

Town of LaGrange, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2019

Town of LaGrange, New York

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Independent Auditors' Report

**The Honorable Supervisor and Town Board of the
Town of LaGrange, 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 LaGrange, New York ("Town") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Emphasis of Matter

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit for the year ended December 31, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated June 20, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2018 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

July 7, 2020

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Town of LaGrange, New York

Management's Discussion and Analysis December 31, 2019

The purpose of Management's Discussion and Analysis ("MD&A") is to provide the reader with a summary overview of the financial activities of the Town of LaGrange, New York ("Town") for the calendar year ending December 31, 2019. The MD&A is a summary and in no way is a substitute for the detailed information presented in the basic financial statements and other financial information and the accompanying notes to the financial statements that follow this section.

Financial Highlights for Calendar Year 2019

- On the government-wide financial statements, the Town had net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) of \$20,733,240 at calendar year end 2019. Unrestricted net position, which is available to meet the ongoing obligations of the Town totaled (\$1,353,589). The Town's net position decreased by \$573,657. This is a result of many factors, including the implementation of Governmental Accounting Standards Board ("GASB") Statement No. 75 (see below).
- The Town's governmental funds combined ending fund balances (deficits) at December 31, 2019 were \$3,751,934. The total unassigned fund deficit for governmental funds was \$842,321 at December 31, 2019. This includes a deficit in the Capital Projects Fund of \$4,147,596.
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$3,305,275 or 62% of the total General Fund expenditures and other financing uses. This is an increase of \$296,482 from fiscal year 2018.
- The Town maintained its AA2 bond rating during the 2019 fiscal year.
- At December 31, 2019, the Town reported in its Statement of Net Position a liability of \$620,853 for its proportionate share of the ERS net pension liability. 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.

Overview of the Financial Statements

The Town's financial statements are composed of this MD&A and the basic financial statements. The MD&A serves as an introduction to the basic financial statements. The MD&A is an analysis and overview of the Town's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The government-wide financial statements are prepared using the accrual basis of accounting and are presented in a format similar to private sector financial statements.

The components of the government-wide financial statements are as follows:

- The Statement of Net Position reports the Town's total assets, liabilities and deferred inflows/outflows of resources, and the difference, or net position. The intention is that, over time, the changes in net assets will indicate whether the Town's financial position is improving or deteriorating.
- The Statement of Activities indicates how the Town's net position changed from the prior calendar year. Changes in net position are reported as soon as the underlying event occurs, without regard to 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 such as uncollected taxes.

The Statement of Activities indicates the functions of the Town that are principally supported by taxes and intergovernmental revenues for governmental services. The governmental activities of the Town include: general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, as do other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the Town funds can be divided into two categories: governmental funds and fiduciary funds. Governmental funds use the modified accrual basis of accounting.

Governmental Funds - are used to account for the same functions 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 on balances of spendable resources available at the end of the calendar year. This information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains the following governmental funds: General Fund, Special Revenue Funds (including Highway Fund, Special Districts Fund and the Special Purpose Fund) and Capital Projects Fund. Information is presented separately for each fund. Individual sub-fund data for the Special Districts Fund is provided in combining statements and schedules.

The Town adopts annual appropriated budgets for the General Fund, Highway Fund and the Special Districts Fund. Budgetary comparisons have been provided in the basic financial statements to demonstrate compliance with those budgets.

Fiduciary Funds - are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of these funds are not available to support the Town's own programs. The Town maintains one type of fiduciary fund, which is the Agency Fund. The Agency Fund maintains assets held for the benefit of others.

Notes to the Financial Statements - provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements.

Government-wide Financial Analysis

As indicated previously, net position and changes to net position over time are expected to be a useful indicator of a government's financial position. The Town's net position at calendar year end December 31, 2019 was \$20,733,240. Approximately 16% of the Town's 2019 net position are restricted for various purposes (debt service and special purpose). Investments in capital assets, less any outstanding debt used to acquire those assets, account for the majority of the total net position. The Town uses these assets to provide services to citizens. Consequently, the assets cannot be used 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 capital assets cannot be used to liquidate these liabilities.

A summary of the Town's net position is as follows:

Governmental Activities Net Position		
	2019	2018
Current Assets	\$ 14,484,939	\$ 13,353,635
Capital Assets, Net	37,905,425	37,966,052
Total Assets	52,390,364	51,319,687
Deferred Outflows of Resources	668,656	1,068,463
Current Liabilities	10,975,609	9,715,996
Long-Term Liabilities	21,148,409	20,490,964
Total Liabilities	32,124,018	30,206,960
Deferred Inflows of Resources	201,762	874,293
Net Position		
Net Investment in Capital Assets	20,772,921	19,927,615
Restricted	1,313,908	3,401,577
Unrestricted	(1,353,589)	(2,022,295)
Total Net Position	\$ 20,733,240	\$ 21,306,897

Restricted assets, which represent resources that are subject to external constraints on how they may be used, are approximately 16% of the total net position. The unrestricted net position may be used to meet the Town's ongoing financial obligations. This amount is (\$1,353,589) at December 31, 2019.

In 2019, The Town's net position, which relates solely to governmental activities, decreased by \$573,657 and is discussed in the next section.

Governmental Activities - account for the decrease in the Town's net position. A summary of the Town's change in net position, at December 31, 2019 is as follows:

	2019	2018
REVENUES		
Program Revenues		
Charges for Services	\$ 2,458,468	\$ 2,486,583
Operating Grants and Contributions	369,846	305,796
Capital Grants and Contributions	39,875	201,125
General Revenues		
Real Property Taxes	7,084,587	7,030,254
Other Tax Items	277,399	141,154
Non-Property Taxes	1,440,092	1,355,812
Unrestricted Use of Money and Property	68,637	26,941
Sale of Property and Compensation for Loss	1,561	39,764
State Aid - unrestricted	522,009	517,422
Miscellaneous	88,302	33,808
Total Revenues	<u>12,350,776</u>	<u>12,138,659</u>
PROGRAM EXPENSES		
General Government Support	2,699,330	2,019,813
Public Safety	24,644	27,357
Health	7,054	4,983
Transportation	5,114,668	3,709,646
Economic Opportunity and Development	27,498	27,865
Culture and Recreation	2,219,458	1,800,914
Home and Community Services	2,246,844	2,358,824
Interest	584,937	540,766
Total Expenses	<u>12,924,433</u>	<u>10,490,168</u>
Change in Net Position	<u>(573,657)</u>	<u>1,648,491</u>
NET POSITION		
Beginning, as reported	21,306,897	20,679,689
Prior Period Adjustment	-	1,746,612
Cumulative Effect of Accounting Principle	-	(2,767,895)
Beginning, as restated	<u>21,306,897</u>	<u>19,658,406</u>
Ending	<u>\$ 20,733,240</u>	<u>\$ 21,306,897</u>

The major revenue categories are: Real Property Taxes 57%, Non-Property Taxes 12%, Charges for Services 20%, State Aid 4%, and Operating Grants and Contributions 3%. The major expenditure categories are: Transportation 40%, General Government Support 21%, Culture and Recreation 17%, and Home and Community Services 17%.

Financial Analysis of the Town's Funds

It is still noteworthy to report that the Governmental Accounting Standards Board ("GASB") issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in February 2009. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

As previously indicated, the Town uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds – are used to provide information on near-term inflows, outflows, and balances of spendable resources. Such information may be useful in assessing the Town's financing requirements. The unassigned portion of fund balance can provide a useful measure of a government's net resources available for spending at the end of the calendar year. The Town's governmental funds reported total fund balances of \$7,899,530 (exclusive of Capital Projects deficit of \$4,147,596) and \$7,673,265 (exclusive of Capital Projects deficit of \$3,811,095) at December 31, 2019 and 2018, respectively. Approximately \$3,305,275 (exclusive of the Capital Projects Fund deficit), or about 42% of the 2019 total constitutes unassigned fund balance. The remaining fund balance is not available for new spending, because it has been committed for 2019: non-spendable \$84,119, restricted \$1,313,908, assigned \$3,196,228.

The General Fund is the Town's primary operating fund. At the end of the calendar year, the unassigned fund balance was \$3,305,275 and the total fund balance was \$3,461,037. As a measure of the General Fund's liquidity, it is useful to compare both the unassigned fund balance and the total fund balance to total General Fund expenditures and other financing uses. The unassigned fund balance represents approximately 62% and the total fund balance represents approximately 65% of General Fund expenditures and other financing uses.

The fund balance in the Town's General Fund increased by \$262,094 during the current calendar year. The primary reason for the increase was an increase in Non-property Tax and Miscellaneous revenues and an increase in General government Support and Culture and Recreation expenses.

The fund balance in the Town's Highway Fund decreased by \$343,954 during the current calendar year. The primary reason for the fund balance decrease was a decrease in Sale of Property and Compensation for Loss and an increase in Transportation and Interest expense.

General Fund Budgetary Highlights

The difference between the original and final budgets for revenues and other financing sources is \$115,888 with the final amended budget more than the original budget. The increase relates to non-property tax (increase \$10,000), departmental income (increase \$33,851), use of money and property (increase \$21,110), sale of property and compensation for loss (increase \$1,166), miscellaneous income (increase \$16,501), and Other Financing Sources (\$33,260).

The difference between the original and final budgets for expenditures and other financing uses is \$768,968 with the final amended budget more than the original budget. The differences relate to General Government Support (increase \$542,962), Public Safety (increase \$1,404), Transportation (increase \$15,650), Culture and Recreation (increase \$185,527), Home and Community Services (increase \$10,460), and Employee Benefits (decrease \$12,965).

Capital Assets and Debt Administration

Capital Assets – The Town's investment in capital assets for governmental activities at December 31, 2019 was \$37,905,425 net of accumulated depreciation of \$16,004,519. The investment in capital assets includes: land, construction-in-progress, buildings and improvements, machinery and equipment and infrastructure.

Capital Assets (Net of Accumulated Depreciation) December 31,

	2019	2018	Difference
Land	\$ 1,957,919	\$ 1,957,919	\$ -
Construction-in-progress	2,675,759	2,625,539	50,220
Buildings and Improvements	1,794,799	1,474,333	320,466
Machinery and Equipment	2,442,305	2,622,974	(180,669)
Infrastructure	29,034,643	29,285,287	(250,644)
 Total Capital Assets	 \$ 37,905,425	 \$ 37,966,052	 \$ (60,627)

Additional information on the Town's capital assets is available in the Notes to Financial Statements.

Outstanding Debt - at the end of calendar year 2019, the Town had a total of \$12,915,000 of bonded debt outstanding and \$10,022,627 of bond anticipation notes outstanding. All of the general obligation bonds are backed by the full faith and credit of the Town.

New York State statutes place a limit on the maximum amount of total outstanding long-term debt that may be incurred by a local municipal entity at no more than seven percent of the five-year average full valuation of all real property. The Town's current constitutional debt limitation is \$113,817,103 and the Town has consumed 10.67% of the debt contracting capacity.

Additional information on the Town's debt is available in the Notes to Financial Statements.

Economic Factors and Next Year's Budget and Rates

The economic downturn continues to effect residents of the Town of LaGrange. In consideration of this and in response to the Property Tax Cap, which established a tax levy limit, the Town of LaGrange kept property tax levy increases under .75% in 2019 and under 2.26% in 2018.

