

**Town of Lewisboro, New York**

Financial Statements  
and  
Supplementary Information

Year Ended December 31, 2015



## Town of Lewisboro, New York

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## 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, 2015, 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, 2015, and the respective changes in financial position, thereof, 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***

We draw attention to Note 2C and Note 3F in the notes to financial statements which disclose the effects of the Town's adoption of the provisions of Governmental Accounting Standards Board Statement Nos. 68 "Accounting and Financial Reporting for Pensions" and 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date". 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 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 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 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.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

June 7, 2016

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

### **Management's Discussion and Analysis (MD&A) December 31, 2015**

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#### **Introduction**

The following discussion and analysis of the Town of Lewisboro, New York's financial statements provides an overview of the financial activities of the Town for the fiscal year ending December 31, 2015. 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 2015 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 2015 by \$9,728,364. Of this amount, the unrestricted portion is a deficit of \$11,620,789. This deficit results primarily from the accrual of certain operating liabilities pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 34, inclusive of other post employment benefit obligations ("OPEB"), and net pension liabilities pursuant to GASB Statement No. 68, coupled with the deficit reported in the Capital Projects Fund.
- As of the close of fiscal year 2015, the Town's governmental funds reported a combined ending fund deficit of (\$162,734), an overall decrease of \$807,681 as compared to the prior year ending combined fund balance of \$644,947. The net decrease is attributed to the combination of a loss generated in the General Fund of \$373,022, primarily from revenues not realized as compared to the final budget as well as a decrease in the Capital Projects Fund from capital outlay expenditures exceeding revenues.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$204,768 and represented 2.6% of total General Fund expenditures and other financing uses. The General Fund reported a total ending fund balance of \$663,376, a decrease of \$373,022 as compared to the prior year, as a result of current year revenue shortfalls and operating activities.
- For the year ended December 31, 2015, the Town implemented the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions". This pronouncement established new 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, 2015, the Town reported in its Statement of Net Position a liability of \$392,087 for its proportionate share of the ERS and PFRS net pension liabilities. 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 new general obligation bonds but retired \$755,900 of general obligation debt. The Town's outstanding general obligation bonds payable at December 31, 2015 totaled \$10,725,000.
- Throughout the current fiscal year, the Town retired \$17,000 of short-term capital debt in the form of bond anticipation notes and issued new short term debt in the amount of \$600,000. Short-term obligations amounted to \$1,978,000 at the end of the fiscal year.

### **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 five 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 fund, the Debt Service Fund, is provided elsewhere in this report.

The Town adopts an annual appropriation budget for its General Fund, Highway Fund, Special Districts and Debt Service Funds. 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 the 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 \$9,728,364 at the close of the current fiscal year.

### Statement of Net Position

	2015	2014
Current Assets	\$ 33,637,401	\$ 36,668,605
Capital Assets, net	13,528,390	13,783,934
Total Assets	47,165,791	50,452,539
Deferred Outflows of Resources	593,591	-
Current Liabilities	33,603,523	35,910,001
Long-term Liabilities	23,858,801	22,290,871
Total Liabilities	57,462,324	58,200,872
Deferred Inflows of Resources	25,422	-
Net Position		
Net investment in capital assets	1,615,371	1,724,064
Restricted	277,054	-
Unrestricted	(11,620,789)	(9,472,397)
Total Net Position	\$ (9,728,364)	\$ (7,748,333)

The largest component of the Town's net position reflects its net investment in capital assets, amounting to \$1,615,371. 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.

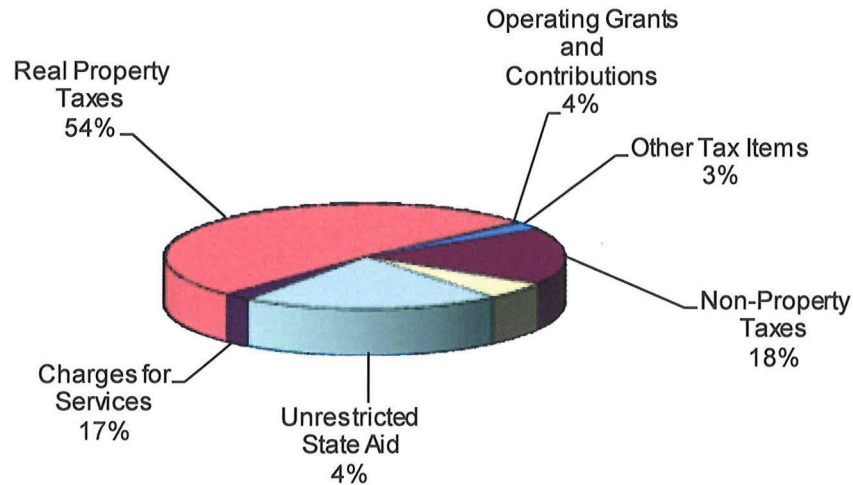
The restricted net position, of \$277,054, (restricted for special districts of \$210,067 and special purposes of \$66,987) represents resources that are subject to external restrictions on their use, or the respective fund that the restricted resources are allocated.

The remaining balance of unrestricted net position, which is a deficit of \$11,620,789, 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 (\$10,725,000), retirement incentives and other pension obligations (\$642,803), compensated absences (\$548,813), claims payable (\$191,633) and other post employment benefit obligations (\$11,358,465). These obligations are greater than currently available resources. Payments for these liabilities will be budgeted in the year the actual payment will be made.

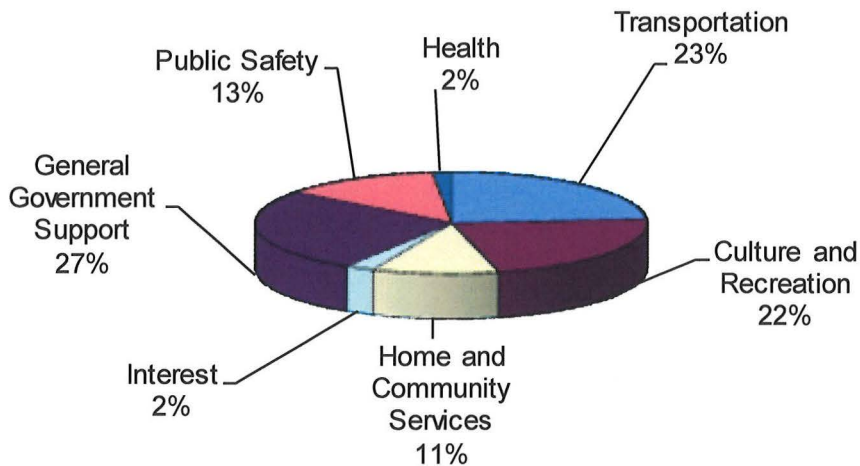
**Changes in Net Position  
December 31,**

	<u>2015</u>	<u>2014</u>
Program Revenues		
Charges for Services	\$ 2,468,262	\$ 1,959,687
Operating Grants and Contributions	249,186	455,659
Capital Grants and Contributions	37,500	108,240
General Revenues		
Real Property Taxes	6,078,686	6,204,580
Other Tax items	264,610	294,825
Non-Property Taxes	2,072,205	2,086,612
Unrestricted Use of Money and Property	11,768	16,484
Sale of Property and Compensation for Loss	6,214	2,466
Unrestricted State Aid	651,445	578,721
Miscellaneous	6,651	71,027
Total Revenues	<u>11,846,527</u>	<u>11,778,301</u>
Program Expenses		
General Government Support	3,659,758	3,563,842
Public Safety	1,793,468	1,554,116
Health	218,568	209,678
Transportation	3,260,937	3,074,631
Culture and Recreation	3,107,141	2,975,736
Home and Community Services	1,440,349	1,443,247
Interest	335,725	354,834
Total Expenses	<u>13,815,946</u>	<u>13,176,084</u>
Change in Net Position	<u>(1,969,419)</u>	<u>(1,397,783)</u>
Deficit - Beginning, as reported	(7,748,333)	(6,350,550)
Cumulative Effect of Change in Accounting Principle	<u>(10,612)</u>	<u>-</u>
Deficit - Beginning, as restated	<u>(7,758,945)</u>	<u>(6,350,550)</u>
Deficit - Ending	<u>\$ (9,728,364)</u>	<u>\$ (7,748,333)</u>

### Sources of Revenue for Fiscal Year 2015 Governmental Activities



### Expenses for Fiscal Year 2015 Governmental Activities



**Governmental Activities:** Governmental activities increased the Town's deficit by \$1,969,419 (before the cumulative effect of change in accounting principle of (\$10,612)) for the fiscal year ended December 31, 2015. The total Town governmental activities revenues were \$11,846,527. Real property taxes provide 54% of total revenues and non-property tax items provide 18%. Charges for services and operating grants and contributions provided 21%. Total revenues decreased by \$68,226 from the prior year. Governmental activities expenditures of the Town for the year ended December 31, 2015 totaled \$13,815,946, an increase of \$639,335 as compared to the prior year. The largest components of these expenses are in the areas of General Government Support (27%), Transportation (23%) and Culture and Recreation (22%).

The major changes in 2015 as compared to 2014 are as follows:

Revenues:

- Real Property Taxes decreased by \$125,894 due to decline in tax collections.
- Charges for services revenue increased \$508,575 (25.9%) reflective of increases in departmental income from the water and sewer districts.
- Operating grants and contributions as well as capital grants and contributions primarily decreased due to certain State reimbursements received for Capital and Highway projects in the prior year and not in the current year.

Expenses:

- Transportation expenditures increased by \$239,352 in 2015 and that was attributable to more road resurfacing, paving and repair work which occurred in 2015.
- Employee benefits also increased \$164,365 as compared to the prior year and were allocated among the functional expenses in proportion to salaries.

