

**Town of LaGrange, New York**

Financial Statements and  
Supplementary Information

Year Ended December 31, 2015



# 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, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2015, and the respective changes in financial position, thereof, and the respective budgetary comparison for the General, Highway and Special Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

We draw attention to Note 2E and Note 3F in the notes to financial statements which disclose the effects of the Town's adoption of the provisions of GASB Statement Nos. 68 "*Accounting and Financial Reporting for Pensions*" and 71 "*Pension Transition for Contributions Made Subsequent to the Measurement Date*". Our opinion is not modified with respect to this matter.

## ***Other Matters***

### *Required Supplementary Information*

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

### *Supplementary and Other Information*

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

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Newburgh, New York

August 29, 2016

## Town of LaGrange, New York

### Management's Discussion and Analysis December 31, 2015

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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, 2015. 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 2015

- On the government-wide financial statements, the Town had net position (assets exceeding liabilities) of \$18,377,641 at calendar year end 2015. Unrestricted net position, which is available to meet the ongoing obligations of the Town totaled \$632,602. The Town's net position increased by \$1,208,609. This is a result of many factors, including the post employment benefit cost expense as actuarially determined in accordance with GASB 45.
- The Town's governmental funds combined ending fund balances (deficits) at December 31, 2015 were \$809,666. The total unassigned fund balances for governmental funds was a deficit of (\$2,771,125) at December 31, 2015. This includes a deficit in the Capital Projects Fund of (\$5,312,868).
- At the end of the current calendar year, unassigned fund balance for the General Fund was \$2,541,743 or 57% of the total General Fund expenditures and other financing uses, exclusive of refunding costs. This is an increase of \$408,270 from fiscal year 2014.
- The Town issued \$2,125,653 in new bond anticipation notes during calendar year ending 2015.
- The Town issued \$3,296,084 in new serial bond debt during the calendar year ending 2015.
- The Town issued \$3,145,000 in refunding bond debt during the calendar year ending 2015.
- The Town maintained its AA2 bond rating during the 2015 fiscal year.
- For the year ended December 31, 2015, the Town implemented the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 68, "Accounting and Financial Reporting for Pensions". This pronouncement established new accounting and financial reporting requirements associated with the Town's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS"). Under the new standards, cost-sharing employers are required to report in their government-wide

financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At December 31, 2015, the Town reported in its Statement of Net Position a liability of \$253,016 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, 2015 was \$18,377,641. Approximately 14% of the Town's 2015 net position are restricted for various purposes (debt service, special districts 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**

	December 31, 2015	December 31, 2014
Current Assets	\$ 8,478,423	\$ 9,857,427
Capital Assets, Net	32,896,665	31,460,919
Total Assets	41,375,088	41,318,346
Current Liabilities	7,847,443	11,451,964
Long-Term Liabilities	15,379,718	12,636,622
Total Liabilities	23,227,161	24,088,586
<b>Net Position</b>		
Net Investment in Capital Assets	15,238,150	14,154,404
Restricted	2,506,889	2,491,738
Unrestricted	632,602	583,618
Total Net Position	\$ 18,377,641	\$ 17,229,760

Restricted assets, which represent resources that are subject to external constraints on how they may be used, are approximately 14% of the total net position. The unrestricted net position may be used to meet the Town's ongoing financial obligations. This amount is \$632,602 at December 31, 2015.

In 2015, The Town's net position, which relate solely to governmental activities, increased by \$1,208,609 and are discussed in the next section.

Governmental Activities - account for the increase in the Town's net position. A summary of the Town's change in net position, at December 31, 2015 is as follows:

**Changes in Net Position  
Year Ended December 31,**

	December 31, 2015	December 31, 2014
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 2,042,199	\$ 1,809,919
Operating Grants and Contributions	281,111	291,779
Capital Grants and Contributions	4,638	4,196
General Revenues		
Real Property Taxes	6,795,548	6,514,183
Other Tax Items	59,983	68,207
Non-Property Taxes	1,068,454	1,089,962
Unrestricted Use of Money and Property	6,589	6,121
Sale of Property and Compensation for Loss	19,517	18,810
State Aid - unrestricted	469,975	425,568
Miscellaneous	53,664	29,324
Total Revenues	<u>10,801,678</u>	<u>10,258,069</u>
<b>PROGRAM EXPENSES</b>		
General Government Support	2,060,136	1,932,609
Public Safety	27,682	32,643
Health	4,745	4,963
Transportation	3,410,501	3,371,316
Economic Opportunity and Development	10,445	21,695
Culture and Recreation	1,665,448	1,644,066
Home and Community Services	1,986,254	2,351,020
Interest	427,858	402,355
Total Expenses	<u>9,593,069</u>	<u>9,760,667</u>
Change in Net Position	<u>1,208,609</u>	<u>496,402</u>
<b>NET POSITION</b>		
Beginning of Year, as reported	17,229,760	16,733,358
Prior Period Adjustment	<u>(60,728)</u>	<u>-</u>
Beginning of Year, as restated	<u>17,169,032</u>	<u>16,733,358</u>
End of Year	<u><u>\$ 18,377,641</u></u>	<u><u>\$ 17,229,760</u></u>

The major revenue categories are: Real Property Taxes 63%, Non-Property Taxes 10%, Charges for Services 19%, State Aid 4%, and Operating Grants and Contribution 3%. The major expenditure categories are: Transportation 36%, General Government Support 21%, Culture and Recreation 17%, and Home and Community Services 21%.

### **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 \$6,122,534 (exclusive of Capital Projects deficit of \$5,312,868) and \$5,705,080 (exclusive of Capital Projects deficit of \$7,152,678) at December 31, 2015 and 2014, respectively. Approximately \$2,541,743, or about 42% of the 2015 total constitutes unassigned fund balance. The remaining fund balance is not available for new spending, because it has been committed for 2015: non-spendable \$66,408, restricted \$381,915, assigned \$3,132,468.

The General Fund is the Town's primary operating fund. At the end of the calendar year, the unassigned fund balance was \$2,541,743 and the total fund balance was \$2,619,551. 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 59% and the total fund balance represents approximately 60% of General Fund expenditures and other financing uses, exclusive of refunding costs.

The fund balance in the Town's General Fund increased by \$368,593 during the current calendar year. The primary reason for the increase was an increase in program charges revenue and a decrease in employee benefits expenditures.

The fund balance in the Town's Highway Fund increased by \$14,054 during the current calendar year. The primary reason for the fund balance increase was an increase in real property taxes.

### **General Fund Budgetary Highlights**

The difference between the original and final budgets for revenues and other financing sources is \$3,493,795 with the final amended budget more than the original budget. The increase relates to departmental income (increase \$3,201), use of money and property (decrease \$2), fines and forfeitures (decrease \$18,743), sale of property and compensation for loss (increase \$12,085), state aid (increase \$4,906), miscellaneous income (increase \$40,820), refunding bonds issued (increase \$3,145,000), issuance premium (increase \$232,314), and transfers in from Capital Projects Fund (increase \$74,214).

The difference between the original and final budgets for expenditures and other financing uses is \$5,361,663 with the final amended budget more than the original budget. The differences relate to General Government Support (increase \$84,720), Transportation (increase \$10,689), Economic opportunity and development (increase \$500), Culture and Recreation (increase \$128,333), Home and Community Services (increase \$22,557), Employee Benefits (decrease \$57,706), Debt Service (increase \$82,645), payment to refunded bond escrow agent (increase \$3,300,457), and transfer out to Capital Projects Fund (\$1,789,468).

### **Capital Assets and Debt Administration**

Capital Assets – The Town's investment in capital assets for governmental activities at December 31, 2015 was \$32,896,665 net of accumulated depreciation of \$10,997,271. 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, 2014

	2015	2014	Difference
Land	\$ 1,519,066	\$ 1,519,066	\$ -
Construction-in-progress	1,082,658	118,624	964,034
Buildings and Improvements	1,025,076	1,092,034	(66,958)
Machinery and Equipment	1,934,805	1,657,468	277,337
Infrastructure	27,335,060	27,073,727	261,333
<b>Total Capital Assets</b>	<b>\$ 32,896,665</b>	<b>\$ 31,460,919</b>	<b>\$ 1,435,746</b>

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

Outstanding Debt - at the end of calendar year 2014, the Town had a total of \$12,308,084 of bonded debt outstanding and \$7,180,181 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 \$130,303,942 and the Town has consumed 8.52% 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 resident 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 3.1% in 2015 and 2014.

While revenues were limited by the property tax increase, expenses such as health insurance premiums and worker's compensation insurance increased significantly. All of these factors were considered by management in preparing the Town's 2016 budget, which contained a very small increase over the 2015 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.

