u>
Deferred Outflows of Resources	<u>4,826,099</u>	<u>1,551,720</u>
Current Liabilities	29,068,049	28,429,957
Long-term Liabilities	<u>38,554,666</u>	<u>33,815,413</u>
Total Liabilities	<u>67,622,715</u>	<u>62,245,370</u>
Deferred Inflows of Resources	<u>3,371,717</u>	<u>4,862,549</u>
Net Position		
Net investment in capital assets	1,607,740	1,460,716
Restricted	60,047	128,035
Unrestricted	<u>(24,575,871)</u>	<u>(24,330,734)</u>
Total Net Position	<u>\$ (22,908,084)</u>	<u>\$ (22,741,983)</u>

The largest component of the Town's net position reflects its net investment in capital assets,

amounting to \$1,607,740. 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.

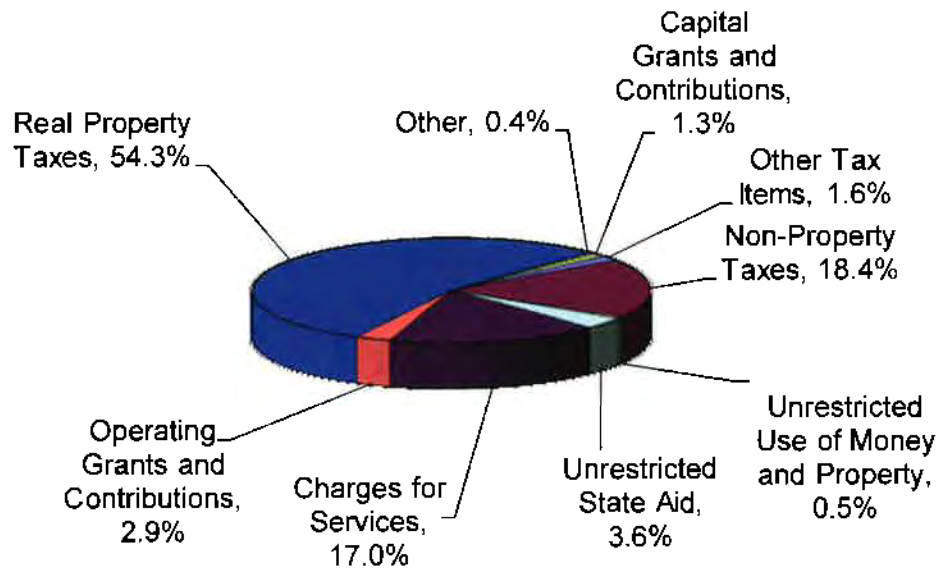
The restricted net position of \$60,047, (restricted for special purposes) represents resources that are subject to external restrictions on their use, or the respective fund that the restricted resources are allocated.

The remaining balance of unrestricted net position, which is a deficit of \$22,908,084, 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 (\$10,360,000), retirement incentives and other pension obligations (\$471,138), compensated absences (\$714,115), net pension liability (\$865,074) and other postemployment benefit liabilities (\$26,144,339). These obligations are greater than currently available resources. Payments for these liabilities will be budgeted in the year the actual payment will be made.

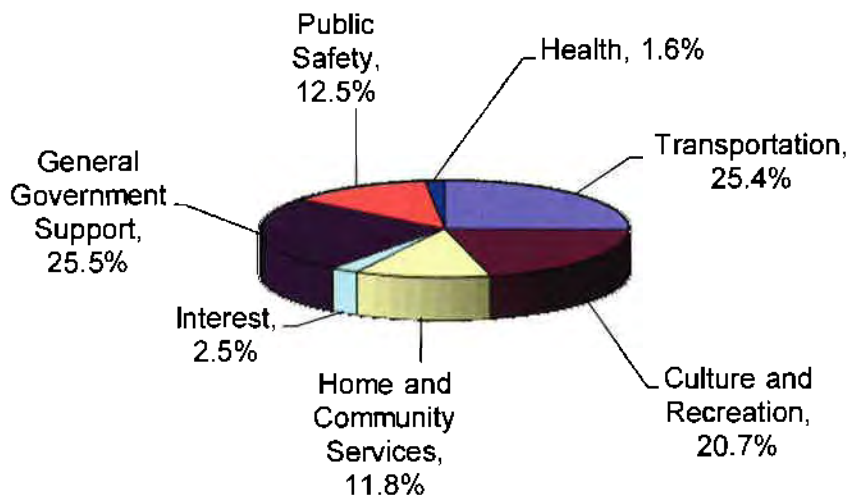
**Changes in Net Position
December 31,**

	<u>2019</u>	<u>2018</u>
Program Revenues		
Charges for Services	\$ 2,364,911	\$ 2,300,959
Operating Grants and Contributions	408,665	444,779
Capital Grants and Contributions	175,000	163,497
General Revenues		
Real Property Taxes	7,540,913	6,979,605
Other Tax items	217,582	511,544
Non-Property Taxes	2,551,454	2,277,579
Unrestricted Use of Money and Property	47,257	47,790
Unrestricted State Aid	497,662	610,695
Insurance Recoveries	22,291	-
Miscellaneous	61,647	28,768
Total Revenues	<u>13,887,382</u>	<u>13,365,216</u>
Program Expenses		
General Government Support	3,585,786	1,228,481
Public Safety	1,758,882	219,660
Health	231,287	226,582
Transportation	3,563,745	1,517,363
Culture and Recreation	2,908,033	1,197,016
Home and Community Services	1,657,598	1,402,930
Interest	348,152	349,939
Total Expenses	<u>14,053,483</u>	<u>6,141,971</u>
Change in Net Position	<u>(166,101)</u>	<u>7,223,245</u>
Net Position		
Beginning , as reported	(22,741,983)	(12,921,736)
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(17,043,492)</u>
Ending, as restated	<u>(22,741,983)</u>	<u>(29,965,228)</u>
Ending	<u><u>\$ (22,908,084)</u></u>	<u><u>\$ (22,741,983)</u></u>

Sources of Revenue for Fiscal Year 2019 Governmental Activities



Expenses for Fiscal Year 2019 Governmental Activities



Governmental Activities: Governmental activities increased the Town's deficit by \$166,101 for the year ended December 31, 2019. The total Town governmental activities revenues were \$13,887,382. Real property taxes provide 54% of total revenues and non-property tax items provide 18%. Charges for services, operating grants and contributions and capital grants and contribution provided 20%. Total revenues increased by \$522,166 from the prior year. Governmental activities expenditures of the Town for the year ended December 31, 2019 totaled \$14,053,483, an increase of \$7,911,512 as compared to the prior year. The largest components of these expenses are in the areas of General Government Support (26%), Transportation (25%) and Culture and Recreation (21%).

The major changes in 2019 as compared to 2018 are as follows:

Revenues:

- Real Property Taxes increased by \$561,308 as a result of greater and timely tax collections.
- Other Tax Items decreased \$293,962 as the Town had recorded a gain on the sale of tax acquired property in the prior year, which did not occur in the current year.
- Unrestricted State Aid decreased \$113,037 primarily due to a decline in mortgage tax revenue.
- Charges for services revenue increased \$63,952 reflective of increases in intergovernmental charges for services to other governments.

Expenses:

- The Town's other postemployment benefits resulted in an increase in liabilities of approximately \$5.3 million and a resulting increase in all program expenses.

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 \$1,615,421, a decrease of \$176,939 from the prior year combined ending fund balance of \$1,792,360.

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 \$1,137,353, an overall increase of \$427,436 from the prior year. The unassigned fund balance of the General Fund was \$780,430 and represented 68.6% of total fund balance of the General Fund. The nonspendable fund balance component is \$356,923. This represents an estimate of school taxes receivable which will not be collected within the subsequent year. Overall, General Fund expenditures and other financing uses were \$8,412,038. Revenues were \$8,839,471, which was \$379,072 more than the final budget. The major areas where revenues exceeded the final budget include non-property tax distribution from the County Of \$370,857 as the sales tax increased 1% in Westchester County, effective August 2019. However, departmental income, mostly in the areas of parks and recreation changes and inspection fees exceeded the final budget by \$197,661. Expenditures and other financing uses were \$8,412,038, which was \$48,364 less than the final budget, particularly in the general government support.

The Highway Fund containing activity for transportation expenditures reflected a fund balance of \$145,276 at the end of the current fiscal year, an increase to fund balance of \$201,345. Overall, actual Highway Fund expenditures and other financing uses were \$213,728 more than the final budget and actual revenues and other financing sources were \$12,383 greater than the final budget, resulting in net change in fund balance of \$213,728.

The Special Districts Fund reflected a combined fund balance of \$753,488. This is an increase from the prior year balance of \$683,796. The increase results from increased real property taxes and state aid.

The Capital Projects Fund reflected an unassigned deficit of (\$480,743) at December 31, 2019. This represents a decrease from prior year's fund balance of \$339,064 as the Town issued \$3,105,507 in general obligation bonds.