### **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 deficit of (\$162,734), a decrease of \$807,681 from the prior year combined ending fund balances of \$644,947. This is inclusive of the Capital Projects Fund which reflects an unassigned deficit of \$1,188,019. Excluding the Capital Projects Fund, the unassigned fund balance totals \$192,801.

**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 \$663,376, an overall decrease of \$373,022 from the prior year. The unassigned fund balance of the General Fund was \$204,768 and represented 30.8% of total fund balance of the General Fund. The nonspendable fund balance component is \$458,608. This consists of amounts representing prepaid expenditures of \$126,353. Prepaid expenditures have been established to account for insurance payments and a portion of the New York State retirement payments made in advance. The balance of \$332,255 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 \$7,898,402. Revenues were \$7,525,380, which was \$240,638 less than the final budget. The major areas where revenues fell short of the final budget include real property taxes due to a decline in tax collections and sales tax revenues falling short of the final budget by \$110,192. However, intergovernmental charges exceeded the final budget by

\$177,092. Expenditures and other financing uses were \$7,898,403, which was \$132,384 more than the final budget, particularly in the shared services appropriation under General Government Support. The shared services expenditures exceeded the final budget by \$86,580.

**The Highway Fund** containing activity for transportation expenditures reflected a fund balance of \$36,467 at the end of the current fiscal year, an increase to fund balance of \$48,025. The unassigned portion was a deficit of \$11,967. Overall, actual Highway Fund expenditures and other financing uses were \$74,269 greater than the final budget and actual revenues and other financing sources were \$122,294 greater than the final budget, resulting in net change in fund balance of \$48,025.

**The Special Districts Fund** reflected a combined fund balance of \$258,455. This is an increase from the prior year of \$110,470. The increase results from increased departmental income from water and sewer rents.

**The Capital Projects Fund** reflected a deficit of \$1,188,019 at December 31, 2015. This represents a decrease from prior year's deficit of \$578,970. This deficit arises 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 capital projects are recognized as revenue only to the extent that they are redeemed. The deficit will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

**The Non-Major Governmental Funds** consists of the Debt Service and Special Purpose funds. The remaining fund balance of the Debt Service Fund was appropriated in 2015. The fund balance of the Special Purpose Fund totaled \$66,987 at December 31, 2015 and is classified as restricted.

### **Capital Assets**

The Town's investment in capital assets for its governmental activities as of December 31, 2015 amounted to \$13,528,390 (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)**

	2015	2014
Land	\$ 725,000	\$ 725,000
Land Improvements	1,000,742	975,255
Buildings and Improvements	825,584	870,606
Machinery and Equipment	39,907	49,335
Infrastructure	10,937,157	11,163,738
Total	<u>\$ 13,528,390</u>	<u>\$ 13,783,934</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 \$10,725,000. 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 new bonds in fiscal year 2015 and retired \$755,900 in principal on outstanding obligations.

Short-term debt for the Town totaled \$1,978,000 in the form of bond anticipation notes (BAN's). The Town redeemed \$17,000 of short-term debt while issuing \$600,000 in new BANS for various capital projects.

Additional information on the Town's long-term debt can be found in Note 3F of this report.

### **Requests for Information**

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

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**Town of Lewisboro, New York**Statement of Net Position  
December 31, 2015

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 14,006,593
Receivables	
Taxes, net	18,412,921
Accounts	582,409
Due from other governments	460,691
Prepaid expenses	174,787
Capital assets	
Not being depreciated	725,000
Being depreciated, net	12,803,390
	<hr/>
Total Assets	47,165,791
	<hr/>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	593,591
	<hr/>
<b>LIABILITIES</b>	
Accounts payable	110,581
Accrued liabilities	317,146
Due to school districts	31,009,431
Deposits	127,154
Bond anticipation notes payable	1,978,000
Accrued interest payable	61,211
Non-current liabilities	
Due within one year	1,093,273
Due in more than one year	22,765,528
	<hr/>
Total Liabilities	57,462,324
	<hr/>
<b>DEFERRED INFLOWS OF RESOURCES</b>	25,422
	<hr/>
<b>NET POSITION</b>	
Net investment in capital assets	1,615,371
Restricted	
Special districts	210,067
Special purpose	66,987
Unrestricted	(11,620,789)
	<hr/>
Total Net Position	\$ (9,728,364)
	<hr/>

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

**Town of Lewisboro, New York**

Statement of Activities

Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 3,659,758	\$ 441,795	\$ -	\$ -
Public safety	1,793,468	492,012	27,627	-
Health	218,568	-	-	-
Transportation	3,260,937	4,560	173,933	-
Culture and recreation	3,107,141	1,113,058	44,799	-
Home and community services	1,440,349	416,837	2,827	37,500
Interest	335,725	-	-	-
Total Governmental Activities	<u>\$ 13,815,946</u>	<u>\$ 2,468,262</u>	<u>\$ 249,186</u>	<u>\$ 37,500</u>

General revenues

Real property taxes

Other tax items

Interest and penalties on real property taxes

Non-property taxes

Franchise fees

Non-property tax distribution from County

Unrestricted use of money and property

Sale of property and compensation for loss

Unrestricted State aid

Miscellaneous

Total General Revenues

Change in Net Position

**NET POSITION**

Beginning of Year, as reported

Cumulative Effect of Change in Accounting Principle

Beginning of Year, as restated

Ending of Year

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

<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Assets</u>	
\$	(3,217,963)
	(1,273,829)
	(218,568)
	(3,082,444)
	(1,949,284)
	(983,185)
	<u>(335,725)</u>
	<u>(11,060,998)</u>
	6,078,686
	264,610
	282,397
	1,789,808
	11,768
	6,214
	651,445
	<u>6,651</u>
	<u>9,091,579</u>
	<u>(1,969,419)</u>
	(7,748,333)
	<u>(10,612)</u>
	<u>(7,758,945)</u>
\$	<u><u>(9,728,364)</u></u>

**Town of Lewisboro, New York**

Balance Sheet  
Governmental Funds  
December 31, 2015

	General	Highway	Capital Projects
<b>ASSETS</b>			
Cash and equivalents	\$ 13,232,197	\$ 184,691	\$ 250,387
Taxes receivable, net	18,412,921	-	-
Other receivables			
Accounts	431,412	-	53,247
Due from other governments	460,691	-	-
Due from other funds	-	-	486,347
	892,103	-	539,594
Prepaid expenditures	126,353	48,434	-
Total Assets	<u>\$ 32,663,574</u>	<u>\$ 233,125</u>	<u>\$ 789,981</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 71,756	\$ 6,355	\$ -
Accrued liabilities	218,785	98,361	-
Due to school districts	31,009,431	-	-
Due to other funds	315,249	91,942	-
Deposits	127,154	-	-
Bond anticipation notes payable	-	-	1,978,000
Total Liabilities	31,742,375	196,658	1,978,000
Deferred inflows of resources			
Deferred tax revenues	257,823	-	-
Total Liabilities and Deferred Inflows of Resources	<u>32,000,198</u>	<u>196,658</u>	<u>1,978,000</u>
Fund balances (deficits)			
Nonspendable	458,608	48,434	-
Restricted	-	-	-
Assigned	-	-	-
Unassigned	204,768	(11,967)	(1,188,019)
Total Fund Balances (Deficits)	<u>663,376</u>	<u>36,467</u>	<u>(1,188,019)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 32,663,574</u>	<u>\$ 233,125</u>	<u>\$ 789,981</u>

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

Special Districts	Other Governmental	Total Governmental Funds
\$ 272,331	\$ 66,987	\$ 14,006,593
-	-	18,412,921
97,750	-	582,409
-	-	460,691
275,155	-	761,502
372,905	-	1,804,602
-	-	174,787
<u>\$ 645,236</u>	<u>\$ 66,987</u>	<u>\$ 34,398,903</u>
\$ 32,470	\$ -	\$ 110,581
-	-	317,146
-	-	31,009,431
354,311	-	761,502
-	-	127,154
-	-	1,978,000
386,781	-	34,303,814
-	-	257,823
386,781	-	34,561,637
-	-	507,042
-	66,987	66,987
258,455	-	258,455
-	-	(995,218)
258,455	66,987	(162,734)
<u>\$ 645,236</u>	<u>\$ 66,987</u>	<u>\$ 34,398,903</u>

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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, 2015

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Fund Balances - Total Governmental Funds	\$ (162,734)
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,528,390
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Real property taxes	257,823
Governmental funds do not report the effect of assets or liabilities related to net pension assets (liabilities) whereas these amounts are deferred and amortized in the statement of activities. Deferred amounts on net pension assets (liabilities)	568,169
Long-term liabilities that are not due and payable in the current period are not reported in the funds. Accrued interest payable Bonds payable Compensated absences Net pension liability Retirement incentives and other pension obligations Claims payable Other post employment benefit obligations payable	(61,211) (10,725,000) (548,813) (392,087) (642,803) (191,633) (11,358,465)
	(23,920,012)
Net Position of Governmental Activities	\$ (9,728,364)