While revenues were limited by the property tax increase, expenses such as health insurance premiums, personal services and debt service increased significantly. All of these factors were considered by management in preparing the Town's 2020 budget, which contained an increase over the 2019 budget.

Requests for Information

This financial report is designed to provide a general overview of the finances of the Town of LaGrange, New York. Questions about this report should be addressed to Mr. Alan Bell, Town Supervisor, Town of LaGrange, 120 Stringham Road, LaGrangeville, New York 12540.

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Town of LaGrange, New YorkStatement of Net Position
December 31, 2019

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 13,187,401
Receivables	
Accounts	391,072
State and Federal aid	188,566
Due from other governments	633,781
Prepaid expenses	84,119
Capital assets	
Not being depreciated	4,633,678
Being depreciated, net	33,271,747
Total Assets	<u>52,390,364</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>668,656</u>
LIABILITIES	
Accounts payable	335,331
Accrued liabilities	99,482
Due to retirement system	275,565
Bond anticipation notes payable	10,022,627
Accrued interest payable	242,604
Non-current liabilities	
Due within one year	1,276,743
Due in more than one year	19,871,666
Total Liabilities	<u>32,124,018</u>
DEFERRED INFLOWS OF RESOURCES	<u>201,762</u>
NET POSITION	
Net investment in capital assets	20,772,921
Restricted for	
Debt service	950,492
Special purpose	363,416
Unrestricted	(1,353,589)
Total Net Position	<u>\$ 20,733,240</u>

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

Town of LaGrange, New York

Statement of Activities
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 2,699,330	\$ 80,371	\$ -	\$ -
Public safety	24,644	228,773	-	-
Health	7,054	-	-	-
Transportation	5,114,668	90,413	368,846	39,875
Economic opportunity and development	27,498	-	-	-
Culture and recreation	2,219,458	387,362	-	-
Home and community services	2,246,844	1,671,549	1,000	-
Interest	584,937	-	-	-
Total Governmental Activities	\$ 12,924,433	\$ 2,458,468	\$ 369,846	\$ 39,875

General revenues

- Real property taxes
- Other tax items
 - Payments in lieu of taxes
 - 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

Ending

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

<u>Net (Expense)</u>	
<u>Revenue and</u>	
<u>Changes in</u>	
<u>Net Position</u>	
\$	(2,618,959)
	204,129
	(7,054)
	(4,615,534)
	(27,498)
	(1,832,096)
	(574,295)
	<u>(584,937)</u>
	<u>(10,056,244)</u>
	7,084,587
	136,108
	141,291
	321,432
	1,118,660
	68,637
	1,561
	522,009
	88,302
	<u>9,482,587</u>
	(573,657)
	<u>21,306,897</u>
\$	<u><u>20,733,240</u></u>

Town of LaGrange, New York

Balance Sheet
 Governmental Funds
 December 31, 2019

	<u>General</u>	<u>Highway</u>	<u>Special Districts</u>	<u>Special Purpose</u>
ASSETS				
Cash and equivalents	\$ 2,803,611	\$ 890,378	\$ 3,227,686	\$ 363,416
Receivables				
Accounts	123,809	4,610	262,653	-
State and Federal aid	188,566	-	-	-
Due from other governments	633,781	-	-	-
Due from other funds	414	1,176	6,903	-
	<u>946,570</u>	<u>5,786</u>	<u>269,556</u>	<u>-</u>
Prepaid expenditures	<u>84,119</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 3,834,300</u>	<u>\$ 896,164</u>	<u>\$ 3,497,242</u>	<u>\$ 363,416</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 135,872	\$ 111,187	\$ 67,101	\$ -
Accrued liabilities	72,197	27,285	-	-
Due to retirement system	162,809	112,756	-	-
Due to other funds	2,385	-	-	-
Bond anticipation notes payable	-	-	-	-
Total Liabilities	<u>373,263</u>	<u>251,228</u>	<u>67,101</u>	<u>-</u>
Fund balances (deficits)				
Nonspendable	84,119	-	-	-
Restricted	71,643	51,781	827,068	363,416
Assigned	-	593,155	2,603,073	-
Unassigned	3,305,275	-	-	-
Total Fund Balances (Deficits)	<u>3,461,037</u>	<u>644,936</u>	<u>3,430,141</u>	<u>363,416</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 3,834,300</u>	<u>\$ 896,164</u>	<u>\$ 3,497,242</u>	<u>\$ 363,416</u>

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

Capital Projects	Total Governmental Funds
\$ 5,902,310	\$ 13,187,401
-	391,072
-	188,566
-	633,781
-	8,493
-	1,221,912
-	84,119
<u>\$ 5,902,310</u>	<u>\$ 14,493,432</u>

\$ 21,171	\$ 335,331
-	99,482
-	275,565
6,108	8,493
<u>10,022,627</u>	<u>10,022,627</u>
<u>10,049,906</u>	<u>10,741,498</u>
-	84,119
-	1,313,908
-	3,196,228
<u>(4,147,596)</u>	<u>(842,321)</u>
<u>(4,147,596)</u>	<u>3,751,934</u>
<u>\$ 5,902,310</u>	<u>\$ 14,493,432</u>

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Town of LaGrange, New York

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position
December 31, 2019

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

Fund Balances - Total Governmental Funds	<u>\$ 3,751,934</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>37,905,425</u>
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension liabilities whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on refunding bonds	75,286
Deferred amounts on net pension liability	<u>391,608</u>
	<u>466,894</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(242,604)
Bonds payable	(13,060,194)
Net pension liability	(620,853)
Compensated absences	(234,935)
Landfill closure costs	(91,199)
Other post employment benefit obligations payable	<u>(7,141,228)</u>
	<u>(21,391,013)</u>
Net Position of Governmental Activities	<u><u>\$ 20,733,240</u></u>

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

Town of LaGrange, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended December 31, 2019

	General	Highway	Special Districts	Special Purpose
REVENUES				
Real property taxes	\$ 2,292,105	\$ 3,601,400	\$ 1,191,082	\$ -
Other tax items	59,907	-	217,492	-
Non-property taxes	1,440,092	-	-	-
Departmental income	443,455	-	1,166,014	-
Use of money and property	101,607	31,819	63,086	1,623
Licenses and permits	240,968	4,200	-	-
Fines and forfeitures	228,598	-	-	-
Sale of property and compensation for loss	1,561	34,643	-	-
Interfund revenues	111,819	15,613	-	-
State aid	522,009	368,846	-	-
Miscellaneous	89,302	19,716	51,376	140,000
Total Revenues	5,531,423	4,076,237	2,689,050	141,623
EXPENDITURES				
Current				
General government support	1,744,977	3,980	-	-
Public safety	24,644	-	-	-
Health	3,500	-	-	-
Transportation	234,235	3,195,749	23,226	-
Economic opportunity and development	27,498	-	-	-
Culture and recreation	1,645,229	-	-	-
Home and community services	377,390	-	1,033,208	-
Employee benefits	941,811	749,575	-	-
Debt service				
Principal	122,309	137,699	984,992	-
Interest	109,256	117,997	348,933	-
Capital outlay	-	-	-	-
Total Expenditures	5,230,849	4,205,000	2,390,359	-
Excess (Deficiency) of Revenues Over Expenditures	300,574	(128,763)	298,691	141,623
OTHER FINANCING SOURCES (USES)				
Transfers in	30,778	1,553	-	-
Transfers out	(69,258)	(216,744)	(132,189)	-
Total Other Financing Sources (Uses)	(38,480)	(215,191)	(132,189)	-
Net Change in Fund Balances	262,094	(343,954)	166,502	141,623
FUND BALANCES (DEFICITS)				
Beginning of Year	3,198,943	988,890	3,263,639	221,793
End of Year	<u>\$ 3,461,037</u>	<u>\$ 644,936</u>	<u>\$ 3,430,141</u>	<u>\$ 363,416</u>

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

Capital Projects	Governmental Funds
\$ -	\$ 7,084,587
-	277,399
-	1,440,092
-	1,609,469
-	198,135
-	245,168
-	228,598
-	36,204
-	127,432
-	890,855
39,875	340,269
<u>39,875</u>	<u>12,478,208</u>
-	1,748,957
-	24,644
-	3,500
-	3,453,210
-	27,498
-	1,645,229
-	1,410,598
-	1,691,386
-	1,245,000
-	576,186
762,236	762,236
<u>762,236</u>	<u>12,588,444</u>
(722,361)	(110,236)
418,191	450,522
(32,331)	(450,522)
<u>385,860</u>	<u>-</u>
(336,501)	(110,236)
(3,811,095)	3,862,170
<u>\$ (4,147,596)</u>	<u>\$ 3,751,934</u>

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Town of LaGrange, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2019

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

Net Change in Fund Balances - Total Governmental Funds \$ (110,236)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	1,186,687
Depreciation expense	<u>(1,247,314)</u>
	<u>(60,627)</u>

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized on the statement of activities.

Amortization of premium and loss on refunding bonds	9,322
Principal paid on bonds	<u>1,245,000</u>
	<u>1,254,322</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	(18,073)
Compensated absences	(37,203)
Pension liability	(61,913)
Landfill closure cost	3,620
Other post employment benefit obligations	<u>(1,543,547)</u>
	<u>(1,657,116)</u>

Change in Net Position of Governmental Activities \$ (573,657)

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

Town of LaGrange, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Highway and Special Districts Funds
Year Ended December 31, 2019

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,292,093	\$ 2,292,093	\$ 2,292,105	\$ 12
Other tax items	56,000	56,000	59,907	3,907
Non-property taxes	1,110,000	1,120,000	1,440,092	320,092
Departmental income	377,690	411,541	443,455	31,914
Use of money and property	44,400	65,510	101,607	36,097
Licenses and permits	212,110	212,110	240,968	28,858
Fines and forfeitures	210,000	210,000	228,598	18,598
Sale of property and compensation for loss	-	1,166	1,561	395
Interfund revenues	110,867	110,867	111,819	952
State aid	475,000	475,000	522,009	47,009
Miscellaneous	56,439	72,940	89,302	16,362
Total Revenues	4,944,599	5,027,227	5,531,423	504,196
EXPENDITURES				
Current				
General government support	1,612,964	2,155,926	1,744,977	410,949
Public safety	23,500	24,904	24,644	260
Health	3,500	3,500	3,500	-
Transportation	219,352	235,002	234,235	767
Economic opportunity and development	28,913	28,913	27,498	1,415
Culture and recreation	1,507,933	1,693,460	1,645,229	48,231
Home and community services	372,823	383,283	377,390	5,893
Employee benefits	934,260	947,225	941,811	5,414
Debt service				
Principal	122,309	122,309	122,309	-
Interest	109,257	109,257	109,256	1
Total Expenditures	4,934,811	5,703,779	5,230,849	472,930
Excess (Deficiency) of Revenues Over Expenditures	9,788	(676,552)	300,574	977,126
OTHER FINANCING SOURCES (USES)				
Transfers in	-	33,260	30,778	(2,482)
Transfers out	(69,258)	(69,258)	(69,258)	-
Total Other Financing Uses	(69,258)	(35,998)	(38,480)	(2,482)
Net Change in Fund Balances	(59,470)	(712,550)	262,094	974,644
FUND BALANCES				
Beginning of Year	59,470	712,550	3,198,943	2,486,393
End of Year	\$ -	\$ -	\$ 3,461,037	\$ 3,461,037