The Non-Major Governmental Fund consists of the Debt Service and Special Purpose funds. The fund balance of the Debt Service Fund totaled \$63,497. The current year unassigned deficit is supported by \$2,053,500 in short-term bond anticipation notes.

Capital Assets

The Town's investment in capital assets for its governmental activities as of December 31, 2019 amounted to \$12,448,482 (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)

	2019	2018
Land	\$ 725,000	\$ 725,000
Construction-in-progress	747,589	128,544
Land Improvements	811,219	872,830
Buildings and Improvements	673,412	720,177
Machinery and Equipment	993,545	904,799
Infrastructure	8,497,718	9,140,869
Total	<u>\$ 12,448,483</u>	<u>\$ 12,492,219</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 \$10,360,000. 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 2019 but retired \$1,010,567 in principal on outstanding obligations.

Short-term capital debt for the Town totaled \$2,053,500 in the form of bond anticipation notes (BAN's). The Town issued \$1,466,500 of new BAN's and redeemed \$13,000 of previously outstanding BAN's leaving a balance of \$2,053,500 in BANs at December 31, 2019 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.

Town of Lewisboro, New York

Statement of Net Position

December 31, 2019

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 11,183,913
Receivables	
Taxes, net	18,758,310
Accounts	193,129
Due from other governments	676,414
Capital assets	
Not being depreciated	1,472,589
Being depreciated, net	<u>10,975,894</u>
Total Assets	<u>43,260,249</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>4,826,099</u>
LIABILITIES	
Accounts payable	341,664
Accrued liabilities	529,559
Due to school districts	25,864,247
Deposits	191,072
Bond anticipation notes payable	2,053,500
Accrued interest payable	88,007
Non-current liabilities	
Due within one year	1,226,951
Due in more than one year	<u>37,327,715</u>
Total Liabilities	<u>67,622,715</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,371,717</u>
NET POSITION	
Net investment in capital assets	1,607,740
Restricted	
Special purpose	60,047
Unrestricted	<u>(24,575,871)</u>
Total Net Position	<u><u>\$ (22,908,084)</u></u>

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, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 3,585,786	\$ 637,288	\$ -	\$ 175,000	\$ (2,773,498)
Public safety	1,758,882	235,623	-	-	(1,523,259)
Health	231,287	-	-	-	(231,287)
Transportation	3,563,745	4,920	212,383	-	(3,346,442)
Culture and recreation	2,908,033	1,128,764	-	-	(1,779,269)
Home and community services	1,657,598	358,316	196,282	-	(1,103,000)
Interest	348,152	-	-	-	(348,152)
Total Governmental Activities	\$ 14,053,483	\$ 2,364,911	\$ 408,665	\$ 175,000	(11,104,907)
General revenues					
Real property taxes					7,540,913
Other tax items					
Interest and penalties on real property taxes					217,582
Non-property taxes					
Franchise fees					280,597
Non-property tax distribution from County					2,270,857
Unrestricted use of money and property					47,257
Unrestricted State aid					497,662
Insurance recoveries					22,291
Miscellaneous					61,647
Total General Revenues					10,938,806
Change in Net Position					(166,101)
NET POSITION					
Beginning					(22,741,983)
Ending					\$ (22,908,084)

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

Town of Lewisboro, New York

Balance Sheet
Governmental Funds
December 31, 2019

	General	Highway	Special Districts
ASSETS			
Cash and equivalents	\$ 9,366,570	\$ 2,497	\$ 606,158
Taxes receivable, net	18,758,310	-	-
Other receivables			
Accounts	142,368	-	50,761
Due from other governments	676,414	-	-
Due from other funds	-	328,936	502,187
	818,782	328,936	552,948
Total Assets	<u>\$ 28,943,662</u>	<u>\$ 331,433</u>	<u>\$ 1,159,106</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 139,313	\$ 47,407	\$ 93,706
Accrued liabilities	390,809	138,750	-
Due to school districts	25,864,247	-	-
Due to other funds	1,004,565	-	311,912
Deposits	191,072	-	-
Bond anticipation notes payable	-	-	-
Total Liabilities	27,590,006	186,157	405,618
Deferred inflows of resources			
Deferred tax revenues	216,303	-	-
Total Liabilities and Deferred Inflows of Resources	<u>27,806,309</u>	<u>186,157</u>	<u>405,618</u>
Fund balances (deficits)			
Nonspendable	356,923	-	-
Restricted	-	-	-
Assigned	-	145,276	753,488
Unassigned	780,430	-	-
Total Fund Balances (Deficits)	<u>1,137,353</u>	<u>145,276</u>	<u>753,488</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 28,943,662</u>	<u>\$ 331,433</u>	<u>\$ 1,159,106</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 1,148,641	\$ 60,047	\$ 11,183,913
-	-	18,758,310
-	-	193,129
-	-	676,414
485,354	-	1,316,477
485,354	-	2,186,020
\$ 1,633,995	\$ 60,047	\$ 32,128,243

\$ 61,238	\$ -	\$ 341,664
-	-	529,559
-	-	25,864,247
-	-	1,316,477
-	-	191,072
2,053,500	-	2,053,500
2,114,738	-	30,296,519
-	-	216,303
2,114,738	-	30,512,822
-	-	356,923
-	60,047	60,047
-	-	898,764
(480,743)	-	299,687
(480,743)	60,047	1,615,421
\$ 1,633,995	\$ 60,047	\$ 32,128,243

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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, 2019

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

Fund Balances - Total Governmental Funds	<u>\$ 1,615,421</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>12,448,483</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>216,303</u>
Governmental funds do not report the effect of assets or liabilities related to net pension liabilities whereas these amounts are deferred and amortized in the statement of activities. Deferred amounts on net pension liabilities Deferred amounts on other post employment benefit liabilities	<u>760,956</u> <u>693,426</u> <u>1,454,382</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 Bonds payable Retirement incentives and other pension liabilities Compensated absences Net pension liability Other post employment benefit liabilities	<u>(88,007)</u> <u>(10,360,000)</u> <u>(471,138)</u> <u>(714,115)</u> <u>(865,074)</u> <u>(26,144,339)</u> <u>(38,642,673)</u>
Net Position of Governmental Activities	<u>\$ (22,908,084)</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, 2019

	General	Highway	Special Districts
REVENUES			
Real property taxes	\$ 3,345,270	\$ 3,499,705	\$ 697,950
Other tax items	217,582	-	-
Non-property taxes	2,551,454	-	-
Departmental income	1,763,961	-	268,600
Intergovernmental charges	48,371	-	-
Use of money and property	126,081	1	857
Licenses and permits	18,684	-	-
Fines and forfeitures	186,471	-	-
Sale of property and compensation for loss	-	100	-
State aid	497,662	212,282	195,425
Miscellaneous	61,647	-	-
Total Revenues	8,817,183	3,712,088	1,162,832
EXPENDITURES			
Current			
General government support	2,313,489	70,805	28,800
Public safety	996,717	-	-
Health	229,406	-	-
Transportation	155,059	2,049,911	14,361
Culture and recreation	2,034,637	-	-
Home and community services	167,287	-	748,943
Employee benefits	1,929,280	925,993	-
Debt service			
Principal	-	-	-
Interest	18,321	-	13,200
Capital outlay	-	-	-
Total Expenditures	7,844,196	3,046,709	805,304
Excess (Deficiency) of Revenues Over Expenditures	972,987	665,379	357,528
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	22,291	-	-
Transfers in	-	-	-
Transfers out	(567,842)	(451,651)	(287,836)
Total Other Financing Sources (Uses)	(545,551)	(451,651)	(287,836)
Net Change in Fund Balances	427,436	213,728	69,692
FUND BALANCES (DEFICITS)			
Beginning of Year	709,917	(68,452)	683,796
End of Year	<u>\$ 1,137,353</u>	<u>\$ 145,276</u>	<u>\$ 753,488</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 7,542,925
-	-	217,582
-	-	2,551,454
-	-	2,032,561
-	-	48,371
-	-	126,939
-	-	18,684
-	-	186,471
-	-	100
-	-	905,369
175,000	-	236,647
175,000	-	13,867,103
-	-	2,413,094
-	-	996,717
-	-	229,406
-	-	2,219,331
-	4,491	2,039,128
-	-	916,230
-	-	2,855,273
-	1,010,567	1,010,567
-	347,259	378,780
1,007,807	-	1,007,807
1,007,807	1,362,317	14,066,333
(832,807)	(1,362,317)	(199,230)
-	-	22,291
13,000	1,294,329	1,307,329
-	-	(1,307,329)
13,000	1,294,329	22,291
(819,807)	(67,988)	(176,939)
339,064	128,035	1,792,360
\$ (480,743)	\$ 60,047	\$ 1,615,421

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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, 2019**