The notes to the 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, 2015

	General	Highway	Capital Projects
<b>REVENUES</b>			
Real property taxes	\$ 2,397,245	\$ 2,939,116	\$ -
Other tax items	264,610	-	-
Non-property taxes	2,072,205	-	-
Departmental income	1,559,943	-	-
Intergovernmental charges	263,592	-	-
Use of money and property	29,678	5	-
Licenses and permits	17,793	-	-
Fines and forfeitures	228,377	-	-
Sale of property and compensation for loss	6,214	100	-
State aid	679,072	171,421	37,500
Miscellaneous	6,651	2,407	-
<b>Total Revenues</b>	<b>7,525,380</b>	<b>3,113,049</b>	<b>37,500</b>
<b>EXPENDITURES</b>			
Current			
General government support	2,113,341	60,335	-
Public safety	891,526	-	-
Health	215,968	-	-
Transportation	135,863	1,949,082	-
Culture and recreation	1,854,565	-	-
Home and community services	152,415	-	-
Employee benefits	1,933,851	824,988	-
Debt service			
Principal	-	-	-
Interest	2,685	1,836	-
Capital outlay	-	-	663,549
<b>Total Expenditures</b>	<b>7,300,214</b>	<b>2,836,241</b>	<b>663,549</b>
Excess (Deficiency) of Revenues Over Expenditures	225,166	276,808	(626,049)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	98,361	17,000
Transfers out	(598,188)	(327,144)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(598,188)</b>	<b>(228,783)</b>	<b>17,000</b>
<b>Net Change in Fund Balances</b>	<b>(373,022)</b>	<b>48,025</b>	<b>(609,049)</b>
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	1,036,398	(11,558)	(578,970)
End of Year	\$ 663,376	\$ 36,467	\$ (1,188,019)

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



Special Districts	Other Governmental	Total Governmental Funds
\$ 673,118	\$ -	\$ 6,009,479
-	-	264,610
-	-	2,072,205
380,647	-	1,940,590
-	-	263,592
27	-	29,710
-	-	17,793
-	-	228,377
-	-	6,314
2,800	-	890,793
-	44,799	53,857
1,056,592	44,799	11,777,320
31,700	-	2,205,376
-	-	891,526
-	-	215,968
13,062	-	2,098,007
-	23,576	1,878,141
615,807	-	768,222
-	-	2,758,839
-	755,900	755,900
5,288	339,664	349,473
-	-	663,549
665,857	1,119,140	12,585,001
390,735	(1,074,341)	(807,681)
-	1,090,236	1,205,597
(280,265)	-	(1,205,597)
(280,265)	1,090,236	-
110,470	15,895	(807,681)
147,985	51,092	644,947
\$ 258,455	\$ 66,987	\$ (162,734)

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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, 2015

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (807,681)</u>
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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	663,549
Depreciation expense	<u>(919,093)</u>
	<u>(255,544)</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>69,207</u>
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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>755,900</u>
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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	13,748
Compensated absences	(45,166)
Retirement incentives and other pension obligations	(27,604)
Claims payable	(12,860)
Pension assets (obligations)	186,694
Other post employment benefit obligations	<u>(1,846,113)</u>
	<u>(1,731,301)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (1,969,419)</u></u>
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The notes to the 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, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,707,078	\$ 2,707,078	\$ 2,397,245	\$ (309,833)
Other tax items	250,000	250,000	264,610	14,610
Non-property taxes	2,176,000	2,176,000	2,072,205	(103,795)
Departmental income	1,587,975	1,587,975	1,559,943	(28,032)
Intergovernmental charges	86,500	86,500	263,592	177,092
Use of money and property	41,560	41,560	29,678	(11,882)
Licenses and permits	15,405	15,405	17,793	2,388
Fines and forfeitures	200,000	200,000	228,377	28,377
Sale of property and compensation for loss	-	-	6,214	6,214
State aid	667,000	667,000	679,072	12,072
Miscellaneous	34,500	34,500	6,651	(27,849)
Total Revenues	7,766,018	7,766,018	7,525,380	(240,638)
<b>EXPENDITURES</b>				
Current				
General government support	2,180,526	2,005,464	2,113,341	(107,877)
Public safety	863,212	869,911	891,526	(21,615)
Health	215,969	215,968	215,968	-
Transportation	128,976	135,863	135,863	-
Culture and recreation	1,912,180	1,846,348	1,854,565	(8,217)
Home and community services	162,216	152,415	152,415	-
Employee benefits	1,795,097	2,032,209	1,933,851	98,358
Debt service				
Interest	2,687	2,685	2,685	-
Total Expenditures	7,260,863	7,260,863	7,300,214	(39,351)
Excess of Revenues Over Expenditures	505,155	505,155	225,166	(279,989)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(505,155)	(505,155)	(598,188)	(93,033)
Total Other Financing Uses	(505,155)	(505,155)	(598,188)	(93,033)
Net Change in Fund Balances	-	-	(373,022)	(373,022)
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	-	-	1,036,398	1,036,398
End of Year	\$ -	\$ -	\$ 663,376	\$ 663,376

Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,939,116	\$ 2,939,116	\$ 2,939,116	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	5	5
-	-	-	-
-	-	-	-
-	-	100	100
150,000	150,000	171,421	21,421
-	-	2,407	2,407
<u>3,089,116</u>	<u>3,089,116</u>	<u>3,113,049</u>	<u>23,933</u>
60,000	60,335	60,335	-
-	-	-	-
-	-	-	-
1,956,816	1,966,912	1,949,082	17,830
-	-	-	-
-	-	-	-
743,320	732,889	824,988	(92,099)
1,836	1,836	1,836	-
<u>2,761,972</u>	<u>2,761,972</u>	<u>2,836,241</u>	<u>(74,269)</u>
<u>327,144</u>	<u>327,144</u>	<u>276,808</u>	<u>(50,336)</u>
-	-	98,361	98,361
(327,144)	(327,144)	(327,144)	-
<u>(327,144)</u>	<u>(327,144)</u>	<u>(228,783)</u>	<u>98,361</u>
-	-	48,025	48,025
-	-	(11,558)	(11,558)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,467</u>	<u>\$ 36,467</u>

(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, 2015

	Special Districts Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 673,118	\$ 673,118	\$ 673,118	\$ -
Other tax items	-	-	-	-
Non-property taxes	-	-	-	-
Departmental income	193,475	193,475	380,647	187,172
Intergovernmental charges	-	-	-	-
Use of money and property	-	-	27	27
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	-	-
State aid	81,460	81,460	2,800	(78,660)
Miscellaneous	-	-	-	-
Total Revenues	948,053	948,053	1,056,592	108,539
<b>EXPENDITURES</b>				
Current				
General government support	36,700	31,700	31,700	-
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	11,725	11,725	13,062	(1,337)
Culture and recreation	-	-	-	-
Home and community services	614,074	619,075	615,807	3,268
Employee benefits	-	-	-	-
Debt service				
Interest	5,288	5,288	5,288	-
Total Expenditures	667,787	667,788	665,857	1,931
Excess of Revenues Over Expenditures	280,266	280,265	390,735	110,470
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(280,266)	(280,265)	(280,265)	-
Total Other Financing Uses	(280,266)	(280,265)	(280,265)	-
Net Change in Fund Balances	-	-	110,470	110,470
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	-	-	147,985	147,985
End of Year	\$ -	\$ -	\$ 258,455	\$ 258,455

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

**Town of Lewisboro, New York**

Statement of Assets and Liabilities  
Fiduciary Fund  
December 31, 2015

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 348,144</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 103,097
Employee payroll deductions	9,090
Deposits	<u>235,957</u>
 Total Liabilities	 <u>\$ 348,144</u>

The notes to the 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 explain 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 operating fund of the Town and is used to account for and report all financial resources not accounted for or 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 fund of the Town is 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 fund.

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 certain fiscal agent fees 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. A ninety day availability period is used for revenue recognition for most other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. 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, certain claims and other post employment benefit obligations 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**

**Deposit and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

The Town's 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. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions, and accordingly, the Town's policy provides for no credit risk on investments.

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.

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 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 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, 2015.

The Town was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate risk.

**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 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 of Westchester 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

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

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, 2015, 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 inventorable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in the governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**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 estimated fair market 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.

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

Land is 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 \$257,823 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 become available.

The Town also reported deferred outflows of resources and deferred inflows of resources in relation to its pension obligations. These amounts are detailed in the discussion of the Town's pension plans in Note 3F.

**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

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

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 districts and 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:

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 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 or committed.

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

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.

**F. Encumbrances**

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

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 7, 2016.

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

**A. Budgetary Data**

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

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



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

- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Highway, Special Districts and Debt Service funds.
- i) Budgets for 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

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

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 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 Council may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Council first enacts, by a vote of at least sixty percent of the total voting power of the Town Council, a local law to override such limit for such coming fiscal year.

**C. Cumulative Effect of Change in Accounting Principle**

For the year ended December 31, 2015, the Town implemented GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date"*. These statements seek to improve accounting and financial reporting by state and local governments for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows/inflows of resources and expenses/expenditures. These statements also require the identification of the methods and assumptions that should 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. As a result of adopting these standards, the government-wide financial statements reflect a cumulative effect for the change in accounting principle of \$10,612.

**D. Capital Projects Fund Deficit**

The unassigned deficit in the Capital Projects Fund of \$1,188,019 arises 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". Liabilities for bond anticipation notes are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. The deficit will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

#### **E. Expenditures in Excess of Budget**

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

General Fund	
General Government Support	
Town Board	\$ 5,625
Town Justice	13,722
Assessor	1,950
Shared services	86,580
Public Safety	
Police	21,615
Culture and Recreation	
Recreational administration	4,403
Youth programs	3,814
Transfers Out	
Highway Fund	98,361
Highway Fund	
Employee benefits	92,099
Special Districts Fund	
Transportation	1,337

In addition, the entire General Fund and Highway Fund budgets exceeded their budgetary provision by \$132,381 and \$74,269 respectively.

#### **F. Fund Deficits**

The following funds reflect a deficit at December 31, 2015:

Special Districts Fund	
Oak Ridge Sewer District	\$ 101,826
Highway Fund	
Unassigned	11,967

The Town plans to address these deficits in future periods.