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

Highway Fund				Special Districts Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,601,400	\$ 3,601,400	\$ 3,601,400	\$ -	\$ 1,191,082	\$ 1,191,082	\$ 1,191,082	\$ -
-	-	-	-	203,408	203,408	217,492	14,084
-	-	-	-	-	-	-	-
-	-	-	-	1,040,497	1,041,284	1,166,014	124,730
2,500	30,663	31,819	1,156	-	-	63,086	63,086
4,000	4,000	4,200	200	-	-	-	-
-	-	-	-	-	-	-	-
-	32,028	34,643	2,615	-	-	-	-
15,000	15,000	15,613	613	-	-	-	-
330,000	368,846	368,846	-	-	-	-	-
-	-	19,716	19,716	-	-	51,376	51,376
<u>3,952,900</u>	<u>4,051,937</u>	<u>4,076,237</u>	<u>24,300</u>	<u>2,434,987</u>	<u>2,435,774</u>	<u>2,689,050</u>	<u>253,276</u>
3,800	3,980	3,980	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,710,000	3,276,308	3,195,749	80,559	28,700	28,700	23,226	5,474
-	-	-	-	-	-	-	-
-	-	-	-	1,119,972	1,164,022	1,033,208	130,814
792,140	752,150	749,575	2,575	-	-	-	-
137,699	137,699	137,699	-	984,992	984,992	984,992	-
117,998	117,998	117,997	1	349,134	349,133	348,933	200
<u>3,761,637</u>	<u>4,288,135</u>	<u>4,205,000</u>	<u>83,135</u>	<u>2,482,798</u>	<u>2,526,847</u>	<u>2,390,359</u>	<u>136,488</u>
191,263	(236,198)	(128,763)	107,435	(47,811)	(91,073)	298,691	389,764
-	-	1,553	1,553	-	-	-	-
(191,263)	(216,744)	(216,744)	-	(132,189)	(132,189)	(132,189)	-
(191,263)	(216,744)	(215,191)	1,553	(132,189)	(132,189)	(132,189)	-
-	(452,942)	(343,954)	108,988	(180,000)	(223,262)	166,502	389,764
-	452,942	988,890	535,948	180,000	223,262	3,263,639	3,040,377
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644,936</u>	<u>\$ 644,936</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,430,141</u>	<u>\$ 3,430,141</u>

Town of LaGrange, New York

Statement of Assets and Liabilities

Fiduciary Fund

December 31, 2019

	<u>Agency</u>
ASSETS	
Cash and equivalents	<u>\$ 1,061,381</u>
LIABILITIES	
Deposits payable	<u>\$ 1,061,381</u>

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

Note 1 - Summary of Significant Accounting Policies

The Town of LaGrange, New York ("Town") was established in 1832 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 both the chief executive and chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, 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 primary government 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

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

Fund Categories

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

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

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

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

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

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

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)

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary funds are used to account for assets held by the Town in an agency capacity on behalf of others. The Agency Fund is used to account for employee payroll tax withholdings and various other deposits that are payable to other jurisdictions or individuals.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to net pension liability, compensated absences, landfill closure costs and other postemployment benefit obligations payable 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.

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

Risk Disclosure

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40, *"Deposits and Investment Risk Disclosures – an amendment of GASB Statement No. 3"* directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2019.

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

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

Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special districts taxes which are levied and due January 1st and payable without penalty to February 28th. The Town retains the total amount

Note 1 - Summary of Significant Accounting Policies (Continued)

of town, highway and special districts taxes from the total collections and returns the balance plus the uncollected items to Dutchess County which assumes collection responsibility.

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 are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of 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 fund financial statements are equally offset by nonspendable fund balance, 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 governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), 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 backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-40
Machinery and equipment	3-15
Infrastructure	25-40

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.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
New York State and Local Employees' Retirement System	\$ 593,370	\$ 201,762
Deferred loss on refunding bonds	<u>75,286</u>	<u>-</u>
	<u>\$ 668,656</u>	<u>\$ 201,762</u>

The Town's deferred outflows of resources and deferred inflows of resources in relation to its pension obligations are detailed in the discussion of the Town's pension plan in Note 3E.

The amount reported for the deferred loss on refunding bonds in the Statement of Net Position results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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,

Note 1 - Summary of Significant Accounting Policies (Continued)

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 sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

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

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their 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, restricted for debt service, 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 of 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 the 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 Town 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or delegated to the Town Supervisor for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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

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 July 7, 2020.

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) On or before September 30th, the Supervisor shall submit a tentative budget to the Town Clerk.
- b) On or before October 5th, the Town Clerk shall present the tentative budget to the Town Board.
- c) Once the tentative budget is approved by the Town Board, it becomes the preliminary budget. The Town Board files the preliminary budget with the Town Clerk where it is available for inspection. In addition, the Board shall cause to be published a notice specifying a time and place for a public hearing.
- d) At the public hearing, taxpayers may comment on the preliminary budget.
- e) On or before November 20th, the Town Board shall adopt the preliminary budget as originally compiled or it may, by a majority vote, diminish or reject certain items contained therein as prescribed by law.
- f) Formal budgetary integration is employed during the year as a management control device for the General, Highway and Special Districts funds.
- g) Budgets for the General, Highway and Special District funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund.
- h) 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 Town Board. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General, Highway and Special District 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 as promulgated by the Office of the State Comptroller.

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

B. Property Tax Limitation

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

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

C. Fund Deficits

The Maplewood Water District sub-fund in the Special Districts Fund had an assigned fund deficit of \$5,664 at December 31, 2019. The Town will address this deficit in the ensuing year.

D. Capital Projects Fund Project Deficits

The unassigned deficit in the Capital Projects Fund of \$4,147,596 arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance the construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

Town of LaGrange, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds

A. Due From/To Other Funds

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

Fund	Due From	Due To
General	\$ 414	\$ 2,385
Highway	1,176	-
Special Districts	6,903	-
Capital Projects	-	6,108
	\$ 8,493	\$ 8,493

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.

B. Capital Assets

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

Class	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Capital Assets, not being depreciated:				
Land	\$ 1,957,919	\$ -	\$ -	\$ 1,957,919
Construction-in-progress	2,625,539	322,346	272,126	2,675,759
Total Capital Assets, not being Depreciated	\$ 4,583,458	\$ 322,346	\$ 272,126	\$ 4,633,678
Capital Assets, being depreciated:				
Buildings and improvements	\$ 3,516,419	\$ 381,468	\$ -	\$ 3,897,887
Machinery and equipment	7,003,528	226,322	52,716	7,177,134
Infrastructure	37,672,568	528,677	-	38,201,245
Total Capital Assets, being Depreciated	48,192,515	1,136,467	52,716	49,276,266
Less Accumulated Depreciation for:				
Building and improvements	2,042,086	61,002	-	2,103,088
Machinery and equipment	4,380,554	406,991	52,716	4,734,829
Infrastructure	8,387,281	779,321	-	9,166,602
Total Accumulated Depreciation	14,809,921	1,247,314	52,716	16,004,519
Total Capital Assets, being Depreciated, net	\$ 33,382,594	\$ (110,847)	\$ -	\$ 33,271,747
Capital Assets, net	\$ 37,966,052	\$ 211,499	\$ 272,126	\$ 37,905,425

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 66,127
Transportation	626,758
Culture and Recreation	69,277
Home and Community Services	<u>485,152</u>
Total Depreciation Expense	<u>\$ 1,247,314</u>

C. Accrued Liabilities

Accrued liabilities at December 31, 2019 were as follows:

	<u>Fund</u>		<u>Total</u>
	<u>General</u>	<u>Highway</u>	
Payroll and Employee Benefits	<u>\$ 72,197</u>	<u>\$ 27,285</u>	<u>\$ 99,482</u>

D. Short-Term Capital Borrowings

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance January 1, 2019</u>	<u>Issued</u>	<u>Redemptions</u>	<u>Balance December 31, 2019</u>
Various improvements	2013	02/26/2020	2.29 %	\$ 791,483	\$ -	\$ 65,054	\$ 726,429
Highway equipment	2015	02/26/2020	2.29	7,691	-	2,144	5,547
Various improvements	2017	06/12/2020	2.50	5,552,452	-	272,054	5,280,398
Water improvements	2018	02/26/2020	2.40	1,193,000	-	29,825	1,163,175
Sewer improvements	2018	02/26/2020	2.40	945,271	-	23,633	921,638
Highway resurfacing	2019	06/12/2020	2.35	-	500,000	-	500,000
Water improvements	2019	06/12/2020	2.79	-	949,900	-	949,900
Sewer improvements	2019	06/12/2020	2.79	-	475,540	-	475,540
				<u>\$ 8,489,897</u>	<u>\$ 1,925,440</u>	<u>\$ 392,710</u>	<u>\$ 10,022,627</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.

Town of LaGrange, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$209,011 were recorded in the fund financial statements in the following funds:

Fund	Amount
General	\$ 47,638
Highway	68,015
Special District	93,358
	<u>\$ 209,011</u>

Interest expense of \$236,579 was recorded in the government-wide financial statements for governmental activities.

E. Long-Term Liabilities

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

	Balance January 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2019	Due Within One Year
General Obligation Bonds Payable	\$ 14,160,000	\$ -	\$ 1,245,000	\$ 12,915,000	\$ 1,250,000
Plus - Unamortized premium on bonds	164,554	-	19,360	145,194	-
	<u>14,324,554</u>	<u>-</u>	<u>1,264,360</u>	<u>13,060,194</u>	<u>1,250,000</u>
Other Non-Current Liabilities:					
Net Pension Liability	276,178	344,675	-	620,853	-
Compensated Absences	197,732	57,203	20,000	234,935	23,000
Landfill Closure Costs	94,819	-	3,620	91,199	3,743
Other Post Employment Benefit Obligations Payable	5,597,681	1,681,922	138,375	7,141,228	-
Total Other Non-Current Liabilities	<u>6,166,410</u>	<u>2,083,800</u>	<u>161,995</u>	<u>8,088,215</u>	<u>26,743</u>
Total Long-Term Liabilities	<u>\$ 20,490,964</u>	<u>\$ 2,083,800</u>	<u>\$ 1,426,355</u>	<u>\$ 21,148,409</u>	<u>\$ 1,276,743</u>

Each governmental fund's liability for bonds, net pension liability, compensated absences, landfill closure costs and other post-employment benefit obligations payable is liquidated by the General, Highway and Special Districts funds.

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

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

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2019
Public Improvements	2017	\$ 5,461,259	March, 2047	3.000 - 3.375 %	\$ 4,965,000
Refunding Serial Bond	2015	3,145,000	March, 2026	2.000 - 4.000	2,315,000
Public Improvements	2015	3,296,084	December, 2032	2.000 - 2.625	2,620,000
Refunding Serial Bond	2012	7,305,000	April, 2025	2.000 - 3.000	3,015,000
					<u>\$ 12,915,000</u>

Interest expenditures of \$367,175 were recorded in the fund financial statements in the following funds.