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (176,939)</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	1,007,807
Depreciation expense	<u>(1,051,543)</u>
	<u>(43,736)</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>(2,012)</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 bonds	<u>1,010,567</u>
	<u>1,010,567</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	30,628
Compensated absences	(45,962)
Retirement incentives and other pension liabilities	68,639
Pension liabilities	(65,639)
Other post employment benefit liabilities	<u>(941,647)</u>
	<u>(953,981)</u>
Change in Net Position of Governmental Activities	<u>\$ (166,101)</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, 2019

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,344,752	\$ 3,344,752	\$ 3,345,270	\$ 518
Other tax items	200,000	200,000	217,582	17,582
Non-property taxes	2,195,000	2,195,000	2,551,454	356,454
Departmental income	1,566,300	1,566,300	1,763,961	197,661
Intergovernmental charges	33,500	33,500	48,371	14,871
Use of money and property	135,450	135,450	126,081	(9,369)
Licenses and permits	15,900	15,900	18,684	2,784
Fines and forfeitures	230,000	230,000	186,471	(43,529)
Sale of property and compensation for loss	-	-	-	-
State aid	700,000	700,000	497,662	(202,338)
Miscellaneous	39,500	39,500	61,647	22,147
Total Revenues	8,460,402	8,460,402	8,817,183	356,781
EXPENDITURES				
Current				
General government support	2,405,749	2,416,029	2,313,489	102,540
Public safety	975,135	996,717	996,717	-
Health	229,814	229,406	229,406	-
Transportation	153,291	155,059	155,059	-
Culture and recreation	1,972,734	2,034,637	2,034,637	-
Home and community services	178,098	168,763	167,287	1,476
Employee benefits	1,977,739	1,873,628	1,929,280	(55,652)
Debt service				
Interest	-	18,321	18,321	-
Total Expenditures	7,892,560	7,892,560	7,844,196	48,364
Excess of Revenues Over Expenditures	567,842	567,842	972,987	405,145
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	22,291	22,291
Transfers out	(567,842)	(567,842)	(567,842)	-
Total Other Financing Uses	(567,842)	(567,842)	(545,551)	22,291
Net Change in Fund Balances	-	-	427,436	427,436
FUND BALANCES (DEFICITS)				
Beginning of Year	-	-	709,917	709,917
End of Year	\$ -	\$ -	\$ 1,137,353	\$ 1,137,353

Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,499,705	\$ 3,499,705	\$ 3,499,705	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	1	1
-	-	-	-
-	-	-	-
-	-	100	100
200,000	200,000	212,282	12,282
-	-	-	-
3,699,705	3,699,705	3,712,088	12,383
70,000	70,805	70,805	-
-	-	-	-
-	-	-	-
2,290,374	2,287,911	2,049,911	238,000
-	-	-	-
-	-	-	-
887,680	889,338	925,993	(36,655)
-	-	-	-
3,248,054	3,248,054	3,046,709	201,345
451,651	451,651	665,379	213,728
-	-	-	-
(451,651)	(451,651)	(451,651)	-
(451,651)	(451,651)	(451,651)	-
-	-	213,728	213,728
-	-	(68,452)	(68,452)
\$ -	\$ -	\$ 145,276	\$ 145,276

(Continued)

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, 2019

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 697,950	\$ 697,950	\$ 697,950	\$ -
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	234,395	234,395	268,600	34,205
Intergovernmental charges	-	-	-	-
Use of money and property	-	-	857	857
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	-	-
State aid	70,000	70,000	195,425	125,425
Miscellaneous	-	-	-	-
Total Revenues	<u>1,002,345</u>	<u>1,002,345</u>	<u>1,162,832</u>	<u>160,487</u>
EXPENDITURES				
Current				
General government support	28,800	28,800	28,800	-
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	12,175	12,175	14,361	(2,186)
Culture and recreation	-	-	-	-
Home and community services	660,334	660,334	748,943	(88,609)
Employee benefits	-	-	-	-
Debt service				
Interest	13,200	13,200	13,200	-
Total Expenditures	<u>714,509</u>	<u>714,509</u>	<u>805,304</u>	<u>(90,795)</u>
Excess of Revenues Over Expenditures	<u>287,836</u>	<u>287,836</u>	<u>357,528</u>	<u>69,692</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	-	-
Transfers out	(287,836)	(287,836)	(287,836)	-
Total Other Financing Uses	<u>(287,836)</u>	<u>(287,836)</u>	<u>(287,836)</u>	<u>-</u>
Net Change in Fund Balances	-	-	69,692	69,692
FUND BALANCES (DEFICITS)				
Beginning of Year	-	-	683,796	683,796
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753,488</u>	<u>\$ 753,488</u>

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, 2019

	<u>Agency</u>
ASSETS	
Cash and equivalents	<u>\$ 368,119</u>
LIABILITIES	
Accounts payable	\$ 23,577
Employee payroll deductions	17,265
Deposits	<u>327,277</u>
 Total Liabilities	 <u>\$ 368,119</u>

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

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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 accounting policies of the Town conform to generally accepted accounting principles as applicable 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 following is a summary of the Town's more significant accounting policies:

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.

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 Agency Fund is used to account for employee payroll tax withholdings and various other deposits that are payable to other jurisdictions or individuals.

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*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. 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 as soon as 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. 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 post employment benefit liabilities are recorded only 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 Measurements 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 pledging

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2019.

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 the balance of forty percent on 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 obligation to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

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, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position 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 will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reported deferred inflows of resources of \$216,303 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State Employees' Retirement System	\$ 896,123	\$ 242,037
New York State Police and Fire Retirement System	196,239	89,369
Other postemployment benefit liabilities	3,733,737	3,040,311
	<u>\$ 4,826,099</u>	<u>\$ 3,371,717</u>

The amounts reported as deferred outflows/inflows of resources in relation to the Town's pension and OPEB liabilities are detailed 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 expended 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 Position - Net position represent the difference between assets, deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its 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. Net position on the Statement of Net Position includes net investment in capital assets and restricted for special purpose. The balance is classified as unrestricted.

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:

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the 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 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 amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("Coronavirus") pandemic and the mitigation responses, and such differences may be material. (See Note 5).

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 January 15, 2021.

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.
- 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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.
- 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

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This law applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year. The original legislation that established the Tax Levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than

Note 2 - Stewardship, Compliance and Accountability (Continued)

one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

C. Expenditures in Excess of Budget

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

General Fund		
Employee Benefits		
Hospitalization, Medical and Dental Insurance	\$	55,652
Highway Fund		
Employee Benefits		36,655
Special Districts Fund		
Transportation		2,186
Home and Community Services		88,609

D. Capital Projects Fund Deficit

The Capital Projects Fund reflects a deficit of \$480,743 at December 31, 2019. 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 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.

Town of Lewisboro, New York

Notes to Financial Statements (Continued)
 December 31, 2019

Note 3 - Detailed Notes on All Funds**A. Taxes Receivable**

Taxes receivable at December 31, 2019 consisted of the following:

Town and County taxes - Current	\$	102,560
School districts taxes - Current		17,920,593
Tax liens		735,157
Property acquired for taxes		<u>363,980</u>
		19,122,290
Allowance for uncollectible taxes		<u>(363,980)</u>
		<u>\$ 18,758,310</u>

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2020. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$216,303, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year. School taxes receivable which is a component of the tax liens are classified as nonspendable in the fund financial statements in the amount of \$356,923, which represents an estimate of school taxes receivable which will not be collected within the subsequent year.

B. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2019 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 1,004,565
Highway	328,936	-
Special Districts	502,187	311,912
Capital Projects	<u>485,354</u>	<u>-</u>
	<u>\$ 1,316,477</u>	<u>\$ 1,316,477</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.