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

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

Taxes receivable at December 31, 2015 consisted of the following:

Town and County taxes - Current	\$ 143,790
School districts taxes - Current	17,402,973
Tax liens	866,158
Property acquired for taxes	<u>406,906</u>
	18,819,827
Allowance for uncollectible taxes	<u>(406,906)</u>
	<u>\$ 18,412,921</u>

# Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2016. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$257,823, 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 are classified as nonspendable in the fund financial statements in the amount of \$332,255, 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, 2015 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 315,249
Highway	-	91,942
Capital Projects	486,347	-
Special Districts	275,155	354,311
	<u>\$ 761,502</u>	<u>\$ 761,502</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, 2015</u>	<u>Additions</u>	<u>Balance December 31, 2015</u>
Capital Assets, not being depreciated			
Land	<u>\$ 725,000</u>	<u>\$ -</u>	<u>\$ 725,000</u>
Capital Assets, being depreciated			
Land improvements	\$ 2,036,641	\$ 129,882	\$ 2,166,523
Buildings and improvements	2,374,580	-	2,374,580
Machinery and equipment	1,975,482	-	1,975,482
Infrastructure	<u>44,311,991</u>	<u>533,667</u>	<u>44,845,658</u>
Total Capital Assets, being depreciated	<u>50,698,694</u>	<u>663,549</u>	<u>51,362,243</u>
Less Accumulated Depreciation for			
Land improvements	1,061,386	104,395	1,165,781
Buildings and improvements	1,503,974	45,022	1,548,996
Machinery and equipment	1,926,147	9,428	1,935,575
Infrastructure	<u>33,148,253</u>	<u>760,248</u>	<u>33,908,501</u>
Total Accumulated Depreciation	<u>37,639,760</u>	<u>919,093</u>	<u>38,558,853</u>
Total Capital Assets, being depreciated, net	<u>\$ 13,058,934</u>	<u>\$ (255,544)</u>	<u>\$ 12,803,390</u>
Governmental Activities			
Capital Assets, net	<u>\$ 13,783,934</u>	<u>\$ (255,544)</u>	<u>\$ 13,528,390</u>

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

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

Governmental Activities:	
General Government Support	\$ 62,930
Public Safety	750
Transportation	154,915
Culture and Recreation	70,159
Home and Community Services	<u>630,339</u>
Total Depreciation Expense	<u>\$ 919,093</u>

**D. Accrued Liabilities**

Accrued liabilities at December 31, 2015 consisted of payroll and employee benefits of \$218,785 reflected in the General Fund and \$98,361 reflected in the Highway Fund for a total of \$317,146.

**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, 2015	New Issues	Redemptions	Balance December 31, 2015
Bond Anticipation Notes							
Water District Capital Improvements	2003	4/22/16	0.55 %	\$ 644,000	\$ -	\$ 10,000	\$ 634,000
Various Capital Improvements	2011	4/22/16	0.55	361,000	-	7,000	354,000
Various Capital Improvements	2014	4/22/16	0.55	390,000	-	-	390,000
Reconstruction of roads	2015	4/22/16	0.55	-	600,000	-	600,000
				<u>\$ 1,395,000</u>	<u>\$ 600,000</u>	<u>\$ 17,000</u>	<u>\$ 1,978,000</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 \$9,809 were recorded in the fund financial statements in the funds identified below and in the government-wide financial statements for governmental activities.

Fund	Amount
General	\$ 2,685
Highway	1,836
Special Districts	<u>5,288</u>
	<u>\$ 9,809</u>

# Town of Lewisboro, New York

## Notes to Financial Statements (Continued) December 31, 2015

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

#### F. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2015:

	Balance as Reported January 1, 2015	Cumulative Effect of Change in Accounting Principle	Balance as Restated January 1, 2015	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2015	Due Within One Year
Bonds Payable	\$ 11,480,900	\$ -	\$ 11,480,900	\$ -	\$ 755,900	\$ 10,725,000	\$ 790,000
Retirement Incentives and Other Pension Obligations	615,199	-	615,199	129,790	102,186	642,803	56,640
Compensated Absences	503,647	-	503,647	95,166	50,000	548,813	55,000
Net Pension Liability	-	530,955	530,955	-	138,868	392,087	-
Claims Payable	178,773	-	178,773	932,700	919,840	191,633	191,633
Other Post Employment Benefit Obligations	9,512,352	-	9,512,352	2,440,954	594,841	11,358,465	-
Total Long-Term Liabilities	<u>\$ 22,290,871</u>	<u>\$ 530,955</u>	<u>\$ 22,821,826</u>	<u>\$ 3,598,610</u>	<u>\$ 2,561,635</u>	<u>\$ 23,858,801</u>	<u>\$ 1,093,273</u>

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

#### Bonds Payable

Bonds payable at December 31, 2015 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2015
Public Improvements - Open Space and Pool	2006	\$ 2,758,000	June, 2021	4.000 - 4.500 %	\$ 1,310,000
Public Improvements - Road Resurfacing	2008	3,085,000	June, 2022	4.000 - 5.000	1,765,000
Land Acquisition - Bell Property	2009	2,160,000	June, 2029	1.500 - 4.000	1,675,000
EFC - Oakridge Sewer District	2010	5,925,822	October, 2039	2.132 - 4.603	4,940,000
Public Improvements - Various	2014	1,125,900	April, 2024	1.500 - 3.000	1,035,000
					<u>\$ 10,725,000</u>

Interest expenditures of \$339,664 were recorded in the Debt Service Fund. Interest expense of \$325,916 was recorded in the government-wide financial statements for governmental activities.

#### Retirement Incentives and Other Pension Obligations

Chapter 105 of the Laws of 2010 created a temporary retirement incentive applicable to governments who participate in the New York State Employee Retirement System. Any government that elects to participate in the Incentive Program can choose between either a Targeted Incentive (Part A) or a 55/25 Retirement Benefit (Part B). The retirement incentive is

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

only available in 2010, and employees who elect to take advantage of the incentive cannot be replaced. Part A of the Incentive Program allows governments to target certain positions as eligible for the retirement incentive. Employees must be at least 50 years of age and have at least 10 years of service on the effective date of their retirement to qualify. An additional 1 month of service credit for each year of service credit the employee has as of the date of their retirement will be given to participating employees. Governments must make additional contributions to the retirement system based on each retiring employee's annual salary. This contribution can either be paid in one lump sum or over five years, with payments beginning in the fiscal year ending March 31, 2012 (for municipalities that annually select the early payment option, the first payment would be due December 15, 2011). The Town has elected to participate in Part A of the incentive program. This has resulted in a liability to the Town of \$235,294. Payments are to be made over a 5 year period with interest at 8%. Payments of \$60,315, including interest of \$4,208, were made in the current year and charged to General Fund expenditures. The balance was satisfied at December 31, 2015.

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 2015 as noted in the table below. In the current year \$65,505, including interest of \$19,426, was paid for these obligations. The balance due at December 31, 2015 was \$642,803.

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

	<u>Original Amount Amortized</u>	<u>Current Year Payments</u>	<u>Balance Due</u>	<u>Due Within One Year</u>
2012 ERS	\$ 175,863	\$ 17,586	\$ 109,569	\$ 14,299
2012 PFRS	29,110	2,911	18,136	2,367
2013 ERS	285,386	23,782	195,221	16,442
2013 PFRS	14,903	1,242	10,195	859
2014 ERS	239,814	19,984	179,892	13,688
2015 ERS	159,377	-	129,790	8,985
	<u>\$ 904,453</u>	<u>\$ 65,505</u>	<u>\$ 642,803</u>	<u>\$ 56,640</u>

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

#### **Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of December 31, 2015 including interest payments of \$2,564,790 are as follows:

Year Ending December 31,	Bonds Payable		Retirement Incentives and Other Pension Obligations		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 790,000	\$ 302,269	\$ 56,640	22,146	\$ 846,640	\$ 324,415
2017	825,000	274,431	58,568	20,220	883,568	294,651
2018	845,000	246,079	60,560	18,227	905,560	264,306
2019	870,000	218,414	62,622	16,166	932,622	234,580
2020	900,000	190,420	64,756	14,033	964,756	204,453
2021-2025	2,850,000	619,809	295,048	37,396	3,145,048	657,205
2026-2030	1,610,000	345,675	44,609	1,939	1,654,609	347,614
2031-2035	1,100,000	183,366	-	-	1,100,000	183,366
2036-2039	935,000	54,200	-	-	935,000	54,200
	<u>\$ 10,725,000</u>	<u>\$ 2,434,663</u>	<u>\$ 642,803</u>	<u>\$ 130,127</u>	<u>\$ 11,367,803</u>	<u>\$ 2,564,790</u>

The above general obligation bonds and retirement incentives and other pension obligations 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.

#### **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



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

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/publications/index.php](http://www.osc.state.ny.us/retire/publications/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 2016 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	25.0 %
	2 A15	22.9
	4 A15	18.6
	5 A15	15.3
	6 A15	10.4
PFRS	2 375E	16.1 %
	2 384D	24.7
	6 384D	14.3

At December 31, 2015, the Town reported a liability of \$354,980 for its proportionate share of the net pension liability of ERS and a liability of \$37,107 for its proportionate share of the net pension liability of PFRS. The net pension liability was measured as of March 31, 2015, 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. At December 31, 2015, the Town's proportion was 0.0105078% for ERS and 0.0134806% for PFRS. For this first year of implementation, the System reported no change in the allocation percentage measured as of March 31, 2014.