**Town of LaGrange, New York**

Statement of Net Position

December 31, 2015

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 7,587,922
Receivables	
Accounts	417,661
State and Federal aid	86,296
Due from other governments	320,136
Prepaid expenses	66,408
Capital assets	
Not being depreciated	2,601,724
Being depreciated, net	<u>30,294,941</u>
Total Assets	<u>41,375,088</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>452,348</u>
<b>LIABILITIES</b>	
Accounts payable	159,405
Accrued liabilities	45,793
Due to other governments	1,577
Due to retirement system	281,801
Bond anticipation notes payable	7,180,181
Accrued interest payable	178,686
Non-current liabilities	
Due within one year	1,272,796
Due in more than one year	<u>14,329,556</u>
Total Liabilities	<u>23,449,795</u>
<b>NET POSITION</b>	
Net investment in capital assets	15,238,150
Restricted for	
Debt service	89,223
Special districts	2,124,974
Special purpose	292,692
Unrestricted	<u>632,602</u>
Total Net Position	<u>\$ 18,377,641</u>

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

**Town of LaGrange, New York**

Statement of Activities  
Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 2,060,136	\$ 31,923	\$ -	\$ -
Public safety	27,682	260,844	4,907	-
Health	4,745	-	-	-
Transportation	3,410,501	49,471	275,954	-
Economic opportunity and development	10,445	-	-	-
Culture and recreation	1,665,448	221,087	-	-
Home and community services	1,986,254	1,478,874	250	4,638
Interest	427,858	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 9,593,069</b>	<b>\$ 2,042,199</b>	<b>\$ 281,111</b>	<b>\$ 4,638</b>

General revenues

Real property taxes

Other tax items

Interest and penalties on real property taxes

Non-property taxes

Franchise fees

Non-property tax distribution from County

Unrestricted use of money and property

Sale of property and compensation for loss

Unrestricted State aid

Miscellaneous

Total General Revenues

Change in Net Position

**NET POSITION**

Beginning, as reported

Cumulative Effect of Change in Accounting Principle

Beginning, as restated

Ending

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

<u>Net (Expense)</u>	
<u>Revenue and</u>	
<u>Changes in</u>	
<u>Net Position</u>	
\$	(2,028,213)
	238,069
	(4,745)
	(3,085,076)
	(10,445)
	(1,444,361)
	(502,492)
	(427,858)
	<u>(7,265,121)</u>
	6,795,548
	59,983
	260,152
	808,302
	6,589
	19,517
	469,975
	53,664
	<u>8,473,730</u>
	<u>1,208,609</u>
	17,229,760
	<u>(60,728)</u>
	<u>17,169,032</u>
\$	<u><u>18,377,641</u></u>

**Town of LaGrange, New York**

Balance Sheet  
 Governmental Funds  
 December 31, 2015

	<u>General</u>	<u>Highway</u>	<u>Special Districts</u>	<u>Special Purpose</u>
<b>ASSETS</b>				
Cash and equivalents	\$ 2,203,411	\$ 1,146,913	\$ 2,066,099	\$ 295,585
Receivables				
Accounts	177,383	32	240,246	-
State and Federal aid	86,296	-	-	-
Due from other governments	320,136	-	-	-
Due from other funds	3,512	625	641	-
	<u>587,327</u>	<u>657</u>	<u>240,887</u>	<u>-</u>
Prepaid expenditures	<u>66,408</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<b><u>\$ 2,857,146</u></b>	<b><u>\$ 1,147,570</u></b>	<b><u>\$ 2,306,986</u></b>	<b><u>\$ 295,585</u></b>
<b>LIABILITIES AND FUND BALANCE (DEFICITS)</b>				
Liabilities				
Accounts payable	\$ 46,497	\$ 24,631	\$ 74,986	\$ 2,893
Accrued liabilities	34,460	11,333	-	-
Due to other governments	1,577	-	-	-
Due to retirement system	153,997	127,804	-	-
Due to other funds	1,064	-	5,511	-
Bond anticipation notes payable	-	-	-	-
<b>Total Liabilities</b>	<b><u>237,595</u></b>	<b><u>163,768</u></b>	<b><u>80,497</u></b>	<b><u>2,893</u></b>
Fund balances (deficits)				
Nonspendable	66,408	-	-	-
Restricted	11,400	-	77,823	292,692
Assigned	-	983,802	2,148,666	-
Unassigned	2,541,743	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b><u>2,619,551</u></b>	<b><u>983,802</u></b>	<b><u>2,226,489</u></b>	<b><u>292,692</u></b>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<b><u>\$ 2,857,146</u></b>	<b><u>\$ 1,147,570</u></b>	<b><u>\$ 2,306,986</u></b>	<b><u>\$ 295,585</u></b>

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

Capital Projects	Total Governmental Funds
\$ 1,875,914	\$ 7,587,922
-	417,661
-	86,296
-	320,136
2,038	6,816
2,038	830,909
-	66,408
<u>\$ 1,877,952</u>	<u>\$ 8,485,239</u>
\$ 10,398	\$ 159,405
-	45,793
-	1,577
-	281,801
241	6,816
7,180,181	7,180,181
7,190,820	7,675,573
-	66,408
-	381,915
-	3,132,468
(5,312,868)	(2,771,125)
(5,312,868)	809,666
<u>\$ 1,877,952</u>	<u>\$ 8,485,239</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, 2015

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Fund Balances - Total Governmental Funds	\$ 809,666
Amounts reported for governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>32,896,665</u>
Governmental funds report the effect of losses on refunding bonds and assets or liabilities related to net pension liability whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on refunding bonds	(107,197)
Deferred amounts on net pension liability	<u>336,911</u>
	<u>229,714</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(178,686)
Bonds payable	(12,308,084)
Capital lease payable	(109,563)
Landfill closure costs	(104,623)
Compensated absences	(145,546)
Net pension liability	(253,016)
Other post employment benefit obligations payable	<u>(2,458,886)</u>
	<u>(15,558,404)</u>
Net Position of Governmental Activities	<u>\$ 18,377,641</u>

The notes to the 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, 2015

	General	Highway	Special Districts	Special Purpose
<b>REVENUES</b>				
Real property taxes	\$ 2,094,492	\$ 3,264,096	\$ 1,436,960	\$ -
Other tax items	59,540	-	443	-
Non-property taxes	1,068,454	-	-	-
Departmental income	437,900	-	1,018,109	-
Use of money and property	6,589	3,267	25,108	528
Licenses and permits	149,278	3,600	-	-
Fines and forfeitures	255,019	-	-	-
Sale of property and compensation for loss	19,517	22,574	11,250	-
Interfund revenues	82,600	14,880	-	-
State aid	474,882	275,954	-	-
Miscellaneous	53,914	20,008	95,558	-
<b>Total Revenues</b>	<b>4,702,185</b>	<b>3,604,379</b>	<b>2,587,428</b>	<b>528</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,465,437	3,687	-	-
Public safety	21,877	-	-	-
Health	3,000	-	-	-
Transportation	209,808	2,513,224	22,253	-
Economic opportunity and development	23,635	-	-	-
Culture and recreation	1,362,087	-	-	-
Home and community services	273,292	-	987,138	-
Employee benefits	707,789	738,420	-	-
Debt service				
Principal	98,767	114,839	891,667	-
Interest	62,725	51,200	286,847	-
Refunding bond issuance costs	76,857	-	-	-
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>4,305,274</b>	<b>3,421,370</b>	<b>2,187,905</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>396,911</b>	<b>183,009</b>	<b>399,523</b>	<b>528</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	-	-	-
Refunding bonds issued	3,145,000	-	-	-
Payment to refunded bond escrow agent	(3,300,457)	-	-	-
Issuance premium	232,314	-	-	-
Transfers in	84,625	-	82	-
Transfers out	(189,800)	(168,955)	(291,113)	(74,213)
<b>Total Other Financing Sources (Uses)</b>	<b>(28,318)</b>	<b>(168,955)</b>	<b>(291,031)</b>	<b>(74,213)</b>
<b>Net Change in Fund Balances</b>	<b>368,593</b>	<b>14,054</b>	<b>108,492</b>	<b>(73,685)</b>
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	2,250,958	969,748	2,117,997	366,377
End of Year	\$ 2,619,551	\$ 983,802	\$ 2,226,489	\$ 292,692

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

Capital Projects	Total Governmental Funds
\$ -	\$ 6,795,548
-	59,983
-	1,068,454
-	1,456,009
-	35,492
-	152,878
-	255,019
-	53,341
-	97,480
-	750,836
4,638	174,118
4,638	10,899,158
-	1,469,124
-	21,877
-	3,000
-	2,745,285
-	23,635
-	1,362,087
-	1,260,430
-	1,446,209
-	1,105,273
-	400,772
-	76,857
2,100,286	2,100,286
2,100,286	12,014,835
(2,095,648)	(1,115,677)
3,296,084	3,296,084
-	3,145,000
-	(3,300,457)
-	232,314
649,868	734,575
(10,494)	(734,575)
3,935,458	3,372,941
1,839,810	2,257,264
(7,152,678)	(1,447,598)
\$ (5,312,868)	\$ 809,666

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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, 2015

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

Net Change in Fund Balances - Total Governmental Funds \$ 2,257,264

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	2,144,972
Depreciation expense	<u>(709,226)</u>
	<u>1,435,746</u>

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but 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.

Refunding bonds issued	(3,145,000)
Issuance premium	(232,314)
Payment to refunded bond escrow agent	3,300,457
Amortization of premium and loss on refunding bonds	4,661
Bonds issued	(3,296,084)
Principal paid on bonds	1,053,893
Principal paid on capital lease	<u>51,380</u>
	<u>(2,263,007)</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	(31,747)
Compensated absences	(11,579)
Pension liability	144,623
Landfill closure cost	2,983
Other post employment benefit obligations	<u>(325,674)</u>
	<u>(221,394)</u>

Change in Net Position of Governmental Activities \$ 1,208,609

The notes to the 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, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,094,488	\$ 2,094,488	\$ 2,094,492	\$ 4
Other tax items	60,000	60,000	59,540	(460)
Non-property taxes	950,000	950,000	1,068,454	118,454
Departmental income	371,800	375,001	437,900	62,899
Use of money and property	5,000	4,998	6,589	1,591
Licenses and permits	121,700	121,700	149,278	27,578
Fines and forfeitures	218,743	200,000	255,019	55,019
Sale of property and compensation for loss	-	12,085	19,517	7,432
Interfund revenues	78,005	78,005	82,600	4,595
State aid	406,439	411,345	474,882	63,537
Miscellaneous	-	40,820	53,914	13,094
<b>Total Revenues</b>	<b>4,306,175</b>	<b>4,348,442</b>	<b>4,702,185</b>	<b>353,743</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,420,248	1,504,968	1,465,437	39,531
Public safety	24,844	24,844	21,877	2,967
Health	3,000	3,000	3,000	-
Transportation	200,130	210,819	209,808	1,011
Economic opportunity and development	25,400	25,900	23,635	2,265
Culture and recreation	1,254,661	1,382,994	1,362,087	20,907
Home and community services	291,297	313,854	273,292	40,562
Employee benefits	771,600	713,894	707,789	6,105
Debt service				
Principal	98,769	98,769	98,767	2
Interest	60,028	65,816	62,725	3,091
Refunding bond issuance costs	-	76,857	76,857	-
<b>Total Expenditures</b>	<b>4,149,977</b>	<b>4,421,715</b>	<b>4,305,274</b>	<b>116,441</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>156,198</b>	<b>(73,273)</b>	<b>396,911</b>	<b>470,184</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding bonds issued	-	3,145,000	3,145,000	-
Payment to refunded bond escrow agent	-	(3,300,457)	(3,300,457)	-
Issuance premium	-	232,314	232,314	-
Transfers in	10,400	84,614	84,625	11
Transfers out	(186,598)	(1,976,066)	(189,800)	1,786,266
<b>Total Other Financing Uses</b>	<b>(176,198)</b>	<b>(1,814,595)</b>	<b>(28,318)</b>	<b>1,786,277</b>
<b>Net Change in Fund Balances</b>	<b>(20,000)</b>	<b>(1,887,868)</b>	<b>368,593</b>	<b>2,256,461</b>
<b>FUND BALANCES</b>				
Beginning of Year	20,000	1,887,868	2,250,958	363,090
End of Year	\$ -	\$ -	\$ 2,619,551	\$ 2,619,551