C. Capital Assets

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

<u>Class</u>	<u>Balance January 1, 2019</u>	<u>Additions</u>	<u>Balance December 31, 2019</u>
Capital Assets, not being depreciated:			
Land	\$ 725,000	\$ -	\$ 725,000
Construction-in-progress	<u>128,544</u>	<u>619,045</u>	<u>747,589</u>
Total Capital Assets, not being depreciated	<u>\$ 853,544</u>	<u>\$ 619,045</u>	<u>\$ 1,472,589</u>

Town of Lewisboro, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

<u>Class</u>	<u>Balance January 1, 2019</u>	<u>Additions</u>	<u>Balance December 31, 2019</u>
Capital Assets, being depreciated:			
Land improvements	\$ 2,227,152	\$ -	\$ 2,227,152
Buildings and improvements	2,409,474	-	2,409,474
Machinery and equipment	3,058,645	235,627	3,294,272
Infrastructure	45,391,237	153,135	45,544,372
Total Capital Assets, being depreciated	53,086,508	388,762	53,475,270
Less Accumulated Depreciation for:			
Land improvements	1,354,322	61,611	1,415,933
Buildings and improvements	1,689,297	46,765	1,736,062
Machinery and equipment	2,153,846	146,881	2,300,727
Infrastructure	36,250,368	796,286	37,046,654
Total Accumulated Depreciation	41,447,833	1,051,543	42,499,376
Total Capital Assets, being depreciated, net	<u>\$ 11,638,675</u>	<u>\$ (662,781)</u>	<u>\$ 10,975,894</u>
Governmental Activities Capital Assets, net	<u>\$ 12,492,219</u>	<u>\$ (43,736)</u>	<u>\$ 12,448,483</u>

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

Governmental Activities:	
General Government Support	\$ 64,674
Transportation	261,940
Culture and Recreation	29,139
Home and Community Services	695,790
Total Depreciation Expense	<u>\$ 1,051,543</u>

D. Accrued Liabilities

Accrued liabilities at December 31, 2019 were as follows:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Total</u>
Payroll and Employee Benefits	\$ 345,564	\$ 138,750	\$ 484,314
Other	45,245	-	45,245
	<u>\$ 390,809</u>	<u>\$ 138,750</u>	<u>\$ 529,559</u>

Note 3 - Detailed Notes on All Funds (Continued)

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, 2019	New Issues	Redemptions	Balance December 31, 2019
Oakridge Water District	2003	04/17/20	2.25 %	\$ 600,000	\$ -	\$ 13,000	\$ 587,000
Oakridge Water Facility Upgrades	2019	04/17/20	2.25	-	482,500	-	482,500
Trucks and Vehicles	2019	04/17/20	2.25	-	474,000	-	474,000
Building Renovations	2019	04/17/20	2.25	-	330,000	-	330,000
Road Resurfacing	2019	04/17/20	2.25	-	180,000	-	180,000
				<u>\$ 600,000</u>	<u>\$ 1,466,500</u>	<u>\$ 13,000</u>	<u>\$ 2,053,500</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 \$13,200 was recorded in the fund financial statements in the Special Districts Fund – Oakridge Water. Interest expense of \$45,799 was recorded in the government-wide financial statements for governmental activities.

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 2019 fiscal year.

Purpose	Balance January 1, 2019	Issued	Redemptions	Balance December 31, 2019
Tax Anticipation Notes	<u>\$ -</u>	<u>\$ 2,006,000</u>	<u>\$ 2,006,000</u>	<u>\$ -</u>

The tax anticipation note was issued on January 16, 2019 and was redeemed on May 16, 2019 with interest at 2.74%. Interest expenditure/expense of \$18,321 was recorded in the fund financial statements in the General Fund and in the government-wide financial statements.

Note 3 - Detailed Notes on All Funds (Continued)

G. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2019:

	Balance January 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2019	Due Within One Year
General Obligation Bonds Payable	\$ 11,370,567	\$ -	\$ 1,010,567	\$ 10,360,000	\$ 1,085,000
Retirement Incentives and Other Pension Liabilities	539,777	-	68,639	471,138	70,951
Compensated Absences	668,153	112,962	67,000	714,115	71,000
Net Pension Liability	399,430	465,644	-	865,074	-
Other Post Employment Benefit Liabilities	20,837,486	5,965,828	658,975	26,144,339	-
Total Long-Term Liabilities	\$ 33,815,413	\$ 6,544,434	\$ 1,805,181	\$ 38,554,666	\$ 1,226,951

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 post employment benefit liabilities is liquidated by the General, Highway and Special Districts funds.

General Obligation Bonds Payable

General obligation bonds payable at December 31, 2019 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2019
Public Improvements - Open Space and Pool	2006	\$ 2,758,000	June, 2021	4.000 - 4.500 %	\$ 470,000
Public Improvements - Road Resurfacing	2008	3,085,000	June, 2022	4.000 - 5.000	815,000
Land Acquisition - Bell Property	2009	2,160,000	June, 2029	1.500 - 4.000	1,285,000
EFC - Oakridge Sewer District	2010	5,925,822	October, 2039	3.008 - 4.603	4,225,000
Public Improvements - Various	2014	1,125,900	April, 2024	1.750 - 2.500	600,000
Public Improvements - Various	2018	3,105,567	March, 2032	3.000	2,965,000
					\$ 10,360,000

Interest expenditures of \$347,259 were recorded in the Debt Service Fund. Interest expense of \$284,032 was recorded in the government-wide financial statements for governmental activities.

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2019 including interest payments of \$2,012,896 are as follows:

Year Ending December 31,	General Obligation Bonds Payable	
	Principal	Interest
2020	\$ 1,085,000	\$ 276,595
2021	1,110,000	241,438
2022	915,000	209,824
2023	645,000	187,567
2024	660,000	169,997
2025-2029	2,895,000	602,404
2030-2034	1,885,000	244,126
2035-2039	1,165,000	80,945
	<u>\$ 10,360,000</u>	<u>\$ 2,012,896</u>

The above general obligation bonds are direct obligations 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.

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 \$68,639 was paid for these obligations. The balance due at December 31, 2019 was \$471,138.

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	\$ 15,625	\$ 49,746	\$ 16,095
2012 PFRS	24,831	2,586	8,234	2,664
2013 ERS	226,339	18,367	125,650	19,058
2013 PFRS	11,821	959	6,562	995
2014 ERS	193,117	15,177	122,197	15,708
2015 ERS	129,790	9,908	92,024	10,236
2016 ERS	42,114	3,192	32,782	3,276
2017 ERS	39,503	2,825	33,943	2,919
	<u>\$ 817,530</u>	<u>\$ 68,639</u>	<u>\$ 471,138</u>	<u>\$ 70,951</u>

Note 3 - Detailed Notes on All Funds (Continued)

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.

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 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 2019 are as follows:

Town of Lewisboro, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	21.2 %
	2 75I	19.3
	4 A15	15.7
	5 A15	13.1
	6 A15	9.2
PFRS	2 375E	15.6 %
	2 384D	24.3
	6 384D *	14.6

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

At December 31, 2019, 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, 2019	March 31, 2019
Net pension liability	\$ 672,734	\$ 192,340
Town's proportion of the net pension liability	0.0094948%	0.0114689%
Change in proportion since the prior measurement date	0.0006162%	0.0003011%

The net pension liability was measured as of March 31, 2019, 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, 2019, the Town recognized pension expense in the government-wide financial statements of \$501,090 for ERS and \$116,927 for PFRS. Pension expenditures inclusive of retirement incentives and other pension obligations of \$83,157 for ERS and \$4,168 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	\$ 359,988	\$ 96,215
Highway	183,500	-
Total	<u>\$ 543,488</u>	<u>\$ 96,215</u>

Town of Lewisboro, New York

Notes to Financial Statements (Continued) December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS		Total	
	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	\$ 132,475	\$ 45,159	\$ 46,725	\$ 20,535	\$ 179,200	\$ 65,694
Changes of assumptions	169,098	-	69,882	-	238,980	-
Net difference between projected and actual earnings on pension plan investments	-	172,661	-	38,521	-	211,182
Changes in proportion and differences between Town contributions and proportionate share of contributions	184,986	24,217	6,832	30,313	191,818	54,530
Town contributions subsequent to the measurement date	409,564	-	72,800	-	482,364	-
	<u>\$ 896,123</u>	<u>\$ 242,037</u>	<u>\$ 196,239</u>	<u>\$ 89,369</u>	<u>\$ 1,092,362</u>	<u>\$ 331,406</u>

\$409,564 and \$72,800 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, 2020. 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
2020	\$ 192,495	\$ 29,389
2021	(89,077)	(11,876)
2022	27,587	(3,991)
2023	113,517	17,194
2024	-	3,354

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, 2019	March 31, 2019
Actuarial valuation date	April 1, 2018	April 1, 2018
Investment rate of return	7.0% *	7.0% *
Salary scale	4.2%	5.0%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

*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-2014.

Note 3 - Detailed Notes on All Funds (Continued)

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Assets	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%.

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially 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.

Note 3 - Detailed Notes on All Funds (Continued)

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,941,299</u>	<u>\$ 672,734</u>	<u>\$ (1,233,022)</u>
Town's proportionate share of the PFRS net pension liability (asset)	<u>\$ 695,089</u>	<u>\$ 192,340</u>	<u>\$ (227,513)</u>

The components of the collective net pension liability as of the March 31, 2019 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 189,803,429,000	\$ 34,128,100,000	\$ 223,931,529,000
Fiduciary net position	<u>182,718,124,000</u>	<u>32,451,037,000</u>	<u>215,169,161,000</u>
Employers' net pension liability	<u>\$ 7,085,305,000</u>	<u>\$ 1,677,063,000</u>	<u>\$ 8,762,368,000</u>
Fiduciary net position as a percentage of total pension liability	<u>96.27%</u>	<u>95.09%</u>	<u>96.09%</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 31st. Retirement contributions as of December 31, 2019 represent the employer contribution for the period of April 1, 2019 through December 31, 2019 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, 2019 were \$409,564 and \$72,800, 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 Post Employment Benefit Obligations ("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 post employment 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

Note 3 - Detailed Notes on All Funds (Continued)

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, 2019, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	68
Active employees	<u>42</u>
	<u>110</u>

The Town's total OPEB liability of \$26,144,339 was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2019.