Fund	Amount
General	\$ 61,618
Highway	49,982
Special District	255,575
	<u>\$ 367,175</u>

Interest expense of \$348,358 was recorded in the government-wide financial statements.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2019, including interest payments of \$2,700,725 are as follows:

Year Ending December 31,	Bonds	
	Principal	Interest
2020	\$ 1,250,000	\$ 333,976
2021	1,255,000	300,376
2022	1,265,000	266,326
2023	1,265,000	231,926
2024	1,270,000	200,423
2025-2029	3,405,000	668,269
2030-2034	1,510,000	359,606
2035-2039	710,000	215,375
2040-2044	650,000	109,344
2045-2047	335,000	15,104
	<u>\$ 12,915,000</u>	<u>\$ 2,700,725</u>

Note 3 - Detailed Notes on All Funds (Continued)

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

Pension Plans

New York State and Local Employees' Retirement System

The Town participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS. 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 ERS, 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 ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The ERS 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 ERS's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2019 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
4 A15	15.8 %
5 A15	13.2
6 A15	9.3

At December 31, 2019, the Town reported the following for its proportionate share of the net pension liability for ERS:

Measurement date	March 31, 2019
Net pension liability	\$ 620,853
Town's proportion of the net pension liability	0.0087625%
Change in proportion since the prior measurement date	0.0002053%

Town of LaGrange, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The net pension liability was measured as of March 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2019, the Town recognized pension expense in the government-wide financial statements of \$423,990. Pension expenditures of \$362,077 were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>Amount</u>
General	\$ 214,526
Highway	<u>147,551</u>
	<u>\$ 362,077</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 122,259	\$ 41,677
Changes of assumptions	156,057	-
Net difference between projected and actual earnings on pension plan investments	-	159,345
Changes in proportion and differences between Town contributions and proportionate share of contributions	39,489	740
Town contributions subsequent to the measurement date	<u>275,565</u>	<u>-</u>
	<u>\$ 593,370</u>	<u>\$ 201,762</u>

\$275,565 reported as deferred outflows of resources 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	
2020	\$ 145,121
2021	(113,172)
2022	(2,388)
2023	86,482

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

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

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

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

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

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

Note 3 - Detailed Notes on All Funds (Continued)

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

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the ERS net pension liability (asset)	\$ 2,714,468	\$ 620,853	\$ (1,137,932)

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

Total pension liability	\$ 189,803,429,000
Fiduciary net position	<u>182,718,124,000</u>
Employers' net pension liability	<u>\$ 7,085,305,000</u>
ERS fiduciary net position as a percentage of total pension liability	<u>96.27%</u>

Employer contributions are paid annually and cover the period through the end of the ERS's fiscal year, which is March 31st. Retirement contributions as of December 31, 2019 represent the employer contribution for the period of April 1, 2019 through December 31, 2019 based on prior year wages multiplied by the employers' contribution rate, by tier. The Retirement contribution for the nine months ended December 31, 2019 was \$275,565.

Voluntary Defined Contribution Plan

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

Compensated Absences

Employees accrue vacation leave based primarily on the number of years employed up to a maximum rate of 25 days a year. Union employees may accumulate one-half of their annual vacation time each year without limit, and non-union employees may accumulate no more than 20 days. Upon separation from service, employees are paid for any vacation time. Employees accrue sick leave at the rate of

Note 3 - Detailed Notes on All Funds (Continued)

13 days per year and may accumulate such credits without limit. Union employees may buy back 100% of sick leave credits accumulated prior to 1997 and 50% of sick leave credits accumulated after 1997 upon retirement at the employees' current pay rate. Non-union employees may not receive settlement for unused sick leave.

Landfill Closure Costs

The Town shares in the monitoring costs of a closed landfill. This joint activity includes the City and Town of Poughkeepsie, New York, the Village of Wappingers Falls, New York and the Town Wappinger, New York as well as the Town. All costs associated with monitoring are recognized as incurred.

It is important to recognize that during the year 2002, violations were documented at the landfill and in 2003 an Order of Consent was issued through the New York State Department of Environmental Conservation ("NYSDEC") to remediate Environmental Conservation Law and New York Codes Rule and Regulations violations. To comply with this order the municipalities were required to perform final closure of the landfill under current regulations by December 31, 2006 and perform post closure care and monitoring for a minimum of thirty years. The estimated cost of final closure is \$10,000,000.

All costs are to be borne proportionately by each participant; the Town's share is 9.5%. Initial funding came from the issuance of debt by each municipality. The Town issued \$900,000 in bond anticipation notes to finance its share. The municipalities also applied for a grant through the NYSDEC's LCSAP program to the extent of \$2,000,000 which will be refunded to participants when received.

Post closure and monitoring costs, which began in 2007 and will continue for thirty years, are estimated to be approximately \$1,163,000, with the Town's remaining share being \$91,199 at December 31, 2019.

Other Post Employment Benefit Obligations ("OPEB")

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

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

Inactive employees currently receiving benefit payments	24
Active employees	48
	<hr/>
	72
	<hr/> <hr/>

Town of LaGrange, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The Town's total OPEB liability of \$7,141,228 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.00%
Discount rate	2.74%
Healthcare cost trend rates	Medical 4.6 – 4.8% Pharmacy 4.7 – 7.6%
Retirees' share of benefit-related costs	Varies from 0% to 50%, depending on applicable retirement year and bargaining unit

The discount rate was based on the 20-year AA General Obligation bond rate as of the measurement date.

Mortality rates were based on RP2000 Mortality Table for males and females projected 18 years. Turnover assumptions were derived from data maintained by the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System.

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

Total OPEB Liability - Beginning of Year	\$ 5,597,681
Service cost	202,294
Interest	243,016
Changes of benefit terms	-
Differences between expected and actual experience	(58,287)
Changes in assumptions or other inputs	1,294,899
Benefit payments	<u>(138,375)</u>
Total OPEB Liability - End of Year	<u>\$ 7,141,228</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.74%) or 1 percentage point higher (3.74%) than the current discount rate:

	1% Decrease (1.74%)	Current Assumption (2.74%)	1% Increase (3.74%)
Total OPEB Liability	<u>\$ 8,256,636</u>	<u>\$ 7,141,228</u>	<u>\$ 6,235,749</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.6% decreasing to 2.0%) or 1 percentage point higher (8.6% decreasing to 4.0%) than the current healthcare cost trend rates:

Town of LaGrange, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (3.6% decreasing to 2.0%)	Healthcare Cost Trend Rates (4.6% decreasing to 3.0%)	1% Increase (5.6% decreasing to 4.0%)
Total OPEB Liability	\$ 6,123,436	\$ 7,141,228	\$ 8,402,211

For the year ended December 31, 2019, the Town recognized OPEB expense of \$1,543,547 in the government-wide financial statements. At December 31, 2019, no amounts were reported as deferred outflows/inflows of resources.

F. 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 below have been reflected as transfers:

Transfer Out	Transfer In			Total
	General Fund	Highway Fund	Capital Projects Fund	
General Fund	\$ -	\$ -	\$ 69,258	\$ 69,258
Highway Fund	-	-	216,744	216,744
Special Districts Fund	-	-	132,189	132,189
Capital Projects Fund	30,778	1,553	-	32,331
	<u>\$ 30,778</u>	<u>\$ 1,553</u>	<u>\$ 418,191</u>	<u>\$ 450,522</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and 2) move amounts to the general and highway funds for completed capital projects.

G. Net Position

The components of net position are detailed below:

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

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

Note 3 - Detailed Notes on All Funds (Continued)

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

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

Town of LaGrange, New York

Notes to Financial Statements (Continued)
December 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2019						2018					
	General Fund	Highway Fund	Special Districts Fund	Special Purpose Fund	Capital Projects Fund	Total	General Fund	Highway Fund	Special Districts Fund	Special Purpose Fund	Capital Projects Fund	Total
Nonspendable - Prepaid expenditures	\$ 84,119	\$ -	\$ -	\$ -	\$ -	\$ 84,119	\$ 79,785	\$ -	\$ -	\$ -	\$ -	\$ 79,785
Restricted:												
Special purpose	-	-	-	363,416	-	363,416	-	-	-	221,793	-	221,793
Debt service	46,643	36,781	667,068	-	-	750,492	50,895	30,058	757,994	-	-	838,947
Debt service for Subsequent year's expenditures	25,000	15,000	160,000	-	-	200,000	50,000	-	180,000	-	-	230,000
Total Restricted	71,643	51,781	827,068	363,416	-	1,313,908	100,895	30,058	937,994	221,793	-	1,290,740
Assigned - Purchases on order - General government support	-	-	-	-	-	-	9,470	-	-	-	-	9,470
Major Funds	-	593,155	2,603,073	-	-	3,196,228	-	958,832	2,325,645	-	-	3,284,477
Total Assigned	-	593,155	2,603,073	-	-	3,196,228	9,470	958,832	2,325,645	-	-	3,293,947
Unassigned	3,305,275	-	-	-	(4,147,596)	(842,321)	2,999,323	-	-	-	(3,811,095)	(811,772)
Total Fund Balances	\$ 3,461,037	\$ 644,936	\$ 3,430,141	\$ 363,416	\$ (4,147,596)	\$ 3,751,934	\$ 3,198,943	\$ 988,890	\$ 3,263,639	\$ 221,793	\$ (3,811,095)	\$ 3,862,170

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.

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent years' expenditures represent that at December 31, 2019, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages occurring from false arrest, property damage or personal injury. All the claims currently pending have been referred to the insurance carrier and none are expected to have a material effect on the Town's financial position, if adversely settled.

There are also currently pending certiorari proceedings, the results of which could require the payment of future tax refunds by the Town if existing assessment rolls are modified based upon the outcome of the litigation proceedings. The amount of possible refunds cannot be determined at the present time and any refunds resulting from adverse settlements will be funded in the year in which the payments are made.

B. Risk Management

The Town purchases conventional insurance coverages to reduce its exposure to loss. The Town maintains general liability and umbrella policies with coverage up to \$3 million and \$20 million, respectively. Workers' compensation coverage is secured at statutory levels. Settled claims resulting from these risks have not exceeded commercial coverage in 2019. The Town also purchases conventional health insurance coverage for employees from various providers.