The notes to the 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)
\$ 3,264,096	\$ 3,264,096	\$ 3,264,096	\$ -	\$ 1,436,960	\$ 1,436,960	\$ 1,436,960	\$ -
-	-	-	-	-	-	443	443
-	-	-	-	-	-	-	-
-	-	-	-	944,985	961,235	1,018,109	56,874
3,000	3,001	3,267	266	-	3,987	25,108	21,121
4,000	4,000	3,600	(400)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	22,574	22,574	-	11,250	11,250	-
20,000	20,000	14,880	(5,120)	-	-	-	-
231,247	275,954	275,954	-	-	-	-	-
-	18,867	20,008	1,141	-	-	95,558	95,558
<u>3,522,343</u>	<u>3,585,918</u>	<u>3,604,379</u>	<u>18,461</u>	<u>2,381,945</u>	<u>2,413,432</u>	<u>2,587,428</u>	<u>173,996</u>
3,800	3,800	3,687	113	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,438,775	2,593,077	2,513,224	79,853	26,100	26,100	22,253	3,847
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,016,347	1,132,711	987,138	145,573
750,400	756,601	738,420	18,181	-	-	-	-
114,839	114,839	114,839	-	871,668	891,704	891,667	37
55,574	68,241	51,200	17,041	329,677	286,182	286,847	(665)
-	-	-	-	-	-	-	-
<u>3,363,388</u>	<u>3,536,558</u>	<u>3,421,370</u>	<u>115,188</u>	<u>2,243,792</u>	<u>2,336,697</u>	<u>2,187,905</u>	<u>148,792</u>
158,955	49,360	183,009	133,649	138,153	76,735	399,523	322,788
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	82	82
(168,955)	(168,955)	(168,955)	-	(273,766)	(292,138)	(291,113)	1,025
<u>(168,955)</u>	<u>(168,955)</u>	<u>(168,955)</u>	<u>-</u>	<u>(273,766)</u>	<u>(292,138)</u>	<u>(291,031)</u>	<u>1,107</u>
(10,000)	(119,595)	14,054	133,649	(135,613)	(215,403)	108,492	323,895
10,000	119,595	969,748	850,153	135,613	215,403	2,117,997	1,902,594
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 983,802</u>	<u>\$ 983,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,226,489</u>	<u>\$ 2,226,489</u>

**Town of LaGrange, New York**

Statement of Assets and Liabilities  
Fiduciary Fund  
December 31, 2015

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	<u>Agency</u>
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 820,902</u>
<b>LIABILITIES</b>	
Deposits payable	<u>\$ 820,902</u>

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

## Town of LaGrange, New York

Notes to Financial Statements  
December 31, 2015

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

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

Special Districts Fund - The Special Districts Fund is provided 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.

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

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.

- 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. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability, landfill closure costs and other post employment 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.

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

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

**Deposits and Risk Disclosure**

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

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

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

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2015.

**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 of town, highway and special districts taxes from the total collections and returns the balance plus the uncollected items to the 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, 2015, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption methods in both the government wide and the 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 years 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 two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (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.

<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 funds balance sheet.

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

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

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

The Town reported deferred inflows of resources of \$115,437 for a deferred loss on the refunding bonds in the government-wide Statement of Net Position. This amount 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 refunded debt.

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

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

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

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated 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 its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes net investment in

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

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.

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 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.

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

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 August 29, 2016.

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

**A. Budgetary Data**

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

- a) 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.

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

- 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.

**B. Property Tax Limitation**

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

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

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

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

**C. Fund Deficits**

The following sub funds in the Special Districts Fund had assigned fund deficits at December 31, 2015:

	<u>Amount</u>
Sleight Frank Farms Sewer District	\$ 8,821
Mapleview Water District	4,102
Titusville Water District	3,474

The Town will address these deficits in the ensuing year.

**D. Expenditures in Excess of Budget**

The following functional expenditures categories of the Special Districts Funds exceeded their budgetary authorization by the amounts indicated:

Debt Service- Interest	\$665
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**E. Capital Projects Fund Deficit**

The unassigned deficit in the Capital Projects Fund of \$5,312,868 arises because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance 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. This deficit will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

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

For the year ended December 31, 2015, the Town implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date". These statements seek to improve accounting and financial reporting by state and local governments for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows/inflows of resources and expenses/expenditures. These statements also require the identification of the

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. As a result of adopting these standards, the district-wide financial statements reflect a cumulative effect for the change in accounting principle of (\$60,728).

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

**A. Due From/To Other Funds**

The balances reflected as due from/to other funds at December 31, 2015 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund	\$ 3,512	\$ 1,064
Highway Fund	625	-
Special Districts Fund	641	5,511
Capital Projects Fund	2,038	241
	<u>\$ 6,816</u>	<u>\$ 6,816</u>

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

**B. Capital Assets**

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

<u>Class</u>	<u>Balance January 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2015</u>
Capital Assets, not being depreciated				
Land	\$ 1,519,066	\$ -	\$ -	\$ 1,519,066
Construction-in-progress	118,624	980,284	16,250	1,082,658
Total Capital Assets, not being depreciated	<u>\$ 1,637,690</u>	<u>\$ 980,284</u>	<u>\$ 16,250</u>	<u>\$ 2,601,724</u>
Capital Assets, being depreciated				
Buildings and improvements	\$ 2,874,986	\$ -	\$ -	\$ 2,874,986
Machinery and equipment	5,125,657	594,034	133,176	5,586,515
Infrastructure	32,243,807	586,904	-	32,830,711
Total Capital Assets, being depreciated	<u>40,244,450</u>	<u>1,180,938</u>	<u>133,176</u>	<u>41,292,212</u>
Less Accumulated Depreciation for				
Building and improvements	1,782,952	66,958	-	1,849,910
Machinery and equipment	3,468,189	316,697	133,176	3,651,710
Infrastructure	5,170,080	325,571	-	5,495,651
Total Accumulated Depreciation	<u>10,421,221</u>	<u>709,226</u>	<u>133,176</u>	<u>10,997,271</u>
Total Capital Assets, being depreciated, net	<u>\$ 29,823,229</u>	<u>\$ 471,712</u>	<u>\$ -</u>	<u>\$ 30,294,941</u>
Capital Assets, net	<u>\$ 31,460,919</u>	<u>\$ 1,451,996</u>	<u>\$ 16,250</u>	<u>\$ 32,896,665</u>

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

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

General Government Support	\$ 20,497
Transportation	48,086
Culture and Recreation	79,717
Home and Community Services	<u>560,926</u>
Total Depreciation Expense	<u>\$ 709,226</u>

**C. Accrued Liabilities**

Accrued liabilities at December 31, 2015 were as follows:

	Fund		
	General	Highway	Total
Payroll and Employee Benefits	<u>\$ 34,460</u>	<u>\$ 11,333</u>	<u>\$ 45,793</u>

**D. Short-Term Capital Borrowings**

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2015	Issued	Redemptions	Balance December 31, 2015
Capital construction							
Various improvements	2013	12/15/2016	0.94 %	\$ 1,879,896	\$ 1,209,000	\$ 125,393	\$ 2,963,503
Various improvements	2013	3/26/2016	1.00	6,048,691	-	2,864,045	3,184,646
Road reconstruction	2014	-	-	430,000	-	430,000	-
Highway/parks equipment	2014	3/26/2016	1.00	638,691	-	523,312	115,379
Road reconstruction	2015	3/25/2016	1.90	-	370,000	-	370,000
Highway equipment	2015	3/25/2016	1.95	-	546,653	-	546,653
				8,997,278	2,125,653	3,942,750	7,180,181
Other							
Renewal note	2014	-	-	1,810,866	-	1,810,866	-
				<u>\$ 10,808,144</u>	<u>\$ 2,125,653</u>	<u>\$ 5,753,616</u>	<u>\$ 7,180,181</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, 2015

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

Interest expenditures were recorded in the fund financial statements in the following funds:

<u>Fund</u>	<u>Amount</u>
General	\$ 30,676
Special Districts	59,641
Highway	19,738
	<u>\$ 110,055</u>

Interest expense of \$89,752 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, 2015:

	Balance as Reported January 1, 2015	Cumulative Effect of Change in Accounting Principle	Balance, as Restated January 1 2015	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2015	Due Within One Year
Bonds Payable	\$ 10,100,894	-	10,100,894	\$ 6,441,084	\$ 4,233,894	\$ 12,308,084	\$ 1,202,084
Plus							
Unamortized premium on bonds	-	-	-	232,314	9,680	222,634	-
	10,100,894	-	10,100,894	6,673,398	4,243,574	12,530,718	1,202,084
Other Non-Current Liabilities							
Capital Lease Payable	160,943	-	160,943	-	51,380	109,563	53,615
Compensated Absences	133,967	-	133,967	24,579	13,000	145,546	14,000
Net Pension Liability	-	338,443	338,443	-	85,427	253,016	-
Landfill Closure Costs	107,606	-	107,606	-	2,983	104,623	3,097
Other Post Employment Benefit Obligations Payable	2,133,212	-	2,133,212	430,924	105,250	2,458,886	-
	<u>\$ 12,636,622</u>	<u>338,443</u>	<u>12,975,065</u>	<u>\$ 7,128,901</u>	<u>\$ 4,501,614</u>	<u>\$ 15,602,352</u>	<u>\$ 1,272,796</u>

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

**Bonds Payable**

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

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at December 31, 2015</u>
Refunding Serial Bond	2015	\$ 3,145,000	March, 2026	2.00 - 4.00 %	\$ 3,125,000
Public Improvements	2015	3,296,084	December, 2032	2.00 - 5.00	3,296,084
Refunding Serial Bond	2012	7,305,000	April, 2025	2.00 - 3.00	5,495,000
Landfill Closure	2007	360,000	November, 2017	5.09	72,000
Highway - Road Reconstruction 2007	2007	200,000	October, 2017	4.50	40,000
Highway - Road Reconstruction 2006	2006	300,000	October, 2016	4.06	30,000
Public Improvements	2006	5,176,500	March, 2026	3.75 - 4.00	250,000
					<u>\$ 12,308,084</u>

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

Interest expenditures of \$283,716 were recorded in the fund financial statements in the following funds.