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

Salary increases	3.0%, average, including inflation
Discount rate	2.75%
Healthcare cost trend rates	5.00% for 2019, decreasing 0.10% per year to an ultimate rate of 4.20% for 2023 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-2019 mortality improvement scale on a generational basis in order to reflect the most recent experience available.

The actuarial assumptions used in the January 1, 2019 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 2015.

Note 3 - Detailed Notes on All Funds (Continued)

The Town's change in the total OPEB liability for the year ended December 31, 2019 is as follows:

Total OPEB Liability - Beginning of Year	\$ 20,837,486
Service cost	703,271
Interest	800,852
Changes of benefit terms	-
Differences between expected and actual experience	(367,766)
Changes in assumptions or other inputs	4,829,471
Benefit payments	(658,975)
Total OPEB Liability - End of Year	<u>\$ 26,144,339</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 (1.75%) or 1 percentage point higher (3.75%) than the current discount rate:

	1% Decrease (1.75%)	Current Assumption (2.75%)	1% Increase (3.75%)
Total OPEB Liability	<u>\$ 30,828,057</u>	<u>\$ 26,144,339</u>	<u>\$ 22,439,236</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 healthcare cost trend rates that are 1 percentage point lower (4.0% decreasing to 2.784%) or 1 percentage point higher (6.0% decreasing to 4.784%) than the current healthcare cost trend rates:

	1% Decrease (4.0% decreasing to 2.784%)	Healthcare Cost Trend Rates (5.0% decreasing to 3.784%)	1% Increase (6.0% decreasing to 4.784%)
Total OPEB Liability	<u>\$ 22,171,641</u>	<u>\$ 26,144,339</u>	<u>\$ 31,242,902</u>

For the year ended December 31, 2019, the Town recognized OPEB expense of \$1,600,622 in the government-wide financial statements. At December 31, 2019, 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	\$ 3,733,737	2,703,715
Differences between expected and actual experience	-	336,596
	<u>\$ 3,733,737</u>	<u>\$ 3,040,311</u>

Note 3 - Detailed Notes on All Funds (Continued)

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>	
2020	\$ 96,499
2021	389,144
2022	240,227
2023	(89,417)
2024	56,973
Thereafter	-

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:

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Total</u>
	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	
General Fund	\$ -	\$ 567,842	\$ 567,842
Highway Fund	-	451,651	451,651
Special Districts Fund	13,000	274,836	287,836
	<u>\$ 13,000</u>	<u>\$ 1,294,329</u>	<u>\$ 1,307,329</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.

Note 3 - Detailed Notes on All Funds (Continued)

Restricted for Special Purpose - the component of net position that has been established to set aside funds in accordance with the terms of the trust for park improvements.

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, 2019

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2019						2018					
	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
Nonspendable -												
Long-term receivables	\$ 356,923	\$ -	\$ -	\$ -	\$ -	\$ 356,923	\$ 315,949	\$ -	\$ -	\$ -	\$ -	\$ 315,949
Restricted:												
Debt service	-	-	-	-	-	-	-	-	-	-	63,497	63,497
Special purpose	-	-	-	-	60,047	60,047	-	-	-	-	64,538	64,538
Capital projects	-	-	-	-	-	-	-	-	-	339,064	-	339,064
Total Restricted	-	-	-	-	60,047	60,047	-	-	-	339,064	128,035	467,099
Assigned -												
Major funds	-	145,276	753,488	-	-	898,764	-	-	683,796	-	-	683,796
Unassigned	780,430	-	-	(480,743)	-	299,687	393,968	(68,452)	-	-	-	325,516
Total Fund Balances	\$ 1,137,353	\$ 145,276	\$ 753,488	\$ (480,743)	\$ 60,047	\$ 1,615,421	\$ 709,917	\$ (68,452)	\$ 683,796	\$ 339,064	\$ 128,035	\$ 1,792,360

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.

Long-Term Receivables have been classified as nonspendable to indicate the long-term nature of taxes receivable collected for other governments. These funds are not "available" for appropriation or expenditure even though they are a component of current assets.

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.

Workers' compensation coverage is secured 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.

Effective January 1, 2019 the Town withdrew from the Municipal Employee Benefits Consortium and joined the New York State Health Insurance Program.

C. Contingencies

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Uniform Grant 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

The Town, April 15, 2020, re-financed a bond anticipation note in the amount of \$2,670,500, after a \$188,000 paydown and new money of \$805,000. The note matures on April 15, 2021, with interest at 1.15%.

Coronavirus

On March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of Coronavirus. This was followed by the President of the United States declaring the outbreak of Coronavirus a national emergency on March 13, 2020.

Preceding these announcements, the Governor of the State of New York declared a state of emergency on March 7, 2020 and has since issued multiple Executive Orders regarding the pandemic. Furthermore, the Enacted 2020-21 New York State budget granted the Budget Director the authority to reduce state aid payments to local governments and school districts by any amount needed to achieve a balanced budget. The Budget Director is authorized, under Section 1(f) of Chapter 53 of the Laws of 2020, to withhold all or some of specific local aid payments during state fiscal year 2020-21, that began on April 1, 2020, if the budget is deemed unbalanced and if the Budget Director further determines that such withholding is necessary to respond to the direct and indirect economic financial and social effects of the Coronavirus pandemic ("Reduction Authority").

The ultimate size of any permanent reductions would depend in part on the availability of unrestricted Federal aid. The Federal government has not reached a consensus on additional recovery legislation at this time. Therefore, in the interim, without assurance of Federal aid, New York State has begun withholding a minimum of 20% of most municipal and school district aid payments to achieve the cash flow savings anticipated in the Executive Budget Financial Plan as updated for the Governor's amendments and forecast revisions pursuant to the Reduction Authority.

In addition to these New York State actions, the Town's economically sensitive revenues (i.e., sales tax distributions, mortgage tax, interest earnings, charges for services) are being negatively impacted. Meanwhile, the Town's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support a safe working environment) will increase significantly.

The outbreak of the Coronavirus and the dramatic steps taken by the Federal government and New York State to address it will continue to negatively affect New York State and its local economies. The full impact of the Coronavirus on New York State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact on the Town's future operations and finances as a result of the Coronavirus is extremely difficult to predict due to uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including New York State, to contain or mitigate its effects. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on New York State and local municipalities, including the Town. The Town is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the actual impact on the Town's future financial position at this time.

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)

	2019	2018
Total OPEB Liability:		
Service cost	\$ 703,271	\$ 946,168
Interest	800,852	1,073,616
Changes of benefit terms	-	(7,693,754)
Differences between expected and actual experience	(367,766)	-
Changes of assumptions or other inputs	4,829,471	(4,639,845)
Benefit payments	(658,975)	(676,154)
Net Change in Total OPEB Liability	5,306,853	(10,989,969)
Total OPEB Liability – Beginning of Year	20,837,486	31,827,455 (3)
Total OPEB Liability – End of Year	\$ 26,144,339	\$ 20,837,486
Town's covered-employee payroll	\$ 4,557,104	\$ 4,427,000
Total OPEB liability as a percentage of covered-employee payroll	573.71%	470.69%

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.

Changes of benefit terms, assumptions or other inputs

As of December 31, 2019, the discount rate was updated from 3.71% to 2.75%. The change in discount rate resulted in a increase in liabilities.

As of December 31, 2019, the mortality assumption was revised to the sex-distinct and job category-specific headcount-weighted Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy retirees, and then adjusted for mortality improvements with the Scale MP-2018 mortality improvement scale on a generational basis. The revised assumption resulted in a decrease in liabilities.