C. Contingencies

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

Town of LaGrange, New York

Notes to Financial Statements (Concluded)
December 31, 2019

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

D. Tax Abatements

The Town has real property tax abatement agreements exempt under Real Property Tax Law, Section 412-a and General Municipal Law, Section 874. The total tax abatement for the year ended December 31, 2019 is as follows:

Start Date	Agreement	Benefit Units	Tax Rate	Tax Value	PILOT Revenue	Tax Abated
2018	ESHAA Petroleum Corp.	8.00	\$ 331.51	\$ 2,652.08	\$ 2,652.00	\$ -
2018	JFK Properties	2.50	331.51	829	829	-
2018	Joseph Daubman	1.00	331.51	332	332	-
2018	Michael & Melanie Betros	1.00	331.51	332	332	-
2018	Patrick Page Properties	1.54	331.51	511	511	-
2018	Patrick Page Properties	8.00	331.51	2,652	2,652	-
2018	Khurram & Farrah Ashraf	1.00	331.51	332	332	-
2018	Hudson River Housing, Inc.	16.20	331.51	5,370	5,370	-
2018	Titusville Estates, LLC	23.00	175.36	4,033	4,033	-
2018	Titusville Estates, LLC	37.00	175.36	6,488	6,488	-
2018	Titusville Estates, LLC	75.00	175.36	13,152	13,152	-
2018	165 Overlook Road, LLC	91.00	119.32	10,858	10,858	-
2018	Titusville Estates, LLC	22.00	335.22	7,375	7,375	-
2018	Titusville Estates, LLC	33.00	335.22	11,062	11,062	-
2018	Titusville Estates, LLC	75.00	335.22	25,142	25,142	-
2018	165 Overlook Road, LLC	83.95	438.63	36,823	36,823	-
2019	John Page Development, LLC	21.60	332.00	7,171	7,171	-
2019	Randart Realty	3.00	332.00	996	996	-
					<u>\$ 136,110</u>	<u>\$ -</u>

Note 5 - Subsequent Events

The Town on May 13, 2020, issued a \$8,436,450 bond anticipation note for various purposes. The notes matures on May 13, 2021 and bears interest rate of 1.18% per annum.

The Town on February 25, 2020, issued \$2,711,830 in bonds. The bonds will be used for various capital improvement projects for the Town. The bonds mature annually through 2050 with interest rates ranging from 2.250% to 2.375%, depending on maturity.

Subsequent to year end, the coronavirus pandemic has resulted in substantial economic volatility on a global scale. As a result, the Town's economically sensitive revenues (i.e. sales taxes, mortgage recording taxes, interest earnings, fees, state and federal aid might be negatively impacted. Collection rates on real property taxes might be slowed as unemployment rates are expected to spike. Meanwhile, the Town's expenditures for public safety and health service functions and pension benefits (due to stock market declines) would all be expected to increase. None of these factors were taken into consideration in the development of the 2020 adopted budget. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the actual impact on the Town's financial position at the time.

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Town of LaGrange, New York

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

	<u>2019</u>	<u>2018</u>
Total OPEB Liability:		
Service cost		
Interest	\$ 202,294	\$ 217,942
Changes of benefit terms	243,016	181,492
Differences between expected and actual experience	(58,287)	422,391
Changes of assumptions or other inputs	1,294,899 (4)	(983,837)
Benefit payments	<u>(138,375)</u>	<u>(143,157)</u>
Net Change in Total OPEB Liability	1,543,547	(305,169)
Total OPEB Liability – Beginning of Year	<u>5,597,681</u>	<u>5,902,850 (3)</u>
Total OPEB Liability – End of Year	<u>\$ 7,141,228</u>	<u>\$ 5,597,681</u>
Town's covered-employee payroll	<u>\$ 2,865,640</u>	<u>\$ 2,764,719</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>249%</u>	<u>202%</u>

Notes to Schedule:

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

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

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

(4) The discount rate used to calculate the total OPEB Liability was decreased from 4.24% to 2.74% effective with the December 31, 2019 valuation date..

See independent auditors' report.

Town of LaGrange, New York

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

Schedule of the Town's Proportionate Share of the Net Pension Liability

	2019	2018	2017	2016 (2)	2015
Town's proportion of the net pension liability	0.0087625%	0.0085572%	0.0083142%	0.0082973%	0.0074896%
Town's proportionate share of the net pension liability	\$ 620,853	\$ 276,178	\$ 781,220	\$ 1,331,741	\$ 253,016
Town's covered payroll	\$ 2,791,505	\$ 2,572,722	\$ 2,911,976	\$ 2,518,992	\$ 2,183,346
Town's proportionate share of the net pension liability as a percentage of its covered payroll	22.24%	10.73%	26.83%	52.87%	11.59%
Plan fiduciary net position as a percentage of the total pension liability	0.00%	98.24%	94.70%	90.70%	97.90%

Schedule of Contributions

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 367,436	\$ 346,044	\$ 356,075	\$ 326,536	\$ 375,348
Contributions in relation to the contractually required contribution	(367,436)	(346,044)	(356,075)	(326,536)	(375,348)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 2,845,724	\$ 2,729,018	\$ 2,541,769	\$ 2,280,642	\$ 2,329,679
Contributions as a percentage of covered payroll	12.91%	12.68%	14.01%	14.32%	16.11%

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

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

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

Town of LaGrange, New York

General Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 2,803,611	\$ 2,607,600
Receivables		
Accounts	123,809	163,795
State and Federal aid	188,566	106,149
Due from other governments	633,781	543,199
Due from other funds	414	316
	<u>946,570</u>	<u>813,459</u>
Prepaid expenditures	<u>84,119</u>	<u>79,785</u>
Total Assets	<u>\$ 3,834,300</u>	<u>\$ 3,500,844</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 135,872	\$ 89,634
Accrued liabilities	72,197	55,763
Unearned revenues	-	800
Due to retirement system	162,809	155,149
Due to other funds	2,385	555
Total Liabilities	<u>373,263</u>	<u>301,901</u>
Fund balance		
Nonspendable	84,119	79,785
Restricted	71,643	100,895
Assigned	-	9,470
Unassigned	3,305,275	3,008,793
Total Fund Balance	<u>3,461,037</u>	<u>3,198,943</u>
Total Liabilities and Fund Balance	<u>\$ 3,834,300</u>	<u>\$ 3,500,844</u>

See independent auditors' report.

Town of LaGrange, New York

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

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,292,093	\$ 2,292,093	\$ 2,292,105	\$ 12
Other tax items	56,000	56,000	59,907	3,907
Non-property taxes	1,110,000	1,120,000	1,440,092	320,092
Departmental income	377,690	411,541	443,455	31,914
Use of money and property	44,400	65,510	101,607	36,097
Licenses and permits	212,110	212,110	240,968	28,858
Fines and forfeitures	210,000	210,000	228,598	18,598
Sale of property and compensation for loss	-	1,166	1,561	395
Interfund revenues	110,867	110,867	111,819	952
State aid	475,000	475,000	522,009	47,009
Miscellaneous	56,439	72,940	89,302	16,362
Total Revenues	4,944,599	5,027,227	5,531,423	504,196
EXPENDITURES				
Current				
General government support	1,612,964	2,155,926	1,744,977	410,949
Public safety	23,500	24,904	24,644	260
Health	3,500	3,500	3,500	-
Transportation	219,352	235,002	234,235	767
Economic opportunity and development	28,913	28,913	27,498	1,415
Culture and recreation	1,507,933	1,693,460	1,645,229	48,231
Home and community services	372,823	383,283	377,390	5,893
Employee benefits	934,260	947,225	941,811	5,414
Debt service				
Principal	122,309	122,309	122,309	-
Interest	109,257	109,257	109,256	1
Total Expenditures	4,934,811	5,703,779	5,230,849	472,930
Excess (Deficiency) of Revenues Over Expenditures	9,788	(676,552)	300,574	977,126
OTHER FINANCING SOURCES (USES)				
Transfers in	-	33,260	30,778	(2,482)
Transfers out	(69,258)	(69,258)	(69,258)	-
Total Other Financing Sources (Uses)	(69,258)	(35,998)	(38,480)	(2,482)
Net Change in Fund Balance	(59,470)	(712,550)	262,094	974,644
FUND BALANCE				
Beginning of Year	59,470	712,550	3,198,943	2,486,393
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,461,037</u>	<u>\$ 3,461,037</u>

See independent auditors' report.

2018

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,172,316	\$ 2,172,316	\$ 2,172,321	\$ 5
59,000	59,000	48,856	(10,144)
1,080,000	1,080,000	1,355,812	275,812
470,628	504,402	552,967	48,565
17,800	27,270	55,141	27,871
202,130	202,130	208,439	6,309
210,000	210,000	194,543	(15,457)
-	38,827	39,764	937
109,397	109,397	108,302	(1,095)
556,439	566,240	527,223	(39,017)
-	13,792	33,808	20,016
<u>4,877,710</u>	<u>4,983,374</u>	<u>5,297,176</u>	<u>313,802</u>
1,630,985	1,835,575	1,659,705	175,870
19,500	27,936	27,357	579
3,500	3,500	3,500	-
220,084	270,198	258,940	11,258
28,213	28,213	27,865	348
1,448,510	1,509,812	1,506,182	3,630
361,038	362,658	358,795	3,863
940,607	927,802	882,382	45,420
122,966	122,966	122,309	657
116,741	116,741	115,533	1,208
<u>4,892,144</u>	<u>5,205,401</u>	<u>4,962,568</u>	<u>242,833</u>
<u>(14,434)</u>	<u>(222,027)</u>	<u>334,608</u>	<u>556,635</u>
-	-	-	-
<u>(82,477)</u>	<u>(1,088,106)</u>	<u>(174,141)</u>	<u>913,965</u>
<u>(82,477)</u>	<u>(1,088,106)</u>	<u>(174,141)</u>	<u>913,965</u>
(96,911)	(1,310,133)	160,467	1,470,600
<u>96,911</u>	<u>1,310,133</u>	<u>3,038,476</u>	<u>1,728,343</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,198,943</u>	<u>\$ 3,198,943</u>

Town of LaGrange, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
REAL PROPERTY TAXES	\$ 2,292,093	\$ 2,292,093	\$ 2,292,105	\$ 12	\$ 2,172,321
OTHER TAX ITEMS					
Interest and penalties on real property taxes	56,000	56,000	59,907	3,907	48,856
NON-PROPERTY TAXES					
Franchise fees	280,000	290,000	321,432	31,432	325,410
Non-property tax distribution from County	830,000	830,000	1,118,660	288,660	1,030,402
	1,110,000	1,120,000	1,440,092	320,092	1,355,812
DEPARTMENTAL INCOME					
Tax collector fees	550	550	577	27	550
Town Clerk and other fees	7,440	7,440	5,827	(1,613)	5,821
Police and dog pound fees	125	125	175	50	75
Safety inspection fees	5,000	5,000	2,950	(2,050)	2,725
Culture and recreation fees	233,425	233,425	245,739	12,314	230,763
Planning board and other fees	77,300	111,151	133,506	22,355	249,173
Other service fees	53,850	53,850	54,681	831	63,860
	377,690	411,541	443,455	31,914	552,967
USE OF MONEY AND PROPERTY					
Earnings on investments	10,000	31,110	68,637	37,527	26,941
Rental of real property	34,400	34,400	32,970	(1,430)	28,200
	44,400	65,510	101,607	36,097	55,141

LICENSES AND PERMITS

Dog and other licenses	8,000	8,000	6,693	(1,307)	7,502
Permits	204,110	204,110	234,275	30,165	200,937
	<u>212,110</u>	<u>212,110</u>	<u>240,968</u>	<u>28,858</u>	<u>208,439</u>

FINES AND FORFEITURES

Fines and forfeited bail	210,000	210,000	228,598	18,598	194,543
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SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	-	-	300	300	-
Insurance recoveries	-	1,166	1,261	95	39,764
	<u>-</u>	<u>1,166</u>	<u>1,561</u>	<u>395</u>	<u>39,764</u>

INTERFUND REVENUES

	<u>110,867</u>	<u>110,867</u>	<u>111,819</u>	<u>952</u>	<u>108,302</u>
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STATE AID

Court facilities	-	-	-	-	9,801
Per capita	-	-	-	-	56,439
Mortgage tax	475,000	475,000	522,009	47,009	460,983
	<u>475,000</u>	<u>475,000</u>	<u>522,009</u>	<u>47,009</u>	<u>527,223</u>

MISCELLANEOUS

Refund of prior year expenditures	-	-	-	-	2,196
Gifts and donations	-	-	1,000	1,000	-
Miscellaneous	56,439	72,940	88,302	15,362	31,612
	<u>56,439</u>	<u>72,940</u>	<u>89,302</u>	<u>16,362</u>	<u>33,808</u>

TOTAL REVENUES

	<u>4,944,599</u>	<u>5,027,227</u>	<u>5,531,423</u>	<u>504,196</u>	<u>5,297,176</u>
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OTHER FINANCING SOURCES

Transfers in					
Capital Projects Fund	-	33,260	30,778	(2,482)	-

TOTAL REVENUES AND OTHER FINANCING SOURCES

	<u>\$ 4,944,599</u>	<u>\$ 5,060,487</u>	<u>\$ 5,562,201</u>	<u>\$ 501,714</u>	<u>\$ 5,297,176</u>
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See independent auditors' report.