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

For the year ended December 31, 2015, the Town recognized pension expense in the government-wide financial statements of \$328,513 for ERS and \$80,961 for PFRS. Pension expenditures of \$353,993 for ERS and \$111,836 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 188,466	\$ 111,836
Highway	<u>165,527</u>	<u>-</u>
Total	<u>\$ 353,993</u>	<u>\$ 111,836</u>

At December 31, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>	<u>PFRS</u>	<u>PFRS</u>
	Deferred Outflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,363	\$ 4,475	\$ -
Changes of assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	61,656	12,458	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	29,013	-	25,422
Town contributions subsequent to the measurement date	<u>390,710</u>	<u>83,916</u>	<u>-</u>
	<u>\$ 492,742</u>	<u>\$ 100,849</u>	<u>\$ 25,422</u>

\$390,710 and \$83,916 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 year ended March 31, 2016. 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:

<u>Year Ended March 31,</u>	<u>ERS</u>	<u>PFRS</u>
2016	\$ 25,508	\$ (1,075)
2017	25,508	(1,075)
2018	25,508	(1,075)
2019	25,508	(1,075)
2020	-	(4,189)

The total pension liability for the March 31, 2015 measurement date was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total

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

pension liabilities to March 31, 2015. The total pension liabilities for the March 31, 2014 measurement date were determined by using an actuarial valuation as of April 1, 2014. Significant actuarial assumptions used in the April 1, 2014 valuation were as follows:

Actuarial cost method	Entry age normal
Inflation	2.7%
Salary scale	4.9% in ERS, 6.0% in PFRS indexed by service
Investment rate of return	7.5% compounded annually, net of investment expenses, including inflation
Cost of living adjustments	1.4% annually

Annuitant mortality rates are based on the April 1, 2005 - March 31, 2010 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the April 1, 2014 valuation are based on the results of an actuarial experience study for the period April 1, 2005 - March 31, 2010.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice ("ASOP") No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 and 2014 are summarized below.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38 %	7.30 %
International Equity	13	8.55
Private Equity	10	11.00
Real Estate	8	8.25
Absolute Return Strategies	3	6.75
Opportunistic Portfolio	3	8.60
Real Assets	3	8.65
Bonds and Mortgages	18	4.00
Cash	2	2.25
Inflation Indexed Bonds	2	4.00
	<u>100 %</u>	

The discount rate used to calculate the total pension liability was 7.5%. 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

# Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5%, 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 (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Assumption (7.5%)	1% Increase (8.5%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,366,094</u>	<u>\$ 354,980</u>	<u>\$ (1,342,899)</u>
Town's proportionate share of the PFRS net pension liability (asset)	<u>\$ 494,057</u>	<u>\$ 37,107</u>	<u>\$ (345,845)</u>

The components of the collective net pension liability as of the March 31, 2015 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 164,591,504,000	\$ 28,474,417,000	\$ 193,065,921,000
Fiduciary net position	<u>161,213,259,000</u>	<u>28,199,157,000</u>	<u>189,415,416,000</u>
Employers' net pension liability	<u>\$ 3,378,245,000</u>	<u>\$ 275,260,000</u>	<u>\$ 3,650,505,000</u>
Fiduciary net position as a percentage of total pension liability	<u>97.9%</u>	<u>99.0%</u>	<u>98.1%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of December 31, 2015 represent the employer contribution for the period of April 1, 2015 through December 31, 2015 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, 2015 were \$390,710 and \$83,916, respectively.

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

**Claims Payable**

Health benefit liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported (IBNR's). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation and changes in doctrines of legal liability, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	<u>2015</u>	<u>2014</u>
Balance - Beginning of Year	\$ 178,773	\$ 221,035
Provision for Claims and Claims Adjustment Expenses	1,529,755	1,351,518
Claims and Claims Adjustment Expenses Paid	<u>(1,516,895)</u>	<u>(1,393,780)</u>
Balance - End of Year	<u>\$ 191,633</u>	<u>\$ 178,773</u>

**Other Post Employment Benefit Obligations**

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit 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. Substantially all of the Town's employee's may become eligible for those benefits if they reach normal retirement age while working for the Town. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid. The Town has recognized revenues and expenditures of \$1,295 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

The Town's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in post-retirement benefits are as follows:

<u>Year Ended December 31,</u>	<u>Pre-65 Medical</u>	<u>Post-65 Medical</u>	<u>Prescription Drug</u>
2015	8.00	6.00	9.00
2016	7.75	6.00	11.00
2017	7.50	6.00	10.50
2018	7.25	5.75	10.00
2019	7.00	5.75	9.50
2020	6.72	5.68	8.81
2021	6.45	5.61	8.11
2022	6.17	5.545	7.42
2023	5.894	5.477	6.727
2024	5.617	5.409	6.034
2025	5.34	5.34	5.34
2035	5.34	5.34	5.34
2045	4.923	4.923	4.923
2055	4.717	4.717	4.717
2065	4.579	4.579	4.579
2075+	3.886	3.886	3.886

The amortization basis is the level dollar method with an open amortization approach with 24 years remaining in the amortization period. The actuarial assumptions include a 4% investment rate of return. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the projected unit credit method.

The number of participants as of December 31, 2015 was as follows:

Active Employees	41
Retired Employees	<u>66</u>
	<u>107</u>

**Town of Lewisboro, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

Amortization Component	
Actuarial Accrued Liability as of January 1, 2015	\$ 29,529,627
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 29,529,627</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 4,018,000</u>
UAAL as a Percentage of Covered Payroll	<u>735%</u>
Annual Required Contribution	\$ 2,610,560
Interest on Net OPEB Obligation	380,494
Adjustments to Annual Required Contribution	<u>(550,100)</u>
Annual OPEB Cost	2,440,954
Contributions Made	<u>(594,841)</u>
Increase in Net OPEB Obligation	1,846,113
Net OPEB Obligation - Beginning of Year	<u>9,512,352</u>
Net OPEB Obligation - End of Year	<u>\$ 11,358,465</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and preceding year is as follows:

<u>Fiscal Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$ 2,440,954	24.4 %	\$ 11,358,465
2014	1,740,361	29.0	9,512,352
2013	1,740,361	29.0	8,277,547

**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:

## Town of Lewisboro, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

Transfers Out	Transfers In			Total
	Highway Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ 98,361	\$ 5,000	\$ 494,827	\$ 598,188
Highway Fund	-	-	327,144	327,144
Special Districts Fund	-	12,000	268,265	280,265
	<u>\$ 98,361</u>	<u>\$ 17,000</u>	<u>\$ 1,090,236</u>	<u>\$ 1,205,597</u>

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

#### **I. Net Position**

The components of net position are detailed below:

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

*Restricted for Special Districts* - the component of net position that represents fund restricted for specific purposes under New York State law or by external parties and/or statutes.

*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, 2015

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

**J. Fund Balances**

	2015						2014					
	General Fund	Highway Fund	Special Districts Funds	Capital Projects Fund	Non-Major Governmental	Total	General Fund	Highway Fund	Special Districts Funds	Capital Projects Fund	Total	
Nonspendable												
Prepaid expenditures	\$ 126,353	\$ 48,434	\$ -	\$ -	\$ -	\$ 174,787	\$ 99,668	\$ 32,125	\$ -	\$ -	\$ 131,793	
Long-term receivables	332,255	-	-	-	-	332,255	633,380	-	-	-	633,380	
Total Nonspendable	458,608	48,434	-	-	-	507,042	733,048	32,125	-	-	765,173	
Restricted												
Debt service	-	-	-	-	-	-	-	-	-	-	-	
Special purpose	-	-	-	-	66,987	66,987	-	-	-	-	-	
Total Restricted	-	-	-	-	66,987	66,987	-	-	-	-	-	
Assigned												
Major funds	-	-	258,455	-	-	258,455	-	-	147,985	-	147,985	
Unassigned	204,768	(11,967)	-	(1,188,019)	-	(995,218)	303,350	(43,683)	-	(578,970)	(319,303)	
Total Fund Balances	\$ 663,376	\$ 36,467	\$ 258,455	\$ (1,188,019)	\$ 66,987	\$ (162,734)	\$ 1,036,398	\$ (11,558)	\$ 147,985	\$ (578,970)	\$ 593,855	

**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.

Prepaid Expenditures has been established to account for payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

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 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, except as disclosed above.

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 will pay two-thirds of employee salary for the first week and supplement workers compensation up to two-thirds of salary for each week thereafter.

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

The Town, along with other municipal entities, participates in the Municipal Employee Benefits Consortium ("MEBCO"). MEBCO is a public entity risk pool currently operating as a common risk management and health insurance program for its members. MEBCO was formed in April 1988 pursuant to an act of the Board of Legislators of the County of Westchester. This act provided cities, towns and villages throughout Westchester County with an opportunity to participate in a cooperative program for providing health benefits to municipal employees by entering into an intermunicipal agreement pursuant to Article 5-G of the General Municipal Law. The purpose of the pool is to stabilize the cost of medical benefits provided to employees (see unpaid claim liabilities). MEBCO functions primarily as a claims service whereby each participating municipality retains its own risk. MEBCO does not transfer risk since charges to each municipality are ultimately determined by their individual claims/loss experience.

**C. Contingencies**

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. 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, on April 21, 2016, issued bond anticipation notes in the amount of \$2,535,100. The notes are due on April 21, 2017, with an interest at 1.09%. The proceeds were used to renew bond anticipation notes outstanding at December 31, 2015.