As of December 31, 2019, the annual rate of increase in healthcare costs was revised to better reflect future expectations, including updating long-term rates based on the SOA Long Term Healthcare Cost Trends Model v2020_b (the Getzen model). A review of published National trend survey data in relation to the retiree health plan offerings was the basis for this change. The revised assumption resulted in 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)

	2019	2018	2017	2016 (3)	2015
Town's proportion of the net pension liability	<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>\$ 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>\$ 3,258,617</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>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>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

Schedule of Contributions

	2019	2018	2017	2016	2015
Contractually required contribution	<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>(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>
Town's covered payroll	<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>13.92%</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) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

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)

	2019	2018	2017	2016 (3)	2015
Town's proportion of the net pension liability	<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>\$ 192,340</u>	<u>\$ 112,879</u>	<u>\$ 277,122</u>	<u>\$ 435,749</u>	<u>\$ 37,107</u>
Town's covered payroll	<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>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>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>

Schedule of Contributions

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 97,066	\$ 94,715	\$ 119,722	\$ 113,271	\$ 117,421
Contributions in relation to the contractually required contribution	<u>(97,066)</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>
Town's covered payroll	<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>18.77%</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) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

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Town of Lewisboro, New YorkGeneral Fund
Comparative Balance Sheet
December 31,

	2019	2018
ASSETS		
Cash and equivalents	\$ 9,366,570	\$ 10,296,253
Taxes receivable		
Town and County taxes	102,560	114,419
School districts taxes	17,920,593	17,389,240
Tax liens	735,157	660,372
Property acquired for taxes	363,980	363,980
	19,122,290	18,528,011
Allowance for uncollectible taxes	(363,980)	(363,980)
	18,758,310	18,164,031
Other receivables		
Accounts	142,368	204,747
Due from other governments	676,414	512,397
	818,782	717,144
Total Assets	\$ 28,943,662	\$ 29,177,428
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 139,313	\$ 294,026
Accrued liabilities	390,809	367,308
Due to school districts	25,864,247	26,686,169
Due to other funds	1,004,565	778,832
Deposits	191,072	122,861
Total Liabilities	27,590,006	28,249,196
Deferred inflows of resources		
Deferred tax revenues	216,303	218,315
Total Liabilities and Deferred Inflows of Resources	27,806,309	28,467,511
Fund balance		
Nonspendable	356,923	315,949
Unassigned	780,430	393,968
Total Fund Balance	1,137,353	709,917
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 28,943,662	\$ 29,177,428

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,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,344,752	\$ 3,344,752	\$ 3,345,270	\$ 518
Other tax items	200,000	200,000	217,582	17,582
Non property taxes	2,195,000	2,195,000	2,551,454	356,454
Departmental income	1,566,300	1,566,300	1,763,961	197,661
Intergovernmental charges	33,500	33,500	48,371	14,871
Use of money and property	135,450	135,450	126,081	(9,369)
Licenses and permits	15,900	15,900	18,684	2,784
Fines and forfeitures	230,000	230,000	186,471	(43,529)
State aid	700,000	700,000	497,662	(202,338)
Miscellaneous	39,500	39,500	61,647	22,147
Total Revenues	8,460,402	8,460,402	8,817,183	356,781
EXPENDITURES				
Current				
General government support	2,405,749	2,416,029	2,313,489	102,540
Public safety	975,135	996,717	996,717	-
Health	229,814	229,406	229,406	-
Transportation	153,291	155,059	155,059	-
Culture and recreation	1,972,734	2,034,637	2,034,637	-
Home and community services	178,098	168,763	167,287	1,476
Employee benefits	1,977,739	1,873,628	1,929,280	(55,652)
Debt service				
Interest	-	18,321	18,321	-
Total Expenditures	7,892,560	7,892,560	7,844,196	48,364
Excess of Revenues Over Expenditures	567,842	567,842	972,987	405,145
OTHER FINANCING SOURCES (USES)				
Sale of real property	-	-	22,291	22,291
Transfers out	(567,842)	(567,842)	(567,842)	-
Total Other Financing Uses	(567,842)	(567,842)	(545,551)	22,291
Net Change in Fund Balance	-	-	427,436	427,436
FUND BALANCE				
Beginning of Year	-	-	709,917	709,917
End of Year	\$ -	\$ -	\$ 1,137,353	\$ 1,137,353

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,060,911	\$ 3,060,911	\$ 2,901,788	\$ (159,123)
401,245	401,245	511,544	110,299
2,165,000	2,165,000	2,277,579	112,579
1,575,860	1,575,860	1,667,444	91,584
33,800	33,800	42,256	8,456
103,480	103,480	137,274	33,794
15,685	15,685	18,345	2,660
230,000	230,000	201,990	(28,010)
737,000	737,000	610,695	(126,305)
28,600	28,600	28,768	168
8,351,581	8,351,581	8,397,683	46,102
2,324,880	2,301,863	2,301,863	-
968,608	962,769	1,051,803	(89,034)
228,628	228,649	228,649	-
149,281	148,613	148,613	-
1,931,473	1,949,587	1,949,587	-
171,337	169,449	169,449	-
2,056,624	2,069,902	2,512,040	(442,138)
7,607	7,606	7,606	-
7,838,438	7,838,438	8,369,610	(531,172)
513,143	513,143	28,073	(485,070)
-	-	-	-
(513,143)	(513,143)	(513,143)	-
(513,143)	(513,143)	(513,143)	-
-	-	(485,070)	(485,070)
-	-	1,194,987	1,194,987
\$ -	\$ -	\$ 709,917	\$ 709,917

Town of Lewisboro, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
REAL PROPERTY TAXES	<u>\$ 3,344,752</u>	<u>\$ 3,344,752</u>	<u>\$ 3,345,270</u>	<u>\$ 518</u>	<u>\$ 2,901,788</u>
OTHER TAX ITEMS					
Gain on sale of tax acquired property	-	-	-	-	316,572
Interest and penalties on real property taxes	<u>200,000</u>	<u>200,000</u>	<u>217,582</u>	<u>17,582</u>	<u>194,972</u>
	<u>200,000</u>	<u>200,000</u>	<u>217,582</u>	<u>17,582</u>	<u>511,544</u>
NON-PROPERTY TAXES					
Franchise fees	295,000	295,000	280,597	(14,403)	290,512
Non-property tax distribution from County	<u>1,900,000</u>	<u>1,900,000</u>	<u>2,270,857</u>	<u>370,857</u>	<u>1,987,067</u>
	<u>2,195,000</u>	<u>2,195,000</u>	<u>2,551,454</u>	<u>356,454</u>	<u>2,277,579</u>
DEPARTMENTAL INCOME					
Tax collector fees	5,000	5,000	3,930	(1,070)	4,619
Town Clerk fees	3,200	3,200	4,733	1,533	4,413
Police fees	100	100	781	681	208
Dog shelter redemptions	200	200	270	70	70
Inspection fees	484,900	484,900	532,537	47,637	498,144
Parking lot fees and on-street parking	4,500	4,500	4,920	420	4,860
Parks and recreation charges	1,030,000	1,030,000	1,128,764	98,764	1,079,161
Planning board fees	20,000	20,000	57,426	37,426	44,869
Cemetery fees	<u>18,400</u>	<u>18,400</u>	<u>30,600</u>	<u>12,200</u>	<u>31,100</u>
	<u>1,566,300</u>	<u>1,566,300</u>	<u>1,763,961</u>	<u>197,661</u>	<u>1,667,444</u>

INTERGOVERNMENTAL CHARGES

Charges for services to other governments

<u>33,500</u>	<u>33,500</u>	<u>48,371</u>	<u>14,871</u>	<u>42,256</u>
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USE OF MONEY AND PROPERTY

Earnings on investments

<u>45,000</u>	<u>45,000</u>	<u>47,257</u>	<u>2,257</u>	<u>47,790</u>
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Rental of real property

<u>90,450</u>	<u>90,450</u>	<u>78,824</u>	<u>(11,626)</u>	<u>89,484</u>
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<u>135,450</u>	<u>135,450</u>	<u>126,081</u>	<u>(9,369)</u>	<u>137,274</u>
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LICENSES AND PERMITS

Dog licenses

<u>12,000</u>	<u>12,000</u>	<u>15,029</u>	<u>3,029</u>	<u>14,489</u>
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Other licenses

<u>3,900</u>	<u>3,900</u>	<u>3,655</u>	<u>(245)</u>	<u>3,856</u>
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<u>15,900</u>	<u>15,900</u>	<u>18,684</u>	<u>2,784</u>	<u>18,345</u>
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FINES AND FORFEITURES

Fines and forfeited bail

<u>230,000</u>	<u>230,000</u>	<u>186,471</u>	<u>(43,529)</u>	<u>201,990</u>
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STATE AID

Mortgage tax

<u>700,000</u>	<u>700,000</u>	<u>497,662</u>	<u>(202,338)</u>	<u>573,356</u>
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Per capita

<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,339</u>
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<u>700,000</u>	<u>700,000</u>	<u>497,662</u>	<u>(202,338)</u>	<u>610,695</u>
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MISCELLANEOUS

Medicare Part D reimbursement

<u>-</u>	<u>-</u>	<u>22,673</u>	<u>22,673</u>	<u>27,111</u>
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Aim related payments

<u>37,000</u>	<u>37,000</u>	<u>37,340</u>	<u>340</u>	<u>-</u>
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Unclassified

<u>2,500</u>	<u>2,500</u>	<u>1,634</u>	<u>(866)</u>	<u>1,657</u>
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<u>39,500</u>	<u>39,500</u>	<u>61,647</u>	<u>22,147</u>	<u>28,768</u>
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TOTAL REVENUES

<u>8,460,402</u>	<u>8,460,402</u>	<u>8,817,183</u>	<u>356,781</u>	<u>8,397,683</u>
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OTHER FINANCING SOURCES