Town of LaGrange, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 40,000	\$ 40,000	\$ 39,039	\$ 961	\$ 39,414
Town Justice	208,228	227,336	227,336	-	194,851
Supervisor	175,363	176,198	176,196	2	168,980
Finance	150,145	154,145	150,744	3,401	145,367
Audit	20,500	39,539	39,539	-	20,000
Tax collection	81,601	81,601	80,216	1,385	75,869
Assessor	182,175	172,831	170,294	2,537	173,994
Fiscal agent fees	30,000	17,278	17,241	37	17,104
Town Clerk	108,306	114,928	109,547	5,381	110,315
Town Attorney	60,000	90,000	89,496	504	96,122
Personnel	10,425	10,425	9,106	1,319	10,877
General public works	132,499	128,499	126,135	2,364	126,250
Engineering	5,000	11,800	10,941	859	500
Records management	804	94,688	24,442	70,246	37,486
Buildings	134,470	488,426	191,100	297,326	215,381
Central printing and mailing	40,713	40,713	37,348	3,365	35,654
Central data processing	30,135	86,545	71,077	15,468	28,381
Unallocated insurance	153,000	163,867	159,533	4,334	144,765
Municipal association dues	1,500	1,500	1,500	-	1,500
Judgments and claims	5,000	1,210	1,210	-	3,582
Taxes and assessments on property	7,000	6,142	6,142	-	6,799
Metropolitan commuter transportation mobility tax	6,400	6,795	6,795	-	6,514
Contingency	29,700	1,460	-	1,460	-
	<u>1,612,964</u>	<u>2,155,926</u>	<u>1,744,977</u>	<u>410,949</u>	<u>1,659,705</u>
PUBLIC SAFETY					
Traffic control	9,000	9,109	8,889	220	8,421
Animal control	13,500	13,500	13,460	40	17,967
Other	1,000	2,295	2,295	-	969
	<u>23,500</u>	<u>24,904</u>	<u>24,644</u>	<u>260</u>	<u>27,357</u>

HEALTH

Registrar of Vital Statistics	3,500	3,500	3,500	-	3,500
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TRANSPORTATION

Highway administration	139,352	139,801	139,662	139	135,093
Garage	65,000	80,201	80,201	-	109,594
Street lighting	15,000	15,000	14,372	628	14,253
	<u>219,352</u>	<u>235,002</u>	<u>234,235</u>	<u>767</u>	<u>258,940</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Programs for the aging	28,913	28,913	27,498	1,415	27,865
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CULTURE AND RECREATION

Parks	493,392	653,938	611,840	42,098	523,554
Recreation administration	350,923	367,010	361,727	5,283	350,878
Library	652,308	661,039	661,039	-	622,900
Historian	2,310	2,360	2,360	-	2,300
Celebrations	3,000	3,113	3,113	-	3,000
Band concerts	6,000	6,000	5,150	850	3,550
	<u>1,507,933</u>	<u>1,693,460</u>	<u>1,645,229</u>	<u>48,231</u>	<u>1,506,182</u>

HOME AND COMMUNITY SERVICES

Zoning and appeals	296,571	296,571	294,009	2,562	288,391
Planning Board	68,252	73,099	72,944	155	64,607
Environmental control	1,200	1,100	454	646	216
Refuse and garbage	2,300	3,800	3,800	-	7
Beautification	1,000	4,613	2,083	2,530	735
Drainage	3,500	4,100	4,100	-	4,839
	<u>372,823</u>	<u>383,283</u>	<u>377,390</u>	<u>5,893</u>	<u>358,795</u>

EMPLOYEE BENEFITS

State retirement	181,000	214,526	214,526	-	204,828
Social security	156,000	156,000	153,013	2,987	149,206
Workers' compensation benefits	67,700	49,250	49,246	4	60,106
Unemployment benefits	3,000	889	-	889	2,622
Disability	1,600	1,600	1,524	76	1,873
Health insurance	522,560	522,560	521,409	1,151	461,812
Other	2,400	2,400	2,093	307	1,935
	<u>934,260</u>	<u>947,225</u>	<u>941,811</u>	<u>5,414</u>	<u>882,382</u>

Town of LaGrange, New York

General Fund

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

Year Ended December 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
DEBT SERVICE					
Principal					
Serial bonds	\$ 122,309	\$ 122,309	\$ 122,309	\$ -	\$ 122,309
Interest					
Serial bonds	61,619	61,619	61,618	1	57,741
Bond anticipation notes	47,638	47,638	47,638	-	57,792
	<u>109,257</u>	<u>109,257</u>	<u>109,256</u>	<u>1</u>	<u>115,533</u>
	<u>231,566</u>	<u>231,566</u>	<u>231,565</u>	<u>1</u>	<u>237,842</u>
TOTAL EXPENDITURES	4,934,811	5,703,779	5,230,849	472,930	4,962,568
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	69,258	69,258	69,258	-	174,141
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 5,004,069</u>	<u>\$ 5,773,037</u>	<u>\$ 5,300,107</u>	<u>\$ 472,930</u>	<u>\$ 5,136,709</u>

See independent auditors' report.

Town of LaGrange, New York

Highway Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 890,378	\$ 1,143,808
Receivables		
Accounts	4,610	2,900
Due from other funds	<u>1,176</u>	<u>845</u>
	<u>5,786</u>	<u>3,745</u>
Total Assets	<u>\$ 896,164</u>	<u>\$ 1,147,553</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 111,187	\$ 33,655
Accrued liabilities	27,285	19,739
Unearned revenues	-	885
Due to retirement system	112,756	104,383
Due to other funds	<u>-</u>	<u>1</u>
Total Liabilities	<u>251,228</u>	<u>158,663</u>
Fund balance		
Restricted	51,781	30,058
Assigned	<u>593,155</u>	<u>958,832</u>
Total Fund Balance	<u>644,936</u>	<u>988,890</u>
Total Liabilities and Fund Balance	<u>\$ 896,164</u>	<u>\$ 1,147,553</u>

See independent auditors' report.

Town of LaGrange, New York

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

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,601,400	\$ 3,601,400	\$ 3,601,400	\$ -
Use of money and property	2,500	30,663	31,819	1,156
License and permits	4,000	4,000	4,200	200
Sale of property and compensation for loss	-	32,028	34,643	2,615
Interfund revenues	15,000	15,000	15,613	613
State aid	330,000	368,846	368,846	-
Miscellaneous	-	-	19,716	19,716
Total Revenues	3,952,900	4,051,937	4,076,237	24,300
EXPENDITURES				
Current				
General government support	3,800	3,980	3,980	-
Transportation				
Repairs and maintenance	1,765,000	2,050,383	1,993,645	56,738
Snow removal	940,000	1,221,425	1,197,604	23,821
Brush and weeds	5,000	4,500	4,500	-
	2,710,000	3,276,308	3,195,749	80,559
Employee benefits	792,140	752,150	749,575	2,575
Debt service				
Principal				
Serial bonds	137,699	137,699	137,699	-
Interest				
Serial bonds	49,983	49,983	49,982	1
Bond anticipation notes	68,015	68,015	68,015	-
	117,998	117,998	117,997	1
Total Expenditures	3,761,637	4,288,135	4,205,000	83,135
Excess (Deficiency) of Revenues Over Expenditures	191,263	(236,198)	(128,763)	107,435
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,553	1,553
Transfers out	(191,263)	(216,744)	(216,744)	-
Total Other Financing Uses	(191,263)	(216,744)	(215,191)	1,553
Net Change in Fund Balance	-	(452,942)	(343,954)	108,988
FUND BALANCE				
Beginning of Year	-	452,942	988,890	535,948
End of Year	\$ -	\$ -	\$ 644,936	\$ 644,936

See independent auditors' report.

2018

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,547,192	\$ 3,547,192	\$ 3,547,192	\$ -
2,500	2,500	10,432	7,932
4,000	4,000	6,400	2,400
-	46,856	137,235	90,379
10,000	10,000	15,486	5,486
264,466	295,995	295,995	-
-	-	24,987	24,987
<u>3,828,158</u>	<u>3,906,543</u>	<u>4,037,727</u>	<u>131,184</u>
<u>3,800</u>	<u>4,100</u>	<u>3,747</u>	<u>353</u>
1,691,966	1,770,350	1,736,699	33,651
900,000	1,100,000	1,028,224	71,776
5,000	5,000	2,500	2,500
<u>2,596,966</u>	<u>2,875,350</u>	<u>2,767,423</u>	<u>107,927</u>
<u>882,974</u>	<u>882,674</u>	<u>770,439</u>	<u>112,235</u>
<u>137,705</u>	<u>137,705</u>	<u>137,705</u>	<u>-</u>
49,543	49,543	47,892	1,651
45,814	45,814	45,814	-
<u>95,357</u>	<u>95,357</u>	<u>93,706</u>	<u>1,651</u>
<u>3,716,802</u>	<u>3,995,186</u>	<u>3,773,020</u>	<u>222,166</u>
<u>111,356</u>	<u>(88,643)</u>	<u>264,707</u>	<u>353,350</u>
-	-	-	-
(131,356)	(909,122)	(131,357)	777,765
<u>(131,356)</u>	<u>(909,122)</u>	<u>(131,357)</u>	<u>777,765</u>
(20,000)	(997,765)	133,350	1,131,115
<u>20,000</u>	<u>997,765</u>	<u>855,540</u>	<u>(142,225)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 988,890</u>	<u>\$ 988,890</u>

Town of LaGrange, New York

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

	Lighting Districts		Drainage Districts		
	Town Lighting	Town Center Lighting	Dutchess Farms	Frank Farms	Sleight Farms
ASSETS					
Cash and equivalents	\$ 4,936	\$ 12,989	\$ 82,780	\$ 160,106	\$ 101,412
Receivables					
Accounts	-	-	-	-	-
Due from other funds	-	1,290	-	-	-
	-	1,290	-	-	-
Total Assets	\$ 4,936	\$ 14,279	\$ 82,780	\$ 160,106	\$ 101,412
LIABILITIES AND FUND BALANCES (DEFICITS)					
Liabilities					
Accounts payable	\$ 1,444	\$ 825	\$ -	\$ -	\$ -
Fund balances (deficits)					
Restricted	-	-	-	-	-
Assigned	3,492	13,454	82,780	160,106	101,412
Total Fund Balances (Deficits)	3,492	13,454	82,780	160,106	101,412
Total Liabilities and Fund Balances (Deficits)	\$ 4,936	\$ 14,279	\$ 82,780	\$ 160,106	\$ 101,412