<u>Fund</u>	<u>Amount</u>
General	\$ 31,839
Special Districts	227,206
Highway	<u>24,671</u>
	<u>\$ 283,716</u>

Interest expense of \$331,105 was recorded in the government-wide financial statements.

**Advance Refunding**

During 2015, the Town issued \$3,145,000 in serial bonds with an interest rate of 1.59%. The proceeds were used to advance refund \$3,180,000 of an outstanding 2006 public works serial bond bearing interest at rates ranging from 3.75% to 4.00%. The net proceeds of \$3,300,457 (including \$232,314 of issuance premium and after \$76,857 in underwriting fees and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the 2006 serial bond is considered defeased and the liability for that serial bond has been removed from the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$120,456. This amount and the premium are being amortized over the remaining life of the refunded debt. The Town advance refunded the 2006 serial bond to reduce its total debt service payments by \$264,129 and to obtain a net present value economic gain of \$239,036. As of December 31, 2015, \$3,180,000 of the bonds is considered defeased.

**Capital Lease Payable**

In 2008, The Town entered into a 10 year capital lease agreement for recreational equipment which provided for total annual payments of \$58,381 including interest at 4.35% through the lease maturity date in April 2017.

Interest expense/expenditures for the capital lease agreement aggregated \$7,001 and was recorded in the fund financial statements in the General Fund for \$210 and the Highway Fund for \$6,791 and the government-wide financial statements.

## Town of LaGrange, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

#### Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2015, including interest payments of \$1,991,728 are as follows:

Year Ending December 31,	Bonds		Capital Lease		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 1,202,084	\$ 377,108	\$ 53,615	\$ 4,766	\$ 1,255,699	\$ 381,874
2017	1,166,000	275,314	55,948	2,434	1,221,948	277,748
2018	995,000	239,032	-	-	995,000	239,032
2019	995,000	211,082	-	-	995,000	211,082
2020	1,000,000	185,382	-	-	1,000,000	185,382
2021-2025	5,080,000	539,767	-	-	5,080,000	539,767
2026-2030	1,405,000	142,962	-	-	1,405,000	142,962
2031-2032	465,000	13,881	-	-	465,000	13,881
	<u>\$ 12,308,084</u>	<u>\$ 1,984,528</u>	<u>\$ 109,563</u>	<u>\$ 7,200</u>	<u>\$ 12,417,647</u>	<u>\$ 1,991,728</u>

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

#### Pension Plans

##### *New York State and Local Retirement System*

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2016 are as follows:

<u>Tier/Plan</u>	<u>Rate</u>
4 A15	18.8%
5 A15	15.5
6 A15	10.5

At December 31, 2015, the Town reported a liability of \$253,016 for its proportionate share of the net pension liability of ERS. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At December 31, 2015, the Town's proportion was .0074896% for ERS. For this first year of implementation, the System reported no change in the allocation percentage measured as of March 31, 2014.

For the year ended December 31, 2015, the Town recognized pension expense in the government-wide financial statements of \$229,749 for ERS. Pension expenditures of \$374,372 for ERS were recorded in the fund financial statements and were charged to the following funds:

General Fund	\$ 203,059
Highway Fund	<u>171,313</u>
	<u>\$ 374,372</u>

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

	<u>ERS Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 8,099
Net difference between projected and actual earnings on pension plan investments	43,946
Changes in proportion and differences between Town contributions and proportionate share of contributions	3,065
Town contributions subsequent to the measurement date	<u>281,801</u>
	<u>\$ 336,911</u>

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

\$281,801 is reported as deferred outflows of resources related to ERS resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	<u>ERS</u>
2016	\$ 13,778
2017	13,778
2018	13,778
2019	13,776

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

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

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

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

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

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

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

The discount rate used to calculate the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Current Assumption (7.5%)</u>	<u>1% Increase (8.5%)</u>
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 1,686,461</u>	<u>\$ 253,016</u>	<u>\$ (957,167)</u>

## Town of LaGrange, New York

Notes to Financial Statements (Continued)  
December 31, 2015

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

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

	<u>ERS</u>
Total pension liability	\$ 164,591,504,000
ERS fiduciary net position	<u>161,213,259,000</u>
Employers' net pension liability	<u>\$ 3,378,245,000</u>
ERS fiduciary net position as a percentage of total pension liability	<u>97.9%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of December 31, 2015 represent the employer contribution for the period of April 1, 2015 through December 31, 2015 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2015 were \$281,801.

#### *Voluntary Defined Contribution Plan*

The Town also offers 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 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, the Village of Wappingers Falls, and the Town of Wappinger, as well as the Town of LaGrange. 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 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

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

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 of LaGrange's share is 9.5%. Initial funding came from the issuance of debt by each municipality. The Town of LaGrange 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 30 years, are estimated to be approximately \$1,163,000, with the Town's remaining share being \$104,623 at December 31, 2015.

**Other Post Employment Benefit Obligations Payable**

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing other post employment benefit obligations payable is shared between the Town and the retired employees. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. The cost of other post employment benefit obligations payable is recognized as an expenditure in the fund financial statements as claims are paid.

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

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

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

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

Fiscal Year	Health	Pharmacy	Dental	Vision
2015	7.00 %	7.00 %	3.00 %	3.00 %
2016	6.00	6.00	3.00	3.00
2017	5.50	5.50	3.00	3.00
2018	5.30	5.30	3.00	3.00
2019	5.20	5.20	3.00	3.00
2020	5.20	5.20	3.00	3.00
2021	5.20	5.20	3.00	3.00
2022	5.20	5.20	3.00	3.00
2023 +	4.70	4.70	3.00	3.00

The amortization basis is the level dollar of payroll method with an open amortization approach with 23 years remaining in the amortization period. The actuarial assumptions included a 3.0% annual discount rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the level percentage of payroll.

The number of participants as of January 1, 2015 was as follows:

Active Employees	42
Retired Employees and Dependents	<u>20</u>
Total	<u><u>62</u></u>
Amortization Component:	
Actuarial Accrued Liability as of January 1, 2015	\$ 4,809,468
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability ("UAAL")	<u><u>\$ 4,809,468</u></u>
Funded Ratio	<u><u>0.00%</u></u>
Covered Payroll (Active plan members)	<u><u>\$ 2,301,700</u></u>
UAAL as a Percentage of Covered Payroll	<u><u>208.95%</u></u>
Annual Required Contribution	\$ 457,236
Interest on Net OPEB Obligation	63,998
Adjustment to Annual Required Contribution	<u>(90,310)</u>
Annual OPEB Cost	430,924
Contributions Made	<u>(105,250)</u>
Increase in Net OPEB Obligation	325,674
Net OPEB Obligation - Beginning of Year	<u>2,133,212</u>
Net OPEB Obligation - End of Year	<u><u>\$ 2,458,886</u></u>

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

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

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 430,924	24.42 %	\$ 2,458,886
2014	425,992	23.21	2,133,212
2013	519,143	17.63	1,806,094

The Schedule of funding progress for the OPEB plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

**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	Special Districts Fund	Capital Projects Fund	
General Fund	\$ -	\$ -	\$ 189,800	\$ 189,800
Capital Projects Fund	10,412	82	-	10,494
Highway Fund	-	-	168,955	168,955
Special Districts Fund	-	-	291,113	291,113
Special Purpose Fund	74,213	-	-	74,213
	<u>\$ 84,625</u>	<u>\$ 82</u>	<u>\$ 649,868</u>	<u>\$ 734,575</u>

Transfers are used to move 1) move funds from the fund with collection authorization to the funds where additional amounts are needed and 2) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures.

**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.

**Town of LaGrange, New York**

Notes to Financial Statements (Continued)  
December 31, 2015

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

*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.

*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, 2015

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

**H. Fund Balances**

	2015						2014					
	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	\$ 66,408	\$ -	\$ -	\$ -	\$ -	\$ 66,408	\$ 88,846	\$ -	\$ 556	\$ -	\$ -	\$ 89,402
Restricted												
Special purpose	-	-	-	292,692	-	292,692	-	-	-	366,377	-	366,377
Debt service	11,400	-	77,823	-	-	89,223	8,639	-	103,713	-	-	112,352
Total Restricted	11,400	-	77,823	292,692	-	381,915	8,639	-	103,713	366,377	-	478,729
Assigned												
Subsequent year's expenditures	-	-	31,744	-	-	31,744	20,000	10,000	125,613	-	-	155,613
Major Funds	-	983,802	2,116,922	-	-	3,100,724	-	959,748	1,888,115	-	-	2,847,863
Total Assigned	-	983,802	2,148,666	-	-	3,132,468	20,000	969,748	2,013,728	-	-	3,003,476
Unassigned	2,541,743	-	-	-	(5,312,868)	(2,771,125)	2,133,473	-	-	-	(7,152,678)	(5,019,205)
Total Fund Balances	\$ 2,619,551	\$ 983,802	\$ 2,226,489	\$ 292,692	\$ (5,312,868)	\$ 809,666	\$ 2,250,958	\$ 969,748	\$ 2,117,997	\$ 366,377	\$ (7,152,678)	\$ (1,447,598)

**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.

Subsequent years' expenditures represent that at December 31, 2015, 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.