Insurance recoveries

<u>-</u>	<u>-</u>	<u>22,291</u>	<u>22,291</u>	<u>-</u>
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**TOTAL REVENUES AND OTHER
FINANCING SOURCES**

<u>\$ 8,460,402</u>	<u>\$ 8,460,402</u>	<u>\$ 8,839,474</u>	<u>\$ 379,072</u>	<u>\$ 8,397,683</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, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 68,204	\$ 68,304	\$ 68,304	\$ -	\$ 68,324
Town Justice	228,541	239,651	239,651	-	228,925
Supervisor	167,987	171,292	171,292	-	166,191
Finance	139,085	137,091	137,091	-	132,452
Independent audit	37,000	34,700	34,700	-	34,075
Receiver of Taxes	174,998	157,912	157,912	-	160,745
Assessor	120,196	130,521	130,521	-	124,528
Town Clerk	158,821	157,102	157,102	-	154,894
Law	157,000	170,861	170,861	-	171,939
Engineer	57,500	57,500	57,500	-	57,500
Elections	8,167	8,168	8,168	-	7,976
Records management	4,600	1,879	1,879	-	3,476
Shared services	687,775	680,671	680,671	-	685,029
Central printing and mailing	47,600	46,894	45,395	1,499	44,613
Technical services	84,700	87,688	87,688	-	88,731
Insurance	148,000	149,705	149,705	-	146,244
Municipal association dues	3,375	4,250	4,250	-	3,250
Judgment and claims	1,200	1,397	1,397	-	13,296
Contingency	100,000	101,041	-	101,041	-
Metropolitan commuter transportation mobility tax	11,000	9,402	9,402	-	9,675
	<u>2,405,749</u>	<u>2,416,029</u>	<u>2,313,489</u>	<u>102,540</u>	<u>2,301,863</u>

PUBLIC SAFETY

Police	705,050	729,471	729,471	-	791,615
Control of dogs	3,500	433	433	-	1,393
Safety inspections	266,585	266,813	266,813	-	258,795

	975,135	996,717	996,717	-	1,051,803
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HEALTH

Registrar of vital statistics	2,200	2,200	2,200	-	2,200
Advanced life support services	221,114	221,112	221,112	-	220,428
Drug abuse prevention council	6,500	6,094	6,094	-	6,021

	229,814	229,406	229,406	-	228,649
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TRANSPORTATION

Superintendent of highways	139,291	140,041	140,041	-	135,281
Street lighting	14,000	15,018	15,018	-	13,332

	153,291	155,059	155,059	-	148,613
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CULTURE AND RECREATION

Recreation administration	257,275	267,207	267,207	-	233,561
Parks	179,780	168,611	168,611	-	188,358
Playgrounds and day camp	384,470	354,418	354,418	-	378,780
Beach and pool	224,250	240,526	240,526	-	220,040
Tennis facility	30,950	20,992	20,992	-	35,886
Youth programs	245,460	337,286	337,286	-	262,298
Library	421,263	421,263	421,263	-	406,037
Historian	1,250	1,000	1,000	-	1,040
Celebrations	32,900	35,057	35,057	-	32,629
Program for the aging	83,536	88,059	88,059	-	83,756
Adult and family activities	25,300	23,601	23,601	-	17,171
Transportation	86,300	76,617	76,617	-	90,031

	1,972,734	2,034,637	2,034,637	-	1,949,587
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(Continued)

Town of Lewisboro, New York

General Fund

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

Year Ended December 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
HOME AND COMMUNITY SERVICES					
Planning board	\$ 52,398	\$ 54,622	\$ 54,622	\$ -	\$ 53,700
Planning consultant	57,500	57,500	56,024	1,476	57,658
Environmental control	28,000	28,000	28,000	-	28,000
Storm water	8,900	4,354	4,354	-	8,695
Recycling	1,800	3,141	3,141	-	1,646
Community beautification	2,000	1,271	1,271	-	1,043
Cemeteries	27,500	19,875	19,875	-	18,707
	<u>178,098</u>	<u>168,763</u>	<u>167,287</u>	<u>1,476</u>	<u>169,449</u>
EMPLOYEE BENEFITS					
State retirement	344,000	359,988	359,988	-	343,880
Police retirement	102,000	96,215	96,215	-	94,968
Social security	259,239	257,802	257,802	-	256,616
Hospitalization, medical and dental insurance	1,067,000	962,776	1,018,428	(55,652)	1,615,138
Workers' compensation benefits	70,000	64,572	64,572	-	65,687
Disability	19,000	16,682	16,682	-	18,288
Dental	41,000	30,535	30,535	-	43,172
Medicare	48,000	56,975	56,975	-	49,992
Wellcare benefit	27,500	28,083	28,083	-	24,299
	<u>1,977,739</u>	<u>1,873,628</u>	<u>1,929,280</u>	<u>(55,652)</u>	<u>2,512,040</u>

DEBT SERVICE

Interest

Bond anticipation notes	-	-	-	-	7,606
Tax anticipation notes	-	18,321	18,321	-	-

	-	18,321	18,321	-	7,606
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TOTAL EXPENDITURES

	7,892,560	7,892,560	7,844,196	48,364	8,369,610
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OTHER FINANCING USES

Transfers out

Capital Projects Fund	-	-	-	-	12,419
Debt Service Fund	567,842	567,842	567,842	-	500,724

TOTAL OTHER FINANCING USES

	567,842	567,842	567,842	-	513,143
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**TOTAL EXPENDITURES AND OTHER
FINANCING USES**

	<u>\$ 8,460,402</u>	<u>\$ 8,460,402</u>	<u>\$ 8,412,038</u>	<u>\$ 48,364</u>	<u>\$ 8,882,753</u>
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See independent auditors' report.

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Town of Lewisboro, New York

Highway Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 2,497	\$ 13,532
Due from other funds	<u>328,936</u>	<u>133,910</u>
Total Assets	<u><u>\$ 331,433</u></u>	<u><u>\$ 147,442</u></u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 47,407	\$ 81,644
Accrued liabilities	<u>138,750</u>	<u>134,250</u>
Total Liabilities	<u>186,157</u>	<u>215,894</u>
Fund balance (deficit)		
Assigned	145,276	-
Unassigned	<u>-</u>	<u>(68,452)</u>
Total Fund Balance (Deficit)	<u>145,276</u>	<u>(68,452)</u>
Total Liabilities and Fund Balance (Deficit)	<u><u>\$ 331,433</u></u>	<u><u>\$ 147,442</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,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,499,705	\$ 3,499,705	\$ 3,499,705	\$ -
Use of money and property	-	-	1	1
Sale of property and compensation for loss	-	-	100	100
State aid	200,000	200,000	212,282	12,282
Total Revenues	3,699,705	3,699,705	3,712,088	12,383
EXPENDITURES				
Current				
General government support	70,000	70,805	70,805	-
Transportation	2,290,374	2,287,911	2,049,911	238,000
Employee benefits	887,680	889,338	925,993	(36,655)
Debt service				
Interest	-	-	-	-
Total Expenditures	3,248,054	3,248,054	3,046,709	201,345
Excess of Revenues Over Expenditures	451,651	451,651	665,379	213,728
OTHER FINANCING USES				
Transfers out	(451,651)	(451,651)	(451,651)	-
Net Change in Fund Balance	-	-	213,728	213,728
FUND BALANCE (DEFICIT)				
Beginning of Year	-	-	(68,452)	(68,452)
End of Year	\$ -	\$ -	\$ 145,276	\$ 145,276

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,370,112	\$ 3,370,112	\$ 3,370,112	\$ -
-	-	38	38
-	-	15,153	15,153
185,000	185,000	212,178	27,178
3,555,112	3,555,112	3,597,481	42,369
67,000	68,524	68,524	-
2,136,285	2,136,079	2,207,410	(71,331)
931,810	930,492	1,068,835	(138,343)
24,480	24,480	24,480	-
3,159,575	3,159,575	3,369,249	(209,674)
395,537	395,537	228,232	(167,305)
(395,537)	(395,537)	(395,537)	-
-	-	(167,305)	(167,305)
-	-	98,853	98,853
\$ -	\$ -	\$ (68,452)	\$ (68,452)

Town of Lewisboro, New York

Special Districts Fund
Combining Balance Sheet - Sub-Funds
December 31, 2019
(With Comparative Totals for 2018)

	Oak Ridge Sewer District	Oak Ridge Water District
ASSETS		
Cash and equivalents	<u>\$ 936</u>	<u>\$ 356,119</u>
Receivables		
Water rents	-	50,761
Due from other funds	<u>165,951</u>	<u>-</u>
	<u>165,951</u>	<u>50,761</u>
Total Assets	<u><u>\$ 166,887</u></u>	<u><u>\$ 406,880</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 47,940	\$ 35,893
Due to other funds	<u>-</u>	<u>311,912</u>
Total Liabilities	47,940	347,805
Fund balances		
Assigned	<u>118,947</u>	<u>59,075</u>
Total Liabilities and Fund Balances	<u><u>\$ 166,887</u></u>	<u><u>\$ 406,880</u></u>

See independent auditors' report.