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**Town of Lewisboro, New York**

Required Supplementary Information - Schedule of Funding Progress  
 Other Post Employment Benefits  
 Last Three Fiscal Years

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2015	\$ -	\$ 29,529,627	\$ 29,529,627	- %	\$ 4,018,000	734.93 %
January 1, 2014	-	20,502,306	20,502,306	-	3,916,327	523.51
January 1, 2013	-	20,502,306	20,502,306	-	3,928,000	521.95

## Town of Lewisboro, New York

### Required Supplementary Information - Schedule of the Town's Proportionate Share of the Net Pension Liability New York State and Local Employees' Retirement System Last Ten Fiscal Years (1)

	2015
Town's proportion of the net pension liability (asset)	<u>0.0105078%</u>
Town's proportionate share of the net pension liability (asset)	<u>\$ 354,980</u>
Town's covered employee payroll	<u>\$ 2,869,868</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	<u>12.37%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>97.90%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

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

**Town of Lewisboro, New York**

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

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	<u>2015</u>
Contractually required contribution	\$ 489,463
Contributions in relation to the contractually required contribution	<u>(489,463)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Town's covered employee payroll	<u>\$ 3,009,852</u>
Contributions as a percentage of covered-employee payroll	<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*.

## Town of Lewisboro, New York

Required Supplementary Information - Schedule of the  
Town's Proportionate Share of the Net Pension Liability  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years (1)

---

	2015
Town's proportion of the net pension liability (asset)	0.0134806%
Town's proportionate share of the net pension liability (asset)	\$ 37,107
Town's covered employee payroll	\$ 538,157
Town's proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	6.90%
Plan fiduciary net position as a percentage of the total pension liability	99.00%

Note - The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

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



**Town of Lewisboro, New York**

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

---

	<u>2015</u>
Contractually required contribution	\$ 117,421
Contributions in relation to the contractually required contribution	<u>(117,421)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Town's covered employee payroll	<u>\$ 662,192</u>
Contributions as a percentage of covered-employee payroll	<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*.

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**Town of Lewisboro, New York**

General Fund  
Comparative Balance Sheet  
December 31,

	2015	2014
<b>ASSETS</b>		
Cash and equivalents	\$ 13,232,197	\$ 10,973,374
Taxes receivable		
Town and County taxes	143,790	157,629
School districts taxes	17,402,973	22,700,182
Tax liens	866,158	1,019,628
Property acquired for taxes	406,906	166,280
	18,819,827	24,043,719
Allowance for uncollectible taxes	(406,906)	(166,280)
	18,412,921	23,877,439
Other receivables		
Accounts	431,412	180,487
Due from other governments	460,691	458,176
Due from other funds	-	6,565
	892,103	645,228
Prepaid expenditures	126,353	99,668
Total Assets	\$ 32,663,574	\$ 35,595,709
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 71,756	\$ 39,904
Accrued liabilities	218,785	146,839
Due to school districts	31,009,431	34,057,780
Deposits	127,154	126,172
Due to other funds	315,249	-
Total Liabilities	31,742,375	34,370,695
Deferred inflows of resources		
Deferred tax revenues	257,823	188,616
Total Liabilities and Deferred Inflows of Resources	32,000,198	34,559,311
Fund balance		
Nonspendable	458,608	733,048
Unassigned	204,768	303,350
Total Fund Balance	663,376	1,036,398
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 32,663,574	\$ 35,595,709

**Town of Lewisboro, New York**

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

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,707,078	\$ 2,707,078	\$ 2,397,245	\$ (309,833)
Other tax items	250,000	250,000	264,610	14,610
Non property taxes	2,176,000	2,176,000	2,072,205	(103,795)
Departmental income	1,587,975	1,587,975	1,559,943	(28,032)
Intergovernmental charges	86,500	86,500	263,592	177,092
Use of money and property	41,560	41,560	29,678	(11,882)
Licenses and permits	15,405	15,405	17,793	2,388
Fines and forfeitures	200,000	200,000	228,377	28,377
Sale of property and compensation for loss	-	-	6,214	6,214
State aid	667,000	667,000	679,072	12,072
Miscellaneous	34,500	34,500	6,651	(27,849)
Total Revenues	7,766,018	7,766,018	7,525,380	(240,638)
<b>EXPENDITURES</b>				
Current				
General government support	2,180,526	2,005,464	2,113,341	(107,877)
Public safety	863,212	869,911	891,526	(21,615)
Health	215,969	215,968	215,968	-
Transportation	128,976	135,863	135,863	-
Culture and recreation	1,912,180	1,846,348	1,854,565	(8,217)
Home and community services	162,216	152,415	152,415	-
Employee benefits	1,795,097	2,032,209	1,933,851	98,358
Debt service				
Interest	2,687	2,685	2,685	-
Total Expenditures	7,260,863	7,260,863	7,300,214	(39,351)
Excess of Revenues Over Expenditures	505,155	505,155	225,166	(279,989)
<b>OTHER FINANCING USES</b>				
Transfers out	(505,155)	(505,155)	(598,188)	(93,033)
Net Change in Fund Balance	-	-	(373,022)	(373,022)
<b>FUND BALANCE</b>				
Beginning of Year	-	-	1,036,398	1,036,398
End of Year	\$ -	\$ -	\$ 663,376	\$ 663,376

2014			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,787,897	\$ 2,787,897	\$ 2,819,374	\$ 31,477
225,000	225,000	294,825	69,825
2,058,000	2,058,000	2,086,612	28,612
1,675,800	1,675,800	1,539,618	(136,182)
6,700	6,700	1,696	(5,004)
44,640	44,640	37,654	(6,986)
14,670	14,670	19,732	5,062
180,000	180,000	202,845	22,845
-	-	2,466	2,466
642,000	642,000	581,471	(60,529)
23,500	23,500	71,027	47,527
7,658,207	7,658,207	7,657,320	(887)
2,219,229	2,208,966	2,164,862	44,104
807,288	874,023	845,193	28,830
207,440	207,440	207,440	-
128,976	132,592	132,592	-
1,908,766	1,880,198	1,858,535	21,663
160,346	158,789	154,059	4,730
1,733,436	1,703,473	1,813,612	(110,139)
6,404	6,404	6,403	1
7,171,885	7,171,885	7,182,696	(10,811)
486,322	486,322	474,624	(11,698)
(486,322)	(486,322)	(486,322)	-
-	-	(11,698)	(11,698)
-	-	1,048,096	1,048,096
\$ -	\$ -	\$ 1,036,398	\$ 1,036,398

**Town of Lewisboro, New York**

General Fund

Schedule of Revenues Compared to Budget

Year Ended December 31, 2015

(With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>REAL PROPERTY TAXES</b>	<u>\$ 2,707,078</u>	<u>\$ 2,707,078</u>	<u>\$ 2,397,245</u>	<u>\$ (309,833)</u>	<u>\$ 2,819,374</u>
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	<u>250,000</u>	<u>250,000</u>	<u>264,610</u>	<u>14,610</u>	<u>294,825</u>
<b>NON-PROPERTY TAXES</b>					
Franchise fees	<u>276,000</u>	<u>276,000</u>	<u>282,397</u>	<u>6,397</u>	<u>279,459</u>
Non-property tax distribution from County	<u>1,900,000</u>	<u>1,900,000</u>	<u>1,789,808</u>	<u>(110,192)</u>	<u>1,807,153</u>
	<u>2,176,000</u>	<u>2,176,000</u>	<u>2,072,205</u>	<u>(103,795)</u>	<u>2,086,612</u>
<b>DEPARTMENTAL INCOME</b>					
Tax collector fees	<u>1,500</u>	<u>1,500</u>	<u>4,597</u>	<u>3,097</u>	<u>3,715</u>
Town Clerk fees	<u>3,500</u>	<u>3,500</u>	<u>4,441</u>	<u>941</u>	<u>3,611</u>
Police fees	<u>50</u>	<u>50</u>	<u>43</u>	<u>(7)</u>	<u>56</u>
Dog shelter redemptions	<u>1,000</u>	<u>1,000</u>	<u>527</u>	<u>(473)</u>	<u>816</u>
Inspection fees	<u>370,000</u>	<u>370,000</u>	<u>398,232</u>	<u>28,232</u>	<u>316,269</u>
Parking lot fees and on-street parking	<u>4,500</u>	<u>4,500</u>	<u>4,560</u>	<u>60</u>	<u>4,530</u>
Parks and recreation charges	<u>1,178,025</u>	<u>1,178,025</u>	<u>1,113,058</u>	<u>(64,967)</u>	<u>1,176,262</u>
Planning board fees	<u>15,000</u>	<u>15,000</u>	<u>22,985</u>	<u>7,985</u>	<u>10,709</u>
Cemetery fees	<u>14,400</u>	<u>14,400</u>	<u>11,500</u>	<u>(2,900)</u>	<u>23,650</u>
	<u>1,587,975</u>	<u>1,587,975</u>	<u>1,559,943</u>	<u>(28,032)</u>	<u>1,539,618</u>

**INTERGOVERNMENTAL CHARGES**

Charges for services to other governments	<u>86,500</u>	<u>86,500</u>	<u>263,592</u>	<u>177,092</u>	<u>1,696</u>
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**USE OF MONEY AND PROPERTY**

Earnings on investments	17,000	17,000	11,768	(5,232)	16,484
Rental of real property	<u>24,560</u>	<u>24,560</u>	<u>17,910</u>	<u>(6,650)</u>	<u>21,170</u>
	<u>41,560</u>	<u>41,560</u>	<u>29,678</u>	<u>(11,882)</u>	<u>37,654</u>

**LICENSES AND PERMITS**

Dog licenses	12,000	12,000	14,108	2,108	15,248
Other licenses	<u>3,405</u>	<u>3,405</u>	<u>3,685</u>	<u>280</u>	<u>4,484</u>
	<u>15,405</u>	<u>15,405</u>	<u>17,793</u>	<u>2,388</u>	<u>19,732</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	<u>200,000</u>	<u>200,000</u>	<u>228,377</u>	<u>28,377</u>	<u>202,845</u>
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**SALE OF PROPERTY AND  
COMPENSATION FOR LOSS**