**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 2015. 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 Single Audit Act. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

**Note 5 - Subsequent Events**

The Town, in March 2016, renewed a bond anticipation notes in the amount of \$3,946,430. The notes are due on March 24, 2017, with interest at .73%.

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**Town of LaGrange, New York**

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

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2015	\$ -	\$ 4,809,468	\$ 4,809,468	- %	\$ 2,301,700	208.95 %
January 1, 2014	-	4,809,468	4,809,468	-	2,186,195	219.99
January 1, 2013	-	5,381,758	5,381,758	-	2,512,212	214.22

**Town of LaGrange, New York**

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

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	<u>2015</u>
Town's proportion of the net pension liability (asset)	<u>0.0074896%</u>
Town's proportionate share of the net pension liability (asset)	<u>\$ 253,016</u>
Town's covered-employee payroll	<u>\$ 2,183,346</u>
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	<u>11.59%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>97.90%</u>

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

**Town of LaGrange, New York**

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

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	<u>2015</u>
Contractually required contribution	\$ 375,348
Contributions in relation to the contractually required contribution	<u>(375,348)</u>
Contribution deficiency (excess)	<u>\$ -</u>
Town's covered-employee payroll	<u>\$ 2,329,679</u>
Contributions as a percentage of covered-employee payroll	<u>16.11%</u>

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

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**Town of LaGrange, New York**

General Fund  
Comparative Balance Sheet  
December 31,

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 2,203,411	\$ 1,842,958
Receivables		
Accounts	177,383	171,292
State and Federal aid	86,296	91,240
Due from other governments	320,136	310,538
Due from other funds	3,512	56
	<u>587,327</u>	<u>573,126</u>
Prepaid expenditures	<u>66,408</u>	<u>88,846</u>
Total Assets	<u>\$ 2,857,146</u>	<u>\$ 2,504,930</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 46,497	\$ 74,288
Accrued liabilities	34,460	29,883
Due to other governments	1,577	1,585
Due to retirement system	153,997	147,189
Due to other funds	1,064	1,027
Total Liabilities	<u>237,595</u>	<u>253,972</u>
Fund balance		
Nonspendable	66,408	88,846
Restricted	11,400	8,639
Assigned	-	20,000
Unassigned	<u>2,541,743</u>	<u>2,133,473</u>
Total Fund Balance	<u>2,619,551</u>	<u>2,250,958</u>
Total Liabilities and Fund Balance	<u>\$ 2,857,146</u>	<u>\$ 2,504,930</u>

**Town of LaGrange, New York**

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

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,094,488	\$ 2,094,488	\$ 2,094,492	\$ 4
Other tax items	60,000	60,000	59,540	(460)
Non-property taxes	950,000	950,000	1,068,454	118,454
Departmental income	371,800	375,001	437,900	62,899
Use of money and property	5,000	4,998	6,589	1,591
Licenses and permits	121,700	121,700	149,278	27,578
Fines and forfeitures	218,743	200,000	255,019	55,019
Sale of property and compensation for loss	-	12,085	19,517	7,432
Interfund revenues	78,005	78,005	82,600	4,595
State aid	406,439	411,345	474,882	63,537
Miscellaneous	-	40,820	53,914	13,094
<b>Total Revenues</b>	<b>4,306,175</b>	<b>4,348,442</b>	<b>4,702,185</b>	<b>353,743</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,420,248	1,504,968	1,465,437	39,531
Public safety	24,844	24,844	21,877	2,967
Health	3,000	3,000	3,000	-
Transportation	200,130	210,819	209,808	1,011
Economic opportunity and development	25,400	25,900	23,635	2,265
Culture and recreation	1,254,661	1,382,994	1,362,087	20,907
Home and community services	291,297	313,854	273,292	40,562
Employee benefits	771,600	713,894	707,789	6,105
Debt service				
Principal	98,769	98,769	98,767	2
Interest	60,028	65,816	62,725	3,091
Refunding bond issuance costs	-	76,857	76,857	76,857
<b>Total Expenditures</b>	<b>4,149,977</b>	<b>4,421,715</b>	<b>4,305,274</b>	<b>116,441</b>
Excess (Deficiency) of Revenues Over Expenditures	156,198	(73,273)	396,911	470,184
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding bonds issued	-	3,145,000	3,145,000	-
Payment to refunded bond escrow agent	-	(3,300,457)	(3,300,457)	-
Issuance premium	-	232,314	232,314	-
Transfers in	10,400	84,614	84,625	11
Transfers out	(186,598)	(1,976,066)	(189,800)	1,786,266
<b>Total Other Financing Uses</b>	<b>(176,198)</b>	<b>(1,814,595)</b>	<b>(28,318)</b>	<b>1,786,277</b>
<b>Net Change in Fund Balance</b>	<b>(20,000)</b>	<b>(1,887,868)</b>	<b>368,593</b>	<b>2,256,461</b>
<b>FUND BALANCE</b>				
Beginning of Year	20,000	1,887,868	2,250,958	363,090
End of Year	\$ -	\$ -	\$ 2,619,551	\$ 2,619,551

2014			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,014,691	\$ 2,014,691	\$ 2,014,691	\$ -
59,000	59,000	67,207	8,207
935,000	935,000	1,089,962	154,962
353,900	355,610	339,202	(16,408)
5,000	5,000	6,121	1,121
131,000	131,000	128,436	(2,564)
239,593	346,409	211,091	(135,318)
-	17,451	18,810	1,359
78,005	78,005	82,600	4,595
406,439	406,439	425,568	19,129
-	20,563	29,324	8,761
<u>4,222,628</u>	<u>4,369,168</u>	<u>4,413,012</u>	<u>43,844</u>
1,360,134	1,608,113	1,399,871	208,242
24,844	24,931	24,205	726
3,000	3,000	3,000	-
201,172	213,805	204,654	9,151
25,400	24,863	21,695	3,168
1,233,727	1,243,779	1,233,660	10,119
292,693	267,632	264,376	3,256
798,478	721,073	719,106	1,967
100,371	100,371	100,370	1
72,635	51,412	43,180	8,232
-	-	-	-
<u>4,112,454</u>	<u>4,258,979</u>	<u>4,014,117</u>	<u>244,862</u>
<u>110,174</u>	<u>110,189</u>	<u>398,895</u>	<u>288,706</u>
-	-	-	-
-	-	-	-
-	-	-	-
40,000	40,000	108,915	68,915
(175,174)	(175,174)	(174,874)	300
<u>(135,174)</u>	<u>(135,174)</u>	<u>(65,959)</u>	<u>69,215</u>
(25,000)	(24,985)	332,936	357,921
<u>25,000</u>	<u>24,985</u>	<u>1,918,022</u>	<u>1,893,037</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,250,958</u>	<u>\$ 2,250,958</u>

**Town of LaGrange, New York**

General Fund  
 Schedule of Revenues and Other Financing Sources Compared to Budget  
 Year Ended December 31, 2015  
 (With Comparative Actuals for 2014 )

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>REAL PROPERTY TAXES</b>	\$ 2,094,488	\$ 2,094,488	\$ 2,094,492	\$ 4	\$ 2,014,691
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	60,000	60,000	59,540	(460)	67,207
<b>NON-PROPERTY TAXES</b>					
Franchise fees	250,000	250,000	260,152	10,152	260,575
Non-property tax distribution from County	700,000	700,000	808,302	108,302	829,387
	950,000	950,000	1,068,454	118,454	1,089,962
<b>DEPARTMENTAL INCOME</b>					
Tax collector fees	950	950	738	(212)	773
Town Clerk and other fees	4,500	4,500	4,704	204	5,187
Police and dog pound fees	-	-	525	525	475
Safety inspection fees	1,000	1,000	5,300	4,300	1,150
Culture and recreation fees	221,950	221,950	220,559	(1,391)	213,573
Planning board and other fees	96,400	96,400	147,373	50,973	58,073
Other service fees	47,000	50,201	58,701	8,500	59,971
	371,800	375,001	437,900	62,899	339,202
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	5,000	4,998	6,589	1,591	6,121

**LICENSES AND PERMITS**

Dog and other licenses	10,200	10,200	9,864	(336)	9,391
Permits	111,500	111,500	139,414	27,914	119,045
	<u>121,700</u>	<u>121,700</u>	<u>149,278</u>	<u>27,578</u>	<u>128,436</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	<u>218,743</u>	<u>200,000</u>	<u>255,019</u>	<u>55,019</u>	<u>211,091</u>
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**SALE OF PROPERTY AND COMPENSATION FOR LOSS**

Insurance recoveries	<u>-</u>	<u>12,085</u>	<u>19,517</u>	<u>7,432</u>	<u>18,810</u>
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**INTERFUND REVENUES**

	<u>78,005</u>	<u>78,005</u>	<u>82,600</u>	<u>4,595</u>	<u>82,600</u>
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**STATE AID**

Per capita	56,439	56,439	56,439	-	56,439
Mortgage tax	350,000	350,000	413,536	63,536	369,129
Other	<u>-</u>	<u>4,906</u>	<u>4,907</u>	<u>1</u>	<u>-</u>
	<u>406,439</u>	<u>411,345</u>	<u>474,882</u>	<u>63,537</u>	<u>425,568</u>

**MISCELLANEOUS**

Refund of prior year expenditures	-	-	227	227	10,242
Gifts and donations	-	-	250	250	-
Miscellaneous	<u>-</u>	<u>40,820</u>	<u>53,437</u>	<u>12,617</u>	<u>19,082</u>
	<u>-</u>	<u>40,820</u>	<u>53,914</u>	<u>13,094</u>	<u>29,324</u>

**TOTAL REVENUES**

	<u>4,306,175</u>	<u>4,348,442</u>	<u>4,702,185</u>	<u>353,743</u>	<u>4,413,012</u>
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**OTHER FINANCING SOURCES**

Refunding bonds issued	-	3,145,000	3,145,000	-	-
Issuance premium	-	232,314	232,314	-	-
Transfers in					
Special Purpose Fund	-	-	-	-	68,554
Capital Projects Fund	<u>10,400</u>	<u>84,614</u>	<u>84,625</u>	<u>11</u>	<u>40,361</u>