Drainage Districts (Continued)							
H & K Page	Laurel Ridge	MGM Properties	Maloney Woods	Lincoln Ridge	Providence Estates	Meadow Ridge	Sunset Ridge Estates
\$ 26,484	\$ 58,276	\$ 49,824	\$ 42,630	\$ 65,345	\$ 7,743	\$ 49,775	\$ 18,260
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 26,484	\$ 58,276	\$ 49,824	\$ 42,630	\$ 65,345	\$ 7,743	\$ 49,775	\$ 18,260
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
26,484	58,276	49,824	42,630	65,345	7,743	49,775	18,260
26,484	58,276	49,824	42,630	65,345	7,743	49,775	18,260
\$ 26,484	\$ 58,276	\$ 49,824	\$ 42,630	\$ 65,345	\$ 7,743	\$ 49,775	\$ 18,260

(Continued)

Town of LaGrange, New York

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

	Drainage Districts (Continued)				
	Todd Hill Crossings	SVF Stormwater	Harvest Ridge	Windance Estates	The Reserve
ASSETS					
Cash and equivalents	\$ 24,863	\$ 76,869	\$ 129,208	\$ 58,009	\$ 37,183
Receivables					
Accounts	-	-	-	-	-
Due from other funds	-	-	-	-	-
	-	-	-	-	-
Total Assets	<u>\$ 24,863</u>	<u>\$ 76,869</u>	<u>\$ 129,208</u>	<u>\$ 58,009</u>	<u>\$ 37,183</u>
LIABILITIES AND FUND BALANCES (DEFICITS)					
Liabilities					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances (deficits)					
Restricted	-	-	-	-	-
Assigned	24,863	76,869	129,208	58,009	37,183
Total Fund Balances (Deficits)	<u>24,863</u>	<u>76,869</u>	<u>129,208</u>	<u>58,009</u>	<u>37,183</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 24,863</u>	<u>\$ 76,869</u>	<u>\$ 129,208</u>	<u>\$ 58,009</u>	<u>\$ 37,183</u>

Sewer Districts						
Noxon Knolls	Sleight- Frank Farms	Sunset Ridge	Titusville	Daley Farms	Overlook Place	Town Center
\$ -	\$ 288,268	\$ 23,239	\$ 778,924	\$ 9,771	\$ 4,482	\$ 5,973
11,571	-	1,047	100,665	-	-	-
508	-	-	-	693	318	-
12,079	-	1,047	100,665	693	318	-
<u>\$ 12,079</u>	<u>\$ 288,268</u>	<u>\$ 24,286</u>	<u>\$ 879,589</u>	<u>\$ 10,464</u>	<u>\$ 4,800</u>	<u>\$ 5,973</u>
\$ 2,836	\$ -	\$ 168	\$ 25,974	\$ -	\$ -	\$ -
671	280,394	-	174,187	10,398	4,769	3,855
8,572	7,874	24,118	679,428	66	31	2,118
9,243	288,268	24,118	853,615	10,464	4,800	5,973
<u>\$ 12,079</u>	<u>\$ 288,268</u>	<u>\$ 24,286</u>	<u>\$ 879,589</u>	<u>\$ 10,464</u>	<u>\$ 4,800</u>	<u>\$ 5,973</u>

(Continued)

Town of LaGrange, New York

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

	Water Districts					
	S.W. Ext. #5	Grandview	Harvest Ridge	Manchester	Daley Farms	Mapleview
ASSETS						
Cash and equivalents	\$ 5,387	\$ 1,957	\$ 32	\$ 497,999	\$ 17,787	\$ -
Receivables						
Accounts	-	8,173	-	111,843	-	-
Due from other funds	-	1,016	-	-	1,243	-
	-	9,189	-	111,843	1,243	-
Total Assets	<u>\$ 5,387</u>	<u>\$ 11,146</u>	<u>\$ 32</u>	<u>\$ 609,842</u>	<u>\$ 19,030</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES (DEFICITS)						
Liabilities						
Accounts payable	\$ -	\$ 2,092	\$ -	\$ 26,638	\$ -	\$ 2,492
Fund balances (deficits)						
Restricted	9	4,734	-	161,292	18,910	3,172
Assigned	5,378	4,320	32	421,912	120	(5,664)
Total Fund Balances (Deficits)	<u>5,387</u>	<u>9,054</u>	<u>32</u>	<u>583,204</u>	<u>19,030</u>	<u>(2,492)</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 5,387</u>	<u>\$ 11,146</u>	<u>\$ 32</u>	<u>\$ 609,842</u>	<u>\$ 19,030</u>	<u>\$ -</u>

See independent auditors' report.

Water Districts (Continued)		Totals	
Titusville	Town Center #2	2019	2018
\$ 98,149	\$ 489,026	\$ 3,227,686	\$ 3,082,229
-	29,354	262,653	256,199
-	1,835	6,903	2,803
-	31,189	269,556	259,002
<u>\$ 98,149</u>	<u>\$ 520,215</u>	<u>\$ 3,497,242</u>	<u>\$ 3,341,231</u>
\$ -	\$ 4,632	\$ 67,101	\$ 77,592
86,226	78,451	827,068	937,994
11,923	437,132	2,603,073	
98,149	515,583	3,430,141	937,994
<u>\$ 98,149</u>	<u>\$ 520,215</u>	<u>\$ 3,497,242</u>	<u>\$ 1,015,586</u>

Town of LaGrange, New York

Special Districts Fund
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Sub-Funds
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Lighting Districts		Drainage Districts		
	Town Lighting	Town Center Lighting	Dutchess Farms	Frank Farms	Sleight Farms
REVENUES					
Real property taxes	\$ 16,200	\$ 12,500	\$ 5,000	\$ 13,175	\$ 10,000
Other tax items	-	52	-	-	-
Departmental income	-	-	-	-	-
Use of money and property	35	-	246	474	300
Sale of property and compensation for loss	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	16,235	12,552	5,246	13,649	10,300
EXPENDITURES					
Current					
Transportation	15,867	7,359	-	-	-
Home and community services	-	-	-	-	62
	15,867	7,359	-	-	62
Debt service					
Principal					
Serial bonds	-	-	-	-	-
Interest					
Serial bonds	-	-	-	-	-
Bond anticipation notes	-	-	-	-	-
Total Interest	-	-	-	-	-
Total Debt Service	-	-	-	-	-
Total Expenditures	15,867	7,359	-	-	62
Excess (Deficiency) of Revenues Over Expenditures	368	5,193	5,246	13,649	10,238
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	368	5,193	5,246	13,649	10,238
FUND BALANCES (DEFICITS)					
Beginning of Year	3,124	8,261	77,534	146,457	91,174
End of Year	<u>\$ 3,492</u>	<u>\$ 13,454</u>	<u>\$ 82,780</u>	<u>\$ 160,106</u>	<u>\$ 101,412</u>

Drainage Districts (Continued)

H & K Page	Laurel Ridge	MGM Properties	Maloney Woods	Lincoln Ridge	Providence Estates	Meadow Ridge
\$ 2,000	\$ 3,500	\$ 3,000	\$ 3,500	\$ 5,000	\$ -	\$ 3,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
78	173	148	126	193	23	148
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,078</u>	<u>3,673</u>	<u>3,148</u>	<u>3,626</u>	<u>5,193</u>	<u>23</u>	<u>3,148</u>
-	-	-	-	-	-	-
4	13	8	4	25	4	11
<u>4</u>	<u>13</u>	<u>8</u>	<u>4</u>	<u>25</u>	<u>4</u>	<u>11</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4	13	8	4	25	4	11
<u>2,074</u>	<u>3,660</u>	<u>3,140</u>	<u>3,622</u>	<u>5,168</u>	<u>19</u>	<u>3,137</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,074	3,660	3,140	3,622	5,168	19	3,137
<u>24,410</u>	<u>54,616</u>	<u>46,684</u>	<u>39,008</u>	<u>60,177</u>	<u>7,724</u>	<u>46,638</u>
<u>\$ 26,484</u>	<u>\$ 58,276</u>	<u>\$ 49,824</u>	<u>\$ 42,630</u>	<u>\$ 65,345</u>	<u>\$ 7,743</u>	<u>\$ 49,775</u>

(Continued)

Town of LaGrange, New York

Special Districts Fund
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Sub-Funds (Continued)
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Drainage Districts (Continued)					
	Sunset Ridge Estates	Todd Hill Crossings	SVF Stormwater	Harvest Ridge	Windance Estates	The Reserve
REVENUES						
Real property taxes	\$ 1,500	\$ 1,500	\$ 6,300	\$ 16,000	\$ 3,500	\$ 2,500
Other tax items	-	-	-	-	-	-
Departmental income	-	-	-	-	-	-
Use of money and property	54	74	227	381	172	110
Sale of property and compensation for loss	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	1,554	1,574	6,527	16,381	3,672	2,610
EXPENDITURES						
Current						
Transportation	-	-	-	-	-	-
Home and community services	-	8	11	-	17	7
	-	8	11	-	17	7
Debt service						
Principal						
Serial bonds	-	-	-	-	-	-
Interest						
Serial bonds	-	-	-	-	-	-
Bond anticipation notes	-	-	-	-	-	-
Total Interest	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-
Total Expenditures	-	8	11	-	17	7
Excess (Deficiency) of Revenues Over Expenditures	1,554	1,566	6,516	16,381	3,655	2,603
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	1,554	1,566	6,516	16,381	3,655	2,603
FUND BALANCES (DEFICITS)						
Beginning of Year	16,706	23,297	70,353	112,827	54,354	34,580
End of Year	\$ 18,260	\$ 24,863	\$ 76,869	\$ 129,208	\$ 58,009	\$ 37,183

Sewer Districts						
Noxon Knolls	Sleight- Frank Farms	Sunset Ridge	Titusville	Daley Farms	Overlook Place	Town Center
\$ -	\$ 27,286	\$ -	\$ 230,695	\$ -	\$ -	\$ 34,317
-	-	-	21,338	23,673	10,858	-
40,505	-	4,695	469,522	-	-	-
515	871	68	2,272	8,703	3,991	18
-	-	-	-	-	-	-
-	-	-	20	-	-	-
<u>41,020</u>	<u>28,157</u>	<u>4,763</u>	<u>723,847</u>	<u>32,376</u>	<u>14,849</u>	<u>34,335</u>
-	-	-	-	-	-	-
<u>42,848</u>	<u>-</u>	<u>2,544</u>	<u>380,342</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>42,848</u>	<u>-</u>	<u>2,544</u>	<u>380,342</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	28,977	-	196,644	-	-	-
-	18,308	-	90,611	-	-	-
-	-	-	745	7,412	3,399	13,264
-	18,308	-	91,356	7,412	3,399	13,264
-	47,285	-	288,000	7,412	3,399	13,264
<u>42,848</u>	<u>47,285</u>	<u>2,544</u>	<u>668,342</u>	<u>7,412</u>	<u>3,399</u>	<u>13,264</u>
<u>(1,828)</u>	<u>(19,128)</u>	<u>2,219</u>	<u>55,505</u>	<u>24,964</u>	<u>11,450</u>	<u>21,071</u>
-	-	-	-	-	-	-
-	-	-	(10,000)	(16,202)	(7,431)	(21,053)
-	-	-	(10,000)	(16,202)	(7,431)	(21,053)
(1,828)	(19,128)	2,219	45,505	8,762	4,019	18
<u>11,071</u>	<u>307,396</u>	<u>21,899</u>	<u>808,110</u>	<u>1,702</u>	<u>781</u>	<u>5,955</u>
<u>\$ 9,243</u>	<u>\$ 288,268</u>	<u>\$ 24,118</u>	<u>\$ 853,615</u>	<u>\$ 10,464</u>	<u>\$ 4,800</u>	<u>\$ 5,973</u>