Sale of equipment	-	-	275	275	500
Insurance recoveries	<u>-</u>	<u>-</u>	<u>5,939</u>	<u>5,939</u>	<u>1,966</u>
	<u>-</u>	<u>-</u>	<u>6,214</u>	<u>6,214</u>	<u>2,466</u>

**STATE AID**

Mortgage tax	630,000	630,000	614,106	(15,894)	558,630
Per capita	<u>37,000</u>	<u>37,000</u>	<u>37,339</u>	<u>339</u>	<u>20,091</u>
Emergency management assistance	-	-	27,627	27,627	-
Court facilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,750</u>
	<u>667,000</u>	<u>667,000</u>	<u>679,072</u>	<u>12,072</u>	<u>581,471</u>

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**Town of Lewisboro, New York**

General Fund

Schedule of Revenues Compared to Budget (Continued)

Year Ended December 31, 2015

(With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>MISCELLANEOUS</b>					
Medicare Part D reimbursement	\$ 30,000	\$ 30,000	\$ 1,295	\$ (28,705)	\$ 56,420
Unclassified	4,500	4,500	5,356	856	14,607
	<u>34,500</u>	<u>34,500</u>	<u>6,651</u>	<u>(27,849)</u>	<u>71,027</u>
<b>TOTAL REVENUES</b>	<u>\$ 7,766,018</u>	<u>\$ 7,766,018</u>	<u>\$ 7,525,380</u>	<u>\$ (240,638)</u>	<u>\$ 7,657,320</u>

**Town of Lewisboro, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2015

(With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 55,524	\$ 56,980	\$ 62,605	\$ (5,625)	\$ 55,524
Town Justice	174,633	179,988	193,710	(13,722)	160,048
Supervisor	145,444	151,695	151,695	-	145,277
Finance	129,025	136,824	136,824	-	140,546
Independent audit	34,000	33,150	33,150	-	33,150
Receiver of Taxes	141,108	144,236	144,236	-	142,468
Assessor	110,280	118,244	120,194	(1,950)	119,506
Town Clerk	137,258	139,173	139,173	-	136,035
Law	150,000	122,630	122,630	-	164,326
Engineer	57,500	57,500	57,500	-	57,500
Elections	7,450	7,435	7,435	-	7,265
Records management	5,700	3,480	3,480	-	4,701
Shared services	595,915	551,359	637,939	(86,580)	681,069
Central printing and mailing	41,900	46,765	46,765	-	46,702
Technical services	84,870	79,685	79,685	-	80,474
Insurance	141,000	142,420	142,420	-	141,851
Municipal association dues	3,250	3,250	3,250	-	2,321
Judgment and claims	23,000	19,978	19,978	-	35,790
Contingent	130,669	-	-	-	-
Metropolitan commuter transportation mobility tax	12,000	10,672	10,672	-	10,309
	<u>2,180,526</u>	<u>2,005,464</u>	<u>2,113,341</u>	<u>(107,877)</u>	<u>2,164,862</u>

**PUBLIC SAFETY**

Police	622,287	630,757	652,372	(21,615)	610,868
Control of dogs	4,800	2,465	2,465	-	3,315
Safety inspections	236,125	236,689	236,689	-	231,010
	<u>863,212</u>	<u>869,911</u>	<u>891,526</u>	<u>(21,615)</u>	<u>845,193</u>

**HEALTH**

Registrar of vital statistics	2,200	2,200	2,200	-	2,200
Advanced life support services	207,269	207,268	207,268	-	198,740
Drug abuse prevention council	6,500	6,500	6,500	-	6,500
	<u>215,969</u>	<u>215,968</u>	<u>215,968</u>	<u>-</u>	<u>207,440</u>

**TRANSPORTATION**

Superintendent of highways	116,976	122,072	122,072	-	116,976
Street lighting	12,000	13,791	13,791	-	15,616
	<u>128,976</u>	<u>135,863</u>	<u>135,863</u>	<u>-</u>	<u>132,592</u>

**CULTURE AND RECREATION**

Recreational administration	214,476	213,168	217,571	(4,403)	206,214
Parks	153,229	176,802	176,802	-	145,194
Playgrounds and day camp	436,130	397,724	397,724	-	417,595
Beach and pool	214,586	210,799	210,799	-	204,434
Tennis facility	34,950	27,473	27,473	-	31,116
Youth programs	250,753	223,395	227,209	(3,814)	268,187
Library	368,713	368,713	368,713	-	356,935
Historian	1,250	1,221	1,221	-	1,394
Celebrations	33,400	31,170	31,170	-	33,972
Program for the aging	78,983	76,972	76,972	-	72,040
Adult and family activities	25,860	24,305	24,305	-	28,460
Transportation	99,850	94,606	94,606	-	92,994
	<u>1,912,180</u>	<u>1,846,348</u>	<u>1,854,565</u>	<u>(8,217)</u>	<u>1,858,535</u>

(Continued)

Town of Lewisboro, New York

General Fund

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

Year Ended December 31, 2015

(With Comparative Actuals for 2014)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>HOME AND COMMUNITY SERVICES</b>					
Planning board	\$ 28,150	\$ 25,714	\$ 25,714	\$ -	\$ 27,350
Planning consultant	60,500	57,022	57,022	-	59,171
Environmental control	28,000	37,736	37,736	-	28,758
Storm water	3,400	3,595	3,595	-	3,133
Recycling	2,100	2,062	2,062	-	2,240
Community beautification	2,000	695	695	-	1,221
Cemeteries	18,166	18,134	18,134	-	18,147
Architectural	19,900	7,457	7,457	-	14,039
	<u>162,216</u>	<u>152,415</u>	<u>152,415</u>	<u>-</u>	<u>154,059</u>
<b>EMPLOYEE BENEFITS</b>					
State retirement	318,000	310,133	310,133	-	291,860
Police retirement	135,000	115,989	115,989	-	97,477
Social security	230,197	235,779	235,779	-	220,772
Hospitalization, medical and dental insurance	854,000	1,139,378	1,041,020	98,358	953,693
Workers' compensation benefits	144,000	129,601	129,601	-	129,997
Disability	23,000	18,321	18,321	-	15,838
Dental	32,000	31,211	31,211	-	34,437
Medicare	32,800	32,729	32,729	-	31,470
Wellcare benefit	23,600	19,068	19,068	-	21,307
Unemployment benefits	2,500	-	-	-	16,761
	<u>1,795,097</u>	<u>2,032,209</u>	<u>1,933,851</u>	<u>98,358</u>	<u>1,813,612</u>

**DEBT SERVICE**

## Interest

Bond anticipation notes

<u>2,687</u>	<u>2,685</u>	<u>2,685</u>	<u>-</u>	<u>6,403</u>
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**TOTAL EXPENDITURES**

<u>7,260,863</u>	<u>7,260,863</u>	<u>7,300,214</u>	<u>(39,351)</u>	<u>7,182,696</u>
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**OTHER FINANCING USES**

## Transfers out

Highway Fund

-	-	98,361	(98,361)	-
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Capital Projects Fund

5,000	5,000	5,000	-	82,100
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Debt Service Fund

<u>500,155</u>	<u>500,155</u>	<u>494,827</u>	<u>5,328</u>	<u>404,222</u>
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**TOTAL OTHER FINANCING USES**

<u>505,155</u>	<u>505,155</u>	<u>598,188</u>	<u>(93,033)</u>	<u>486,322</u>
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**TOTAL EXPENDITURES AND OTHER  
FINANCING USES**

<u>\$ 7,766,018</u>	<u>\$ 7,766,018</u>	<u>\$ 7,898,402</u>	<u>\$ (132,384)</u>	<u>\$ 7,669,018</u>
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**Town of Lewisboro, New York**

Highway Fund  
Comparative Balance Sheet  
December 31,

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	2015	2014
<b>ASSETS</b>		
Cash and equivalents	\$ 184,691	\$ 187,873
State and Federal aid receivable	-	50,000
Prepaid expenditures	48,434	32,125
	<hr/>	<hr/>
Total Assets	\$ 233,125	\$ 269,998
	<hr/>	<hr/>
<b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>		
Liabilities		
Accounts payable	\$ 6,355	\$ 35,035
Accrued liabilities	98,361	-
Due to other funds	91,942	246,521
	<hr/>	<hr/>
Total Liabilities	196,658	281,556
	<hr/>	<hr/>
Fund balance (deficit)		
Nonspendable	48,434	32,125
Unassigned	(11,967)	(43,683)
	<hr/>	<hr/>
Total Fund Balance (Deficit)	36,467	(11,558)
	<hr/>	<hr/>
Total Liabilities and Fund Balance (Deficit)	\$ 233,125	\$ 269,998
	<hr/>	<hr/>

**Town of Lewisboro, New York**

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

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,939,116	\$ 2,939,116	\$ 2,939,116	\$ -
Use of money and property	-	-	5	5
Sale of property and compensation for loss	-	-	100	100
State aid	150,000	150,000	171,421	21,421
Miscellaneous	-	-	2,407	2,407
<b>Total Revenues</b>	<b>3,089,116</b>	<b>3,089,116</b>	<b>3,113,049</b>	<b>23,933</b>
<b>EXPENDITURES</b>				
Current				
General government support	60,000	60,335	60,335	-
Transportation	1,956,816	1,966,912	1,949,082	17,830
Employee benefits	743,320	732,889	824,988	(92,099)
Debt service				
Interest	1,836	1,836	1,836	-
<b>Total Expenditures</b>	<b>2,761,972</b>	<b>2,761,972</b>	<b>2,836,241</b>	<b>(74,269)</b>
<b>Excess of Revenues Over Expenditures</b>	<b>327,144</b>	<b>327,144</b>	<b>276,808</b>	<b>(50,336)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	98,361	98,361
Transfers out	(327,144)	(327,144)	(327,144)	-
<b>Total Other Financing Uses</b>	<b>(327,144)</b>	<b>(327,144)</b>	<b>(228,783)</b>	<b>98,361</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>48,025</b>	<b>48,025</b>
<b>FUND BALANCE (DEFICIT)</b>				
Beginning of Year	-	-	(11,558)	(11,558)
End of Year	\$ -	\$ -	\$ 36,467	\$ 36,467