**TOTAL OTHER FINANCING SOURCES**

	<u>10,400</u>	<u>3,461,928</u>	<u>3,461,939</u>	<u>11</u>	<u>108,915</u>
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**TOTAL REVENUES AND OTHER FINANCING SOURCES**

	<u>\$ 4,316,575</u>	<u>\$ 7,810,370</u>	<u>\$ 8,164,124</u>	<u>\$ 353,754</u>	<u>\$ 4,521,927</u>
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**Town of LaGrange, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2015

(With Comparative Actuals for 2014 )

56

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 35,000	\$ 34,857	\$ 34,636	\$ 221	\$ 34,554
Town Justice	147,565	173,445	169,897	3,548	178,623
Supervisor	152,606	147,729	146,730	999	146,725
Finance	134,961	134,461	131,097	3,364	124,767
Audit	19,500	19,500	19,500	-	19,500
Tax collection	55,253	54,898	53,786	1,112	53,135
Assessor	152,787	148,627	140,971	7,656	141,737
Fiscal agent fees	30,000	57,579	57,579	-	25,458
Town Clerk	105,691	108,746	102,219	6,527	109,522
Town Attorney	90,000	119,906	118,779	1,127	76,777
Personnel	5,000	10,764	10,764	-	4,843
General Public works	90,203	97,712	96,971	741	87,983
Engineering	5,000	9,000	8,285	715	7,565
Records management	454	454	60	394	354
Buildings	85,000	161,800	159,377	2,423	144,084
Central printing and mailing	32,300	32,300	26,694	5,606	25,688
Central data processing	30,000	33,960	32,964	996	57,100
Unallocated insurance	135,000	128,948	127,242	1,706	123,129
Municipal association dues	1,500	1,500	1,500	-	1,500
Judgments and claims	30,000	17,620	15,298	2,322	26,956
Purchase of land	-	1,055	1,055	-	-
Taxes and assessments on property	5,000	4,506	4,505	1	4,633
Metropolitan commuter transportation mobility tax	5,500	5,600	5,528	72	5,238
Contingency	71,928	1	-	1	-
	<u>1,420,248</u>	<u>1,504,968</u>	<u>1,465,437</u>	<u>39,531</u>	<u>1,399,871</u>

**PUBLIC SAFETY**

Traffic control	8,000	8,000	7,774	226	7,958
Animal control	16,344	16,344	14,103	2,241	15,660
Other	500	500	-	500	587

	<u>24,844</u>	<u>24,844</u>	<u>21,877</u>	<u>2,967</u>	<u>24,205</u>
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**HEALTH**

Registrar of Vital Statistics	3,000	3,000	3,000	-	3,000
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**TRANSPORTATION**

Highway Administration	115,130	119,767	119,414	353	112,483
Garage	70,000	76,052	76,052	-	75,528
Street lighting	15,000	15,000	14,342	658	16,643

	<u>200,130</u>	<u>210,819</u>	<u>209,808</u>	<u>1,011</u>	<u>204,654</u>
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**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Programs for the aging	25,400	25,900	23,635	2,265	21,695
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**CULTURE AND RECREATION**

Parks	326,237	450,202	437,106	13,096	355,300
Recreation administration	311,212	315,580	308,294	7,286	271,319
Library	606,842	606,842	606,842	-	597,521
Historian	2,220	2,220	2,220	-	2,220
Celebrations	3,150	3,150	3,000	150	3,000
Band concerts	5,000	5,000	4,625	375	4,300

	<u>1,254,661</u>	<u>1,382,994</u>	<u>1,362,087</u>	<u>20,907</u>	<u>1,233,660</u>
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**HOME AND COMMUNITY SERVICES**

Zoning and appeals	224,134	237,663	208,557	29,106	193,272
Planning Board	60,963	60,963	59,467	1,496	60,826
Environmental control	1,200	1,200	1,065	135	1,377
Refuse and garbage	-	2,028	2,028	-	6,071
Drainage	5,000	12,000	2,175	9,825	2,830

	<u>291,297</u>	<u>313,854</u>	<u>273,292</u>	<u>40,562</u>	<u>264,376</u>
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(Continued)

**Town of LaGrange, New York**

General Fund

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

Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2014 Actual
<b>EMPLOYEE BENEFITS - UNDISTRIBUTED</b>					
State retirement	\$ 212,000	\$ 203,059	\$ 203,059	\$ -	\$ 208,529
Social security	120,000	129,941	126,522	3,419	119,769
Workers' compensation benefits	38,500	35,637	35,538	99	35,014
Unemployment benefits	6,000	6,000	4,329	1,671	2,143
Disability	1,500	1,500	1,364	136	988
Health insurance	390,000	333,694	332,914	780	349,103
Other	3,600	4,063	4,063	-	3,560
	<u>771,600</u>	<u>713,894</u>	<u>707,789</u>	<u>6,105</u>	<u>719,106</u>
<b>DEBT SERVICE</b>					
Principal					
Serial bonds	97,227	97,227	97,226	1	98,893
Capital lease	1,542	1,542	1,541	1	1,477
Refunding bond issuance costs	-	76,857	76,857	-	-
	<u>98,769</u>	<u>175,626</u>	<u>175,624</u>	<u>2</u>	<u>100,370</u>
Interest					
Serial bonds	27,739	33,527	31,839	1,688	13,309
Bond anticipation notes	32,079	32,079	30,676	1,403	29,597
Capital lease	210	210	210	-	274
	<u>60,028</u>	<u>65,816</u>	<u>62,725</u>	<u>3,091</u>	<u>43,180</u>
	<u>158,797</u>	<u>241,442</u>	<u>238,349</u>	<u>3,093</u>	<u>143,550</u>
<b>TOTAL EXPENDITURES</b>	<u>4,149,977</u>	<u>4,421,715</u>	<u>4,305,274</u>	<u>116,441</u>	<u>4,014,117</u>
<b>OTHER FINANCING USES</b>					
Payment to refunded bond escrow agent	-	3,300,457	3,300,457	-	-
Transfers out					
Capital Projects Fund	186,598	1,976,066	189,800	1,786,266	174,874
<b>TOTAL OTHER FINANCING USES</b>	<u>186,598</u>	<u>5,276,523</u>	<u>3,490,257</u>	<u>1,786,266</u>	<u>174,874</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 4,336,575</u>	<u>\$ 9,698,238</u>	<u>\$ 7,795,531</u>	<u>\$ 1,902,707</u>	<u>\$ 4,188,991</u>

**Town of LaGrange, New York**

Highway Fund  
Comparative Balance Sheet  
December 31,

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	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,146,913	\$ 1,053,729
Receivables		
Accounts	32	1,794
State and Federal aid	-	72,165
Due from other funds	<u>625</u>	<u>1,067</u>
	<u>657</u>	<u>75,026</u>
Total Assets	<u><u>\$ 1,147,570</u></u>	<u><u>\$ 1,128,755</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 24,631	\$ 24,555
Accrued liabilities	11,333	3,926
Due to retirement system	<u>127,804</u>	<u>130,526</u>
Total Liabilities	163,768	159,007
Fund balance		
Assigned	<u>983,802</u>	<u>969,748</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,147,570</u></u>	<u><u>\$ 1,128,755</u></u>

**Town of LaGrange, New York**

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

	2015			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 3,264,096	\$ 3,264,096	\$ 3,264,096	\$ -
Use of money and property	3,000	3,001	3,267	266
License and permits	4,000	4,000	3,600	(400)
Sale of property and compensation for loss	-	-	22,574	22,574
Interfund revenues	20,000	20,000	14,880	(5,120)
State aid	231,247	275,954	275,954	-
Miscellaneous	-	18,867	20,008	1,141
<b>Total Revenues</b>	<b>3,522,343</b>	<b>3,585,918</b>	<b>3,604,379</b>	<b>18,461</b>
<b>EXPENDITURES</b>				
Current				
General government support	3,800	3,800	3,687	113
Transportation				
Repairs and maintenance	1,593,775	1,645,277	1,583,165	62,112
Snow removal	840,000	942,800	925,059	17,741
Brush and weeds	5,000	5,000	5,000	-
	<b>2,442,575</b>	<b>2,596,877</b>	<b>2,516,911</b>	<b>79,966</b>
Employee benefits	750,400	756,601	738,420	18,181
Debt service				
Principal				
Serial bonds	65,000	65,000	65,000	-
Capital lease	49,839	49,839	49,839	-
	<b>114,839</b>	<b>114,839</b>	<b>114,839</b>	<b>-</b>
Interest				
Serial bonds	23,814	37,338	24,671	12,667
Capital lease	6,791	6,791	6,791	-
Bond anticipation notes	24,969	24,112	19,738	4,374
	<b>55,574</b>	<b>68,241</b>	<b>51,200</b>	<b>17,041</b>
<b>Total Expenditures</b>	<b>3,363,388</b>	<b>3,536,558</b>	<b>3,421,370</b>	<b>115,188</b>
Excess of Revenues Over Expenditures	158,955	49,360	183,009	133,649
<b>OTHER FINANCING USES</b>				
Transfers out	(168,955)	(168,955)	(168,955)	-
<b>Net Change in Fund Balance</b>	<b>(10,000)</b>	<b>(119,595)</b>	<b>14,054</b>	<b>133,649</b>
<b>FUND BALANCE</b>				
Beginning of Year	10,000	119,595	969,748	850,153
End of Year	\$ -	\$ -	\$ 983,802	\$ 983,802