(Continued)

Town of LaGrange, New York

Special Districts Fund
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Sub Funds (Continued)
 Year Ended December 31, 2019
 (With Comparative Actuals for 2018)

	Water Districts				
	S.W. Ext. #5	Grandview	Harvest Ridge	Manchester	Daley Farms
REVENUES					
Real property taxes	\$ -	\$ 6,604	\$ 4,799	\$ 719,148	\$ -
Other tax items	-	-	-	36,823	43,578
Departmental income	-	36,388	-	498,288	-
Use of money and property	16	1,018	5	1,913	15,790
Sale of property and compensation for loss	-	-	-	-	-
Miscellaneous	-	-	-	35,411	-
Total Revenues	<u>16</u>	<u>44,010</u>	<u>4,804</u>	<u>1,291,583</u>	<u>59,368</u>
EXPENDITURES					
Current					
Transportation	-	-	-	-	-
Home and community services	-	22,267	-	479,674	-
	<u>-</u>	<u>22,267</u>	<u>-</u>	<u>479,674</u>	<u>-</u>
Debt service					
Principal					
Serial bonds	-	-	-	708,669	-
Interest					
Serial bonds	-	-	-	117,301	-
Bond anticipation notes	-	3,150	2,587	-	13,644
Total Interest	<u>-</u>	<u>3,150</u>	<u>2,587</u>	<u>117,301</u>	<u>13,644</u>
Total Debt Service	<u>-</u>	<u>3,150</u>	<u>2,587</u>	<u>825,970</u>	<u>13,644</u>
Total Expenditures	<u>-</u>	<u>25,417</u>	<u>2,587</u>	<u>1,305,644</u>	<u>13,644</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>16</u>	<u>18,593</u>	<u>2,217</u>	<u>(14,061)</u>	<u>45,724</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	(3,453)	(2,211)	-	(29,825)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,453)</u>	<u>(2,211)</u>	<u>-</u>	<u>(29,825)</u>
Net Change in Fund Balances	<u>16</u>	<u>15,140</u>	<u>6</u>	<u>(14,061)</u>	<u>15,899</u>
FUND BALANCES (DEFICITS)					
Beginning of Year	<u>5,371</u>	<u>(6,086)</u>	<u>26</u>	<u>597,265</u>	<u>3,131</u>
End of Year	<u>\$ 5,387</u>	<u>\$ 9,054</u>	<u>\$ 32</u>	<u>\$ 583,204</u>	<u>\$ 19,030</u>

See independent auditors' report.

Water Districts (Continued)			Totals	
Mapleview	Titusville	Town Center #2	2019	2018
\$ 30,779	\$ 29,279	\$ -	\$ 1,191,082	\$ 1,310,741
-	-	81,170	217,492	92,298
-	-	116,616	1,166,014	1,049,518
8	312	24,624	63,086	27,131
-	-	-	-	15,716
-	-	15,945	51,376	115,355
<u>30,787</u>	<u>29,591</u>	<u>238,355</u>	<u>2,689,050</u>	<u>2,610,759</u>
-	-	-	23,226	25,446
-	-	105,359	1,033,208	1,131,663
-	-	105,359	1,056,434	1,157,109
<u>24,525</u>	<u>26,177</u>	<u>-</u>	<u>984,992</u>	<u>981,245</u>
6,254	23,101	-	255,575	249,555
-	-	49,157	93,358	81,561
<u>6,254</u>	<u>23,101</u>	<u>49,157</u>	<u>348,933</u>	<u>331,116</u>
<u>30,779</u>	<u>49,278</u>	<u>49,157</u>	<u>1,333,925</u>	<u>1,312,361</u>
<u>30,779</u>	<u>49,278</u>	<u>154,516</u>	<u>2,390,359</u>	<u>2,469,470</u>
<u>8</u>	<u>(19,687)</u>	<u>83,839</u>	<u>298,691</u>	<u>141,289</u>
-	-	-	-	472,802
-	-	(42,014)	(132,189)	(663,390)
-	-	(42,014)	(132,189)	(190,588)
8	(19,687)	41,825	166,502	(49,299)
<u>(2,500)</u>	<u>117,836</u>	<u>473,758</u>	<u>3,263,639</u>	<u>3,312,938</u>
<u>\$ (2,492)</u>	<u>\$ 98,149</u>	<u>\$ 515,583</u>	<u>\$ 3,430,141</u>	<u>\$ 3,263,639</u>

Town of LaGrange, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 363,416</u>	<u>\$ 221,793</u>
FUND BALANCE		
Restricted	<u>\$ 363,416</u>	<u>\$ 221,793</u>

See independent auditors' report.

Town of LaGrange, New YorkSpecial Purpose Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
REVENUES		
Use of money and property	\$ 1,623	\$ 660
Miscellaneous	140,000	115,000
Total Revenues	141,623	115,660
EXPENDITURES	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	141,623	115,660
OTHER FINANCING SOURCES (USES)		
Transfers in	-	100,169
Transfers out	-	(124,146)
Total Other Financing Uses	<u>-</u>	<u>(23,977)</u>
Net Change in Fund Balance	141,623	91,683
FUND BALANCE		
Beginning of Year	<u>221,793</u>	<u>130,110</u>
End of Year	<u>\$ 363,416</u>	<u>\$ 221,793</u>

See independent auditors' report.

Town of LaGrange, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 5,902,310</u>	<u>\$ 5,145,849</u>
Receivables		
State and Federal aid	-	329
Due from other funds	<u>-</u>	<u>1</u>
	-	330
 Total Assets	 <u>\$ 5,902,310</u>	 <u>\$ 5,146,179</u>
 LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 21,171	\$ 463,968
Due to other funds	6,108	3,409
Bond anticipation notes payable	<u>10,022,627</u>	<u>8,489,897</u>
 Total Liabilities	 10,049,906	 8,957,274
 Fund deficit		
Unassigned	<u>(4,147,596)</u>	<u>(3,811,095)</u>
 Total Liabilities and Fund Deficit	 <u>\$ 5,902,310</u>	 <u>\$ 5,146,179</u>

See independent auditors' report.

Town of LaGrange, New YorkCapital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended December 31,

	<u>2019</u>	<u>2018</u>
REVENUES		
Federal aid	\$ -	\$ 100,000
State aid	-	100,000
Miscellaneous	<u>39,875</u>	<u>1,125</u>
Total Revenues	39,875	201,125
EXPENDITURES		
Capital outlay	<u>762,236</u>	<u>2,163,619</u>
Deficiency of Revenues Over Expenditures	<u>(722,361)</u>	<u>(1,962,494)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	418,191	620,232
Transfers out	<u>(32,331)</u>	<u>(100,169)</u>
Total Other Financing Sources	<u>385,860</u>	<u>520,063</u>
Net Change in Fund Balance	(336,501)	(1,442,431)
FUND DEFICIT		
Beginning of Year	<u>(3,811,095)</u>	<u>(2,368,664)</u>
End of Year	<u>\$ (4,147,596)</u>	<u>\$ (3,811,095)</u>

See independent auditors' report.

Town of LaGrange, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project through December 31, 2019

Project	Project Number	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
2014 Highway/Parks Equipment	H10	\$ 641,891	\$ 641,891	\$ -
Rolling Meadows Extension of Titusville Sewer District	H12	24,084	7,218	16,866
Manchester Sewer District	H13	272,225	198,870	73,355
Increase and Improvement of Grandview Water District	H18	221,000	221,000	-
Route 55 Sewer Betterment	H25	79,301	59,178	20,123
2015 Highway Equipment	H29	546,653	546,653	-
Highway Garage Wash Bay	H30	1,715,126	1,476,607	238,519
Highway Salt Shed	H31	95,725	91,578	4,147
2017 Highway Equipment	H33	687,580	687,580	-
2017 Road Paving	H36	500,000	500,000	-
Town Center Water Improvement Area No. 2	H37	1,769,000	52,229	1,716,771
Noxon School Water District	H38	362,716	333,493	29,223
2018 Highway/Parks Equipment Purchase	H40	679,306	679,306	-
2018 Road Paving	H41	500,000	500,000	-
Daley Farms Extension of Manchester Water District	H42	1,193,000	30,000	1,163,000
Overlook Place Sewer District	H43	297,226	-	297,226
Daley Farms Sewer District	H44	648,045	-	648,045
Freedom Lake Docks	H45	91,989	91,664	325
Park Improvements	H46	54,657	49,981	4,676
2019 Road Paving	H47	500,000	424,367	75,633
Increase and improvement of Grandview Water District	H48	949,900	10,573	939,327
Increase and improvement of Noxon Knolls Sewer District	H49	475,540	10,598	464,942
Town Center Sewer Improvement Area	H5	800,000	800,000	-
Old Titusville Sewer	HAA	73,000	73,000	-
Grandview Water Tank Replacement	HB	55,200	55,200	-
Stensrud Builders-SVF Subdivision	HG	238,659	94,595	144,064
Grandview Power and Alarms	HK	50,000	50,000	-
2001 Titusville Sewer Improvements	HT	95,150	95,150	-
Totals		\$ 13,616,973	\$ 7,780,731	\$ 5,836,242

See independent auditors' report.

Total Revenues	Fund Balance (Deficit) At December 31, 2019	Bond Anticipation Notes Outstanding at December 31, 2019
\$ 641,891	\$ -	\$ -
24,084	16,866	-
272,225	73,355	-
140,078	(80,922)	80,922
79,301	20,123	-
542,808	(3,845)	3,845
272,714	(1,203,893)	1,481,200
95,725	4,147	-
102,953	(584,627)	584,628
66,666	(433,334)	433,334
88,450	36,221	1,680,550
362,716	29,223	-
45,287	(634,019)	634,019
33,333	(466,667)	466,667
29,825	(175)	1,163,175
7,431	7,431	289,795
16,202	16,202	631,843
91,989	325	-
54,657	4,676	-
-	(424,367)	500,000
-	(10,573)	949,900
-	(10,598)	475,540
231,581	(568,419)	568,419
55,000	(18,000)	18,000
20,560	(34,640)	34,640
238,659	144,064	-
29,000	(21,000)	21,000
90,000	(5,150)	5,150
<u>\$ 3,633,135</u>	<u>\$ (4,147,596)</u>	<u>\$ 10,022,627</u>