2014			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,741,685	\$ 2,741,685	\$ 2,741,685	\$ -
-	-	20	20
-	-	50	50
115,000	217,225	217,225	-
-	-	289	289
<u>2,856,685</u>	<u>2,958,910</u>	<u>2,959,269</u>	<u>359</u>
55,000	55,000	55,000	-
1,738,289	1,861,885	1,859,245	2,640
735,294	713,923	780,862	(66,939)
1,652	1,652	1,652	-
<u>2,530,235</u>	<u>2,632,460</u>	<u>2,696,759</u>	<u>(64,299)</u>
<u>326,450</u>	<u>326,450</u>	<u>262,510</u>	<u>(63,940)</u>
-	-	-	-
<u>(326,450)</u>	<u>(326,450)</u>	<u>(326,450)</u>	<u>-</u>
<u>(326,450)</u>	<u>(326,450)</u>	<u>(326,450)</u>	<u>-</u>
-	-	(63,940)	(63,940)
-	-	52,382	52,382
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,558)</u>	<u>\$ (11,558)</u>

**Town of Lewisboro, New York**

Special Districts Fund  
Combining Balance Sheet - Sub-Funds  
December 31, 2015  
(With Comparative Totals for 2014)

	Wild Oaks Sewer District	Oak Ridge Sewer District	Water District
<b>ASSETS</b>			
Cash and equivalents	\$ 86,575	\$ 18,777	\$ 166,952
Receivables			
Water rents	-	-	97,750
Due from other funds	261,170	-	-
	261,170	-	97,750
 Total Assets	 \$ 347,745	 \$ 18,777	 \$ 264,702
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities			
Accounts payable	\$ 13,534	\$ 9,288	\$ 8,698
Due to other funds	-	111,315	242,996
 Total Liabilities	 13,534	 120,603	 251,694
 Fund balances (deficits)			
Assigned	334,211	(101,826)	13,008
 Total Liabilities and Fund Balances (Deficits)	 \$ 347,745	 \$ 18,777	 \$ 264,702

Lighting District	Totals	
	2015	2014
\$ 27	\$ 272,331	\$ 328,626
-	97,750	82,149
13,985	275,155	169,459
13,985	372,905	251,608
\$ 14,012	\$ 645,236	\$ 580,234
\$ 950	\$ 32,470	\$ 32,412
-	354,311	399,837
950	386,781	432,249
13,062	258,455	147,985
\$ 14,012	\$ 645,236	\$ 580,234

**Town of Lewisboro, New York**

## Special Districts Fund

## Combining Schedule of Revenues, Expenditures and Changes

in Fund Balances - Sub-Funds

Year Ended December 31, 2015

(With Comparative Totals for 2014)

	Wild Oaks Sewer District	Oak Ridge Sewer District	Water District
<b>REVENUES</b>			
Real property taxes	\$ 186,425	\$ 474,968	\$ -
Departmental income	-	128,400	252,247
Use of money and property	18	-	9
State aid	2,800	-	-
Total Revenues	189,243	603,368	252,256
<b>EXPENDITURES</b>			
Current			
General government support	25,200	6,500	-
Transportation	-	-	-
Home and community services	222,575	203,614	189,618
Debt service			
Interest	458	-	4,830
Total Expenditures	248,233	210,114	194,448
Excess (Deficiency) of Revenues Over Expenditures	(58,990)	393,254	57,808
<b>OTHER FINANCING USES</b>			
Transfers out	(2,000)	(268,265)	(10,000)
Net Change in Fund Balances	(60,990)	124,989	47,808
<b>FUND BALANCES (DEFICITS)</b>			
Beginning of Year	395,201	(226,815)	(34,800)
End of Year	\$ 334,211	\$ (101,826)	\$ 13,008

Lighting District	Totals	
	2015	2014
\$ 11,725	\$ 673,118	\$ 674,998
-	380,647	174,626
-	27	67
-	2,800	204,125
11,725	1,056,592	1,053,816
-	31,700	24,400
13,062	13,062	13,530
-	615,807	633,876
-	5,288	4,214
13,062	665,857	676,020
(1,337)	390,735	377,796
-	(280,265)	(276,432)
(1,337)	110,470	101,364
14,399	147,985	46,621
<u>\$ 13,062</u>	<u>\$ 258,455</u>	<u>\$ 147,985</u>

**Town of Lewisboro, New York**

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

	2015	2014
<b>ASSETS</b>		
Cash and equivalents	\$ 250,387	\$ 352,924
Receivables		
Accounts	53,247	-
Due from other funds	486,347	465,006
	539,594	465,006
Total Assets	\$ 789,981	\$ 817,930
<b>LIABILITIES AND FUND DEFICIT</b>		
Liabilities		
Accounts payable	\$ -	\$ 1,900
Bond anticipation notes payable	1,978,000	1,395,000
Total Liabilities	1,978,000	1,396,900
Fund deficit		
Unassigned	(1,188,019)	(578,970)
Total Liabilities and Fund Deficit	\$ 789,981	\$ 817,930

**Town of Lewisboro, New York**

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

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
State aid	\$ 37,500	\$ 102,912
<b>EXPENDITURES</b>		
Capital outlay	<u>663,549</u>	<u>369,292</u>
Deficiency of Revenues Over Expenditures	<u>(626,049)</u>	<u>(266,380)</u>
<b>OTHER FINANCING SOURCES</b>		
Bonds issued	-	1,125,900
Transfers in	<u>17,000</u>	<u>116,950</u>
Total Other Financing Sources	<u>17,000</u>	<u>1,242,850</u>
Net Change in Fund Balance	(609,049)	976,470
<b>FUND DEFICIT</b>		
Beginning of Year	<u>(578,970)</u>	<u>(1,555,440)</u>
End of Year	<u><u>\$ (1,188,019)</u></u>	<u><u>\$ (578,970)</u></u>

**Town of Lewisboro, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2015  
(With Comparative Totals for 2014)

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	Debt Service	Special Purpose	Totals	
			2015	2014
<b>ASSETS</b>				
Cash and equivalents	\$ -	\$ 66,987	\$ 66,987	\$ 45,764
Due from other funds	-	-	-	5,328
Total Assets	<u>\$ -</u>	<u>\$ 66,987</u>	<u>\$ 66,987</u>	<u>\$ 51,092</u>
<b>FUND BALANCES</b>				
Restricted	<u>\$ -</u>	<u>\$ 66,987</u>	<u>\$ 66,987</u>	<u>\$ 51,092</u>



**Town of Lewisboro, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2015  
(With Comparative Totals for 2014)

			Totals	
	Debt Service	Special Purpose	2015	2014
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ -	\$ 5,328
Miscellaneous	-	44,799	44,799	31,133
Total Revenues	-	44,799	44,799	36,461
<b>EXPENDITURES</b>				
Current				
Culture and recreation	-	23,576	23,576	62,294
Debt service				
Principal	755,900	-	755,900	645,000
Interest	339,664	-	339,664	327,254
Total Expenditures	1,095,564	23,576	1,119,140	1,034,548
Excess (Deficiency) of Revenues Over Expenditures	(1,095,564)	21,223	(1,074,341)	(998,087)
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,090,236	-	1,090,236	972,254
Net Change in Fund Balances	(5,328)	21,223	15,895	(25,833)
<b>FUND BALANCES</b>				
Beginning of Year	5,328	45,764	51,092	76,925
End of Year	\$ -	\$ 66,987	\$ 66,987	\$ 51,092

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**Town of Lewisboro, New York**

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

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Due from other funds	<u>\$ -</u>	<u>\$ 5,328</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ -</u>	<u>\$ 5,328</u>

**Town of Lewisboro, New York**

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

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt service				
Serial bonds				
Principal	755,900	755,900	755,900	-
Interest	339,665	339,665	339,664	1
Total Expenditures	1,095,565	1,095,565	1,095,564	1
Deficiency of Revenues Over Expenditures	(1,095,565)	(1,095,565)	(1,095,564)	1
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,095,565	1,095,565	1,090,236	(5,329)
Net Change in Fund Balance	-	-	(5,328)	(5,328)
<b>FUND BALANCE</b>				
Beginning of Year	-	-	5,328	5,328
End of Year	\$ -	\$ -	\$ -	\$ -

2014			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 5,328	\$ 5,328
645,000	645,000	645,000	-
327,254	327,254	327,254	-
972,254	972,254	972,254	-
(972,254)	(972,254)	(966,926)	5,328
972,254	972,254	972,254	-
-	-	5,328	5,328
-	-	-	-
\$ -	\$ -	\$ 5,328	\$ 5,328

**Town of Lewisboro, New York**

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

---

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 66,987</u>	<u>\$ 45,764</u>
<b>FUND BALANCE</b>		
Restricted	<u>\$ 66,987</u>	<u>\$ 45,764</u>

**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>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Miscellaneous	\$ 44,799	\$ 31,133
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>23,576</u>	<u>62,294</u>
Excess (Deficiency) of Revenues Over Expenditures	21,223	(31,161)
<b>FUND BALANCE</b>		
Beginning of Year	<u>45,764</u>	<u>76,925</u>
End of Year	<u><u>\$ 66,987</u></u>	<u><u>\$ 45,764</u></u>