2014			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,086,540	\$ 3,086,540	\$ 3,086,540	\$ -
3,000	2,999	3,775	776
4,000	4,000	5,800	1,800
-	6,921	17,752	10,831
20,000	20,000	19,360	(640)
231,247	303,267	291,779	(11,488)
-	-	6,806	6,806
<u>3,344,787</u>	<u>3,423,727</u>	<u>3,431,812</u>	<u>8,085</u>
3,700	3,700	3,495	205
1,543,607	1,622,547	1,537,302	85,245
812,000	862,000	852,822	9,178
5,000	5,000	5,000	-
<u>2,364,307</u>	<u>2,493,247</u>	<u>2,398,619</u>	<u>94,628</u>
<u>747,800</u>	<u>723,800</u>	<u>703,076</u>	<u>20,724</u>
80,000	80,000	80,000	-
47,762	47,762	47,761	1
<u>127,762</u>	<u>127,762</u>	<u>127,761</u>	<u>1</u>
36,504	10,504	8,939	1,565
8,869	8,869	8,869	-
10,650	10,650	10,648	2
<u>56,023</u>	<u>30,023</u>	<u>28,456</u>	<u>1,567</u>
<u>3,295,892</u>	<u>3,374,832</u>	<u>3,257,912</u>	<u>116,920</u>
48,895	48,895	173,900	125,005
<u>(63,895)</u>	<u>(63,895)</u>	<u>(63,895)</u>	<u>-</u>
(15,000)	(15,000)	110,005	125,005
<u>15,000</u>	<u>15,000</u>	<u>859,743</u>	<u>844,743</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 969,748</u>	<u>\$ 969,748</u>

**Town of LaGrange, New York**

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

	Lighting Districts		Drainage Districts		
	Town Lighting	Town Center Lighting	Dutchess Farms	Frank Farms	Sleight Farms
<b>ASSETS</b>					
Cash and equivalents	\$ 1,269	\$ 4,528	\$ 62,100	\$ 107,050	\$ 60,841
Accounts receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-
<b>Total Assets</b>	<u>\$ 1,269</u>	<u>\$ 4,528</u>	<u>\$ 62,100</u>	<u>\$ 107,050</u>	<u>\$ 60,841</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
Liabilities					
Accounts payable	\$ 1,215	\$ 885	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
<b>Total Liabilities</b>	<u>1,215</u>	<u>885</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits)					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	54	3,643	62,100	107,050	60,841
<b>Total Fund Balances (Deficits)</b>	<u>54</u>	<u>3,643</u>	<u>62,100</u>	<u>107,050</u>	<u>60,841</u>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<u>\$ 1,269</u>	<u>\$ 4,528</u>	<u>\$ 62,100</u>	<u>\$ 107,050</u>	<u>\$ 60,841</u>

Drainage Districts (Continued)

H & K Page	Laurel Ridge	MGM Properties	Maloney Woods	Lincoln Ridge	Providence Estates
\$ 18,289	\$ 43,841	\$ 37,442	\$ 28,307	\$ 44,913	\$ 9,055
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 18,289</u>	<u>\$ 43,841</u>	<u>\$ 37,442</u>	<u>\$ 28,307</u>	<u>\$ 44,913</u>	<u>\$ 9,055</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,289	43,841	37,442	28,307	44,913	9,055
18,289	43,841	37,442	28,307	44,913	9,055
<u>\$ 18,289</u>	<u>\$ 43,841</u>	<u>\$ 37,442</u>	<u>\$ 28,307</u>	<u>\$ 44,913</u>	<u>\$ 9,055</u>

(Continued)

Town of LaGrange, New York

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

	Drainage Districts (Continued)			
	Meadow Ridge	Sunset Ridge Estates	Todd Hill Crossings	SVF Stormwater
<b>ASSETS</b>				
Cash and equivalents	\$ 37,405	\$ 12,115	\$ 18,687	\$ 51,098
Accounts receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid expenditures	-	-	-	-
<b>Total Assets</b>	<u>\$ 37,405</u>	<u>\$ 12,115</u>	<u>\$ 18,687</u>	<u>\$ 51,098</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits)				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	37,405	12,115	18,687	51,098
<b>Total Fund Balances (Deficits)</b>	<u>37,405</u>	<u>12,115</u>	<u>18,687</u>	<u>51,098</u>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<u>\$ 37,405</u>	<u>\$ 12,115</u>	<u>\$ 18,687</u>	<u>\$ 51,098</u>

Drainage Districts (Continued)			Sewer Districts		
Harvest Ridge	Windance Estates	The Reserve	Noxon Knolls	Sleight-Frank Farms	Sunset Ridge
\$ 64,240	\$ 43,595	\$ 26,906	\$ 21,916	\$ -	\$ 17,413
-	-	-	9,569	-	1,053
-	-	-	-	48	-
-	-	-	-	-	-
<u>\$ 64,240</u>	<u>\$ 43,595</u>	<u>\$ 26,906</u>	<u>\$ 31,485</u>	<u>\$ 48</u>	<u>\$ 18,466</u>
\$ -	\$ -	\$ -	\$ 1,916	\$ 8,859	\$ 100
-	-	-	-	-	-
-	-	-	1,916	8,859	100
-	-	-	-	-	-
-	-	-	343	10	-
64,240	43,595	26,906	29,226	(8,821)	18,366
64,240	43,595	26,906	29,569	(8,811)	18,366
<u>\$ 64,240</u>	<u>\$ 43,595</u>	<u>\$ 26,906</u>	<u>\$ 31,485</u>	<u>\$ 48</u>	<u>\$ 18,466</u>

(Continued)

**Town of LaGrange, New York**

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

	Sewer Districts (Continued)		Water Districts	
	Titusville	Town Center	S.W. EXT. #5	Grandview
<b>ASSETS</b>				
Cash and equivalents	\$ 515,931	\$ 12,423	\$ 5,339	\$ 25,462
Accounts receivable	90,811	-	-	6,147
Due from other funds	234	-	-	18
Prepaid expenditures	-	-	-	-
<b>Total Assets</b>	<b>\$ 606,976</b>	<b>\$ 12,423</b>	<b>\$ 5,339</b>	<b>\$ 31,627</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>				
Liabilities				
Accounts payable	\$ 21,449	\$ -	\$ -	\$ 1,157
Due to other funds	206	-	-	-
<b>Total Liabilities</b>	<b>21,655</b>	<b>-</b>	<b>-</b>	<b>1,157</b>
Fund balances (deficits)				
Nonspendable	-	-	-	-
Restricted	44,385	5,379	9	9,088
Assigned	540,936	7,044	5,330	21,382
<b>Total Fund Balances (Deficits)</b>	<b>585,321</b>	<b>12,423</b>	<b>5,339</b>	<b>30,470</b>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<b>\$ 606,976</b>	<b>\$ 12,423</b>	<b>\$ 5,339</b>	<b>\$ 31,627</b>

Water Districts (Continued)					Totals	
Harvest Ridge	Town Center	Manchester	Mapleview	Titusville	2015	2014
\$ 17	\$ 624,643	\$ 167,748	\$ 2,987	\$ 539	\$ 2,066,099	\$ 3,758,862
-	28,922	103,744	-	-	240,246	246,208
-	-	314	-	27	641	99
-	-	-	-	-	-	556
<u>\$ 17</u>	<u>\$ 653,565</u>	<u>\$ 271,806</u>	<u>\$ 2,987</u>	<u>\$ 566</u>	<u>\$ 2,306,986</u>	<u>\$ 4,005,725</u>
\$ -	\$ 5,560	\$ 33,845	\$ -	-	\$ 74,986	\$ 76,862
-	-	1,831	-	3,474	5,511	1,810,866
-	5,560	35,676	-	3,474	80,497	1,887,728
-	-	-	-	-	-	556
-	-	10,954	7,089	566	77,823	103,713
17	648,005	225,176	(4,102)	(3,474)	2,148,666	2,013,728
17	648,005	236,130	2,987	(2,908)	2,226,489	2,117,997
<u>\$ 17</u>	<u>\$ 653,565</u>	<u>\$ 271,806</u>	<u>\$ 2,987</u>	<u>\$ 566</u>	<u>\$ 2,306,986</u>	<u>\$ 4,005,725</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, 2015  
 (With Comparative Totals for 2014)

	Lighting Districts		Drainage Districts		
	Town Lighting	Town Center Lighting	Dutchess Farms	Frank Farms	Sleight Farms
<b>REVENUES</b>					
Real property taxes	\$ 15,600	\$ 10,500	\$ 5,000	\$ 13,175	\$ 10,000
Other tax items	-	-	-	-	-
Departmental income	-	-	-	-	-
Use of money and property	12	10	93	160	91
Sale of property and compensation for loss	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total Revenues</b>	<b>15,612</b>	<b>10,510</b>	<b>5,093</b>	<b>13,335</b>	<b>10,091</b>
<b>EXPENDITURES</b>					
Current					
Transportation	15,386	6,867	-	-	-
Home and community services	-	-	-	347	53
	<b>15,386</b>	<b>6,867</b>	<b>-</b>	<b>347</b>	<b>53</b>
Debt service					
Principal					
Serial bonds	-	-	-	-	-
Interest					
Serial bonds	-	-	-	-	-
Bond anticipation notes	-	-	-	-	-
	-	-	-	-	-
<b>Total Expenditures</b>	<b>15,386</b>	<b>6,867</b>	<b>-</b>	<b>347</b>	<b>53</b>
Excess (Deficiency) of Revenues Over Expenditures	226	3,643	5,093	12,988	10,038
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>226</b>	<b>3,643</b>	<b>5,093</b>	<b>12,988</b>	<b>10,038</b>
<b>FUND BALANCES (DEFICITS)</b>					
Beginning of Year	(172)	-	57,007	94,062	50,803
End of Year	\$ 54	\$ 3,643	\$ 62,100	\$ 107,050	\$ 60,841

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
-	-	-	-	-	-	-
-	-	-	-	-	-	-
27	64	56	43	67	13	55
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,027</u>	<u>3,564</u>	<u>3,056</u>	<u>3,543</u>	<u>5,067</u>	<u>13</u>	<u>3,055</u>
-	-	-	-	-	-	-
4	10	7	4	272	3	9
4	10	7	4	272	3	9
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4	10	7	4	272	3	9
<u>2,023</u>	<u>3,554</u>	<u>3,049</u>	<u>3,539</u>	<u>4,795</u>	<u>10</u>	<u>3,046</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,023	3,554	3,049	3,539	4,795	10	3,046
<u>16,266</u>	<u>40,287</u>	<u>34,393</u>	<u>24,768</u>	<u>40,118</u>	<u>9,045</u>	<u>34,359</u>
<u>\$ 18,289</u>	<u>\$ 43,841</u>	<u>\$ 37,442</u>	<u>\$ 28,307</u>	<u>\$ 44,913</u>	<u>\$ 9,055</u>	<u>\$ 37,405</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, 2015  
 (With Comparative Totals for 2014)