Wild Oaks Sewer District	Wild Oaks Lighting District	Totals	
		2019	2018
<u>\$ 249,103</u>	<u>\$ -</u>	<u>\$ 606,158</u>	<u>\$ 548,362</u>
-	-	50,761	53,380
<u>329,731</u>	<u>6,505</u>	<u>502,187</u>	<u>315,921</u>
<u>329,731</u>	<u>6,505</u>	<u>552,948</u>	<u>369,301</u>
<u><u>\$ 578,834</u></u>	<u><u>\$ 6,505</u></u>	<u><u>\$ 1,159,106</u></u>	<u><u>\$ 917,663</u></u>
<u>\$ 8,693</u>	<u>\$ 1,180</u>	<u>\$ 93,706</u>	<u>\$ 14,017</u>
-	-	311,912	219,850
8,693	1,180	405,618	233,867
<u>570,141</u>	<u>5,325</u>	<u>753,488</u>	<u>683,796</u>
<u><u>\$ 578,834</u></u>	<u><u>\$ 6,505</u></u>	<u><u>\$ 1,159,106</u></u>	<u><u>\$ 917,663</u></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, 2019****(With Comparative Totals for 2018)**

	Oak Ridge Sewer District	Oak Ridge Water District
REVENUES		
Real property taxes	\$ 490,924	\$ -
Departmental income	77,436	191,164
Use of money and property	-	461
State aid	-	-
	<u>568,360</u>	<u>191,625</u>
EXPENDITURES		
Current		
General government support	4,100	-
Transportation	-	-
Home and community services	264,164	235,399
Debt service		
Interest	-	13,200
	<u>268,264</u>	<u>248,599</u>
Total Expenditures		
	<u>268,264</u>	<u>248,599</u>
Excess (Deficiency) of Revenues Over Expenditures	300,096	(56,974)
OTHER FINANCING USES		
Transfers out	(270,412)	(13,000)
	<u>29,684</u>	<u>(69,974)</u>
Net Change in Fund Balances		
	<u>29,684</u>	<u>(69,974)</u>
FUND BALANCES		
Beginning of Year	89,263	129,049
	<u>89,263</u>	<u>129,049</u>
End of Year	\$ 118,947	\$ 59,075
	<u>\$ 118,947</u>	<u>\$ 59,075</u>

See independent auditors' report.

Wild Oaks Sewer District	Wild Oaks Lighting District	Totals	
		2019	2018
\$ 194,851	\$ 12,175	\$ 697,950	\$ 698,964
-	-	268,600	281,440
396	-	857	1,066
195,425	-	195,425	140,000
<u>390,672</u>	<u>12,175</u>	<u>1,162,832</u>	<u>1,121,470</u>
24,700	-	28,800	28,755
-	14,361	14,361	14,555
249,380	-	748,943	596,252
-	-	13,200	9,092
<u>274,080</u>	<u>14,361</u>	<u>805,304</u>	<u>648,654</u>
116,592	(2,186)	357,528	472,816
<u>(4,424)</u>	<u>-</u>	<u>(287,836)</u>	<u>(287,739)</u>
112,168	(2,186)	69,692	185,077
<u>457,973</u>	<u>7,511</u>	<u>683,796</u>	<u>498,719</u>
<u>\$ 570,141</u>	<u>\$ 5,325</u>	<u>\$ 753,488</u>	<u>\$ 683,796</u>

Town of Lewisboro, New York

**Capital Projects Fund
Comparative Balance Sheet
December 31,**

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 1,148,641	\$ 464,757
Due from other funds	<u>485,354</u>	<u>485,354</u>
Total Assets	<u>\$ 1,633,995</u>	<u>\$ 950,111</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 61,238	\$ 11,047
Bond anticipation notes payable	<u>2,053,500</u>	<u>600,000</u>
Total Liabilities	<u>2,114,738</u>	<u>611,047</u>
Fund balance (deficit)		
Restricted	-	339,064
Unassigned	<u>(480,743)</u>	<u>-</u>
Total Fund Balance (Deficit)	<u>(480,743)</u>	<u>339,064</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 1,633,995</u>	<u>\$ 950,111</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>2019</u>	<u>2018</u>
REVENUES		
State aid	\$ -	\$ 100,000
Miscellaneous	<u>175,000</u>	<u>-</u>
Total Revenues	<u>175,000</u>	<u>100,000</u>
EXPENDITURES		
Capital outlay	<u>1,007,807</u>	<u>767,398</u>
Deficiency of Revenues Over Expenditures	<u>(832,807)</u>	<u>(667,398)</u>
OTHER FINANCING SOURCES		
Bonds issued	-	3,105,567
Transfers in	<u>13,000</u>	<u>105,339</u>
Total Other Financing Sources	<u>13,000</u>	<u>3,210,906</u>
Net Change in Fund Balance	(819,807)	2,543,508
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>339,064</u>	<u>(2,204,444)</u>
End of Year	<u><u>\$ (480,743)</u></u>	<u><u>\$ 339,064</u></u>

See independent auditors' report.

Town of Lewisboro, New York

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2019
(With Comparative Totals for 2018)

	Debt Service	Special Purpose	Totals	
			2019	2018
ASSETS				
Cash and equivalents	\$ -	\$ 60,047	\$ 60,047	\$ 64,538
Due from other funds	-	-	-	63,497
Total Assets	<u>\$ -</u>	<u>\$ 60,047</u>	<u>\$ 60,047</u>	<u>\$ 128,035</u>
FUND BALANCE				
Restricted	<u>\$ -</u>	<u>\$ 60,047</u>	<u>\$ 60,047</u>	<u>\$ 128,035</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, 2019
(With Comparative Totals for 2018)

	Debt Service	Special Purpose	Totals	
			2019	2018
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ 76,344
EXPENDITURES				
Current				
Culture and recreation	-	4,491	4,491	109,725
Debt service				
Principal	1,010,567	-	1,010,567	845,000
Interest	347,259	-	347,259	246,080
Total Expenditures	1,357,826	4,491	1,362,317	1,200,805
Deficiency of Revenues Over Expenditures	(1,357,826)	(4,491)	(1,362,317)	(1,124,461)
OTHER FINANCING SOURCES				
Issuance premium	-	-	-	63,497
Transfers in	1,294,329	-	1,294,329	1,091,080
Total Other Financing Sources	1,294,329	-	1,294,329	1,154,577
Net Change in Fund Balances	(63,497)	(4,491)	(67,988)	30,116
FUND BALANCES				
Beginning of Year	63,497	64,538	128,035	97,919
End of Year	\$ -	\$ 60,047	\$ 60,047	\$ 128,035

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Town of Lewisboro, New York

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

	<u>2019</u>	<u>2018</u>
ASSETS		
Due from other funds	<u>\$ -</u>	<u>\$ 63,497</u>
FUND BALANCE		
Restricted	<u>\$ -</u>	<u>\$ 63,497</u>

See independent auditors' report.

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,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service				
Serial bonds				
Principal	1,010,567	1,010,567	1,010,567	-
Interest	347,259	347,259	347,259	-
Total Expenditures	1,357,826	1,357,826	1,357,826	-
Deficiency of Revenues Over Expenditures	(1,357,826)	(1,357,826)	(1,357,826)	-
OTHER FINANCING SOURCES				
Issuance premium	-	-	-	-
Transfers in	1,294,329	1,294,329	1,294,329	-
Total Other Financing Sources	1,294,329	1,294,329	1,294,329	-
Net Change in Fund Balance	(63,497)	(63,497)	(63,497)	-
FUND BALANCE				
Beginning of Year	63,497	63,497	63,497	-
End of Year	\$ -	\$ -	\$ -	\$ -

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2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
845,000	845,000	845,000	-
246,080	246,080	246,080	-
1,091,080	1,091,080	1,091,080	-
(1,091,080)	(1,091,080)	(1,091,080)	-
-	-	63,497	63,497
1,091,080	1,091,080	1,091,080	-
1,091,080	1,091,080	1,154,577	63,497
-	-	63,497	63,497
-	-	-	-
\$ -	\$ -	\$ 63,497	\$ 63,497

Town of Lewisboro, New York

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

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 60,047</u>	<u>\$ 64,538</u>
FUND BALANCE		
Restricted	<u>\$ 60,047</u>	<u>\$ 64,538</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>2019</u>	<u>2018</u>
REVENUES		
Miscellaneous	\$ -	\$ 76,344
EXPENDITURES		
Current		
Culture and recreation	<u>4,491</u>	<u>109,725</u>
Deficiency of Revenues Over Expenditures	(4,491)	(33,381)
FUND BALANCE		
Beginning of Year	<u>64,538</u>	<u>97,919</u>
End of Year	<u>\$ 60,047</u>	<u>\$ 64,538</u>

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