	Drainage Districts (Continued)			
	Sunset Ridge Estates	Todd Hill Crossings	SVF Stormwater	Harvest Ridge
<b>REVENUES</b>				
Real property taxes	\$ 1,500	\$ 1,500	\$ 6,300	\$ 16,000
Other tax items	-	-	-	-
Departmental income	-	-	-	-
Use of money and property	18	28	76	96
Sale of property and compensation for loss	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<u>1,518</u>	<u>1,528</u>	<u>6,376</u>	<u>16,096</u>
<b>EXPENDITURES</b>				
Current				
Transportation	-	-	-	-
Home and community services	100	7	10	-
	<u>100</u>	<u>7</u>	<u>10</u>	<u>-</u>
Debt service				
Principal				
Serial bonds	-	-	-	-
Interest				
Serial bonds	-	-	-	-
Bond anticipation notes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>100</u>	<u>7</u>	<u>10</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,418</u>	<u>1,521</u>	<u>6,366</u>	<u>16,096</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	1,418	1,521	6,366	16,096
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	<u>10,697</u>	<u>17,166</u>	<u>44,732</u>	<u>48,144</u>
End of Year	<u>\$ 12,115</u>	<u>\$ 18,687</u>	<u>\$ 51,098</u>	<u>\$ 64,240</u>

Drainage Districts (Continued)			Sewer Districts			
Windance Estates	The Reserve	Noxon Knolls	Sleight-Frank Farms	Sunset Ridge	Titusville	Town Center
\$ 3,500	\$ 2,500	\$ -	\$ 57,009	\$ -	\$ 244,572	\$ 22,790
-	-	-	-	-	302	-
-	-	44,587	-	4,663	369,672	-
65	40	35	3,160	27	5,296	3,734
-	-	-	-	-	11,250	-
-	-	-	-	-	1,255	-
<u>3,565</u>	<u>2,540</u>	<u>44,622</u>	<u>60,169</u>	<u>4,690</u>	<u>632,347</u>	<u>26,524</u>
-	-	-	-	-	-	-
15	6	36,529	-	5,127	360,931	-
<u>15</u>	<u>6</u>	<u>36,529</u>	<u>-</u>	<u>5,127</u>	<u>360,931</u>	<u>-</u>
-	-	-	-	-	125,508	-
-	-	-	-	-	45,721	-
-	-	-	9,456	-	30,425	6,737
-	-	-	9,456	-	76,146	6,737
15	6	36,529	9,456	5,127	562,585	6,737
<u>3,550</u>	<u>2,534</u>	<u>8,093</u>	<u>50,713</u>	<u>(437)</u>	<u>69,762</u>	<u>19,787</u>
-	-	-	-	82	-	-
-	-	-	(70,121)	-	(148,250)	(21,053)
-	-	-	(70,121)	82	(148,250)	(21,053)
3,550	2,534	8,093	(19,408)	(355)	(78,488)	(1,266)
<u>40,045</u>	<u>24,372</u>	<u>21,476</u>	<u>10,597</u>	<u>18,721</u>	<u>663,809</u>	<u>13,689</u>
<u>\$ 43,595</u>	<u>\$ 26,906</u>	<u>\$ 29,569</u>	<u>\$ (8,811)</u>	<u>\$ 18,366</u>	<u>\$ 585,321</u>	<u>\$ 12,423</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, 2015  
 (With Comparative Totals for 2014)

	Water Districts			
	S.W. EXT. #5	Grandview	Harvest Ridge	Town Center
<b>REVENUES</b>				
Real property taxes	\$ -	\$ 4,231	\$ 6,515	\$ 86,089
Other tax items	-	-	-	141
Departmental income	-	20,666	-	116,618
Use of money and property	8	1,718	3	918
Sale of property and compensation for loss	-	-	-	-
Miscellaneous	-	-	-	93,903
<b>Total Revenues</b>	<u>8</u>	<u>26,615</u>	<u>6,518</u>	<u>297,669</u>
<b>EXPENDITURES</b>				
Current				
Transportation	-	-	-	-
Home and community services	-	17,128	-	94,958
	<u>-</u>	<u>17,128</u>	<u>-</u>	<u>94,958</u>
Debt service				
Principal				
Serial bonds	-	-	6,067	80,600
Interest				
Serial bonds	-	-	448	5,952
Bond anticipation notes	-	2,706	-	-
	<u>-</u>	<u>2,706</u>	<u>448</u>	<u>5,952</u>
<b>Total Expenditures</b>	<u>-</u>	<u>19,834</u>	<u>6,515</u>	<u>181,510</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>8</u>	<u>6,781</u>	<u>3</u>	<u>116,159</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(6,525)	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(6,525)</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>8</u>	<u>256</u>	<u>3</u>	<u>116,159</u>
<b>FUND BALANCES (DEFICITS)</b>				
Beginning of Year	<u>5,331</u>	<u>30,214</u>	<u>14</u>	<u>531,846</u>
End of Year	<u>\$ 5,339</u>	<u>\$ 30,470</u>	<u>\$ 17</u>	<u>\$ 648,005</u>

Water Districts (Continued)				
Manchester	Mapleview	Titusville	Totals	
			2015	2014
\$ 881,659	\$ 28,520	-	\$ 1,436,960	\$ 1,412,952
-	-	-	443	-
461,903	-	-	1,018,109	1,065,967
6,914	1,715	566	25,108	28,347
-	-	-	11,250	-
400	-	-	95,558	2,085
<u>1,350,876</u>	<u>30,235</u>	<u>566</u>	<u>2,587,428</u>	<u>2,509,351</u>
-	-	-	22,253	-
471,618	-	-	987,138	1,032,716
<u>471,618</u>	<u>-</u>	<u>-</u>	<u>1,009,391</u>	<u>1,032,716</u>
679,492	-	-	891,667	855,000
175,085	-	-	227,206	294,510
3,573	3,270	3,474	59,641	53,465
<u>178,658</u>	<u>3,270</u>	<u>3,474</u>	<u>286,847</u>	<u>347,975</u>
<u>1,329,768</u>	<u>3,270</u>	<u>3,474</u>	<u>2,187,905</u>	<u>2,235,691</u>
21,108	26,965	(2,908)	399,523	273,660
-	-	-	82	-
(17,914)	(27,250)	-	(291,113)	(234,750)
<u>(17,914)</u>	<u>(27,250)</u>	<u>-</u>	<u>(291,031)</u>	<u>(234,750)</u>
3,194	(285)	(2,908)	108,492	38,910
<u>232,936</u>	<u>3,272</u>	<u>-</u>	<u>2,117,997</u>	<u>2,079,087</u>
<u>\$ 236,130</u>	<u>\$ 2,987</u>	<u>\$ (2,908)</u>	<u>\$ 2,226,489</u>	<u>\$ 2,117,997</u>

**Town of LaGrange, New York**

Special Purpose Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	<u>\$ 295,585</u>	<u>\$ 366,377</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 2,893	\$ -
Fund balance		
Restricted	<u>292,692</u>	<u>366,377</u>
Total Liabilities and Fund Balance	<u>\$ 295,585</u>	<u>\$ 366,377</u>

**Town of LaGrange, New York**

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

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Use of money and property	\$ 528	\$ 658
<b>EXPENDITURES</b>		
Current		
Culture and recreation	<u>-</u>	<u>3,970</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>528</u>	<u>(3,312)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	-	8,286
Transfers out	<u>(74,213)</u>	<u>(68,554)</u>
Total Other Financing Uses	<u>(74,213)</u>	<u>(60,268)</u>
Net Change in Fund Balance	(73,685)	(63,580)
<b>FUND BALANCE</b>		
Beginning of Year	<u>366,377</u>	<u>429,957</u>
End of Year	<u>\$ 292,692</u>	<u>\$ 366,377</u>

**Town of LaGrange, New York**

Capital Projects Fund  
Comparative Balance Sheet  
December 31,

---

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,875,914	\$ 1,852,862
Due from other funds	<u>2,038</u>	<u>1,810,866</u>
<b>Total Assets</b>	<u><u>\$ 1,877,952</u></u>	<u><u>\$ 3,663,728</u></u>
<b>LIABILITIES AND FUND DEFICIT</b>		
<b>Liabilities</b>		
Accounts payable	\$ 10,398	\$ 266
Due to other funds	241	195
Retainage payable	-	7,801
Bond anticipation notes payable - Capital construction	7,180,181	8,997,278
Bond anticipation notes payable - Other	<u>-</u>	<u>1,810,866</u>
<b>Total Liabilities</b>	7,190,820	10,816,406
<b>Fund deficit</b>		
Unassigned	<u>(5,312,868)</u>	<u>(7,152,678)</u>
<b>Total Liabilities and Fund Deficit</b>	<u><u>\$ 1,877,952</u></u>	<u><u>\$ 3,663,728</u></u>

**Town of LaGrange, New York**

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

---

	<u>2015</u>	<u>2014</u>
<b>REVENUES</b>		
Miscellaneous	\$ 4,638	\$ 4,196
<b>EXPENDITURES</b>		
Capital outlay	<u>2,100,286</u>	<u>950,270</u>
Deficiency of Revenues Over Expenditures	<u>(2,095,648)</u>	<u>(946,074)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Bonds issued	3,296,084	-
Transfers in	649,868	473,519
Transfers out	<u>(10,494)</u>	<u>(48,647)</u>
Total Other Financing Sources	<u>3,935,458</u>	<u>424,872</u>
Net Change in Fund Balance	1,839,810	(521,202)
<b>FUND DEFICIT</b>		
Beginning of Year	<u>(7,152,678)</u>	<u>(6,631,476)</u>
End of Year	<u><u>\$ (5,312,868)</u></u>	<u><u>\$ (7,152,678)</u></u>