

TOWN OF BRUNSWICK, NEW YORK

FINANCIAL STATEMENTS

Year Ended December 31, 2019

TOWN OF BRUNSWICK, NEW YORK

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INDEPENDENT AUDITORS' REPORT

Town Board
Town of Brunswick, New York
Brunswick, New York

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP); 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 an opinion 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 opinion.

Opinion

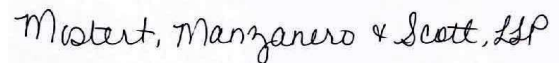
In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Brunswick, New York as of December 31, 2019, and the respective changes in financial position for the year then ended in accordance with U.S. GAAP.

Other Matters

Required Supplementary Information

U.S. GAAP requires that the management's discussion and analysis and budgetary comparison information on Pages 3 – 8 and 40 – 45, 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 response 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.

Oneonta, New York
July 29, 2020

A handwritten signature in black ink that reads "Mostert, Manzanero & Scott, LLP". The signature is written in a cursive, flowing style.

TOWN OF BRUNSWICK, NEW YORK

MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

This discussion and analysis of the Town of Brunswick, New York's (the "Town") financial performance provides an overview of the Town's financial activities for the year ended December 31, 2019. This document should be read in conjunction with the Town's financial statements.

Financial Highlights

- Capital purchases and improvements totaling \$621,347, of which \$165,125 was road and bridge improvements, which were partially funded by State and Federal grants.
- Net position increased by \$236,558 from the beginning balance.

Using this Annual Report

This annual report consists of a set of financial statements and notes. The statement of net position (Page 9) and the statement of activities (Page 10) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements begin on Page 11. For governmental funds, these statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about fiduciary activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the Town as a Whole

Our analysis of the Town begins on Page 4. One of the most important questions asked about the Town's finances is, "Is the Town, as a whole, better off, or worse off as a result of the year's activities?" The statement of net position and the statement of activities report information about the Town as a whole and about its activities in a manner that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. You can think of the Town's net position – the difference between assets and deferred outflows minus liabilities and deferred inflows – as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads, to assess the overall health of the Town.

In the statement of net position and the statement of activities, we report the following activities:

- Governmental activities – Most of the Town's basic services are reported here, including public safety, transportation, economic assistance, health, parks, and general support. Property taxes, sales taxes, franchise fees and state grants finance most of these activities.

TOWN OF BRUNSWICK, NEW YORK

MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

Reporting the Town's Most Significant Funds

Our analysis of the Town's major funds begins on Page 6 and provides detailed information about the most significant funds – not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Board may establish other funds to help control and manage resources for particular purposes.

- Governmental funds – The Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for expenditure. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash, as well as liabilities that will be paid using these resources. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be expended in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds in reconciliations to the fund financial statements.

The Town as Trustee

The Town is responsible for assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in a separate statement of fiduciary net position on Page 14. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The Town as a Whole

The Town's total net position increased from \$13,629,242 to \$13,865,800. Net position for 2018 was restated for the effect of GASB 75 on the reporting of other post-employment benefits, resulting in a decrease of net position of \$2,259,235. Our analysis below focuses on the net position (Table A-1) and changes in net position (Table A-2) of the Town's governmental activities.

TOWN OF BRUNSWICK, NEW YORK
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

The Town as a Whole (Cont'd.)

Table A-1: Condensed Statement of Net Position

	Fiscal Year 2019	Fiscal Year 2018	Percent Change
Assets:			
Current and other assets	\$ 8,221,255	\$ 7,533,960	9.1 %
Capital assets, net	<u>12,762,980</u>	<u>12,727,750</u>	0.3 %
Total assets	<u>20,984,235</u>	<u>20,261,710</u>	3.6 %
Deferred outflows of resources	<u>443,128</u>	<u>1,269,396</u>	(65.1) %
Liabilities:			
Current liabilities	803,175	946,256	(15.1) %
Long-term outstanding	<u>6,215,136</u>	<u>6,420,800</u>	(3.2) %
Total liabilities	<u>7,018,311</u>	<u>7,367,056</u>	(4.7) %
Deferred inflows of resources	<u>543,252</u>	<u>534,808</u>	1.6 %
Net position:			
Net investment in capital assets	11,795,481	11,586,860	1.8 %
Unrestricted	<u>2,070,319</u>	<u>2,042,382</u>	13.68 %
Total net position	<u>\$ 13,865,800</u>	<u>\$ 13,629,242</u>	1.7 %

Table A-2: Changes in Net Position from Operating Results

	Fiscal Year 2019	Fiscal Year 2018	Percent Change
Revenue:			
Program revenue:			
Charges for services	\$ 1,698,643	\$ 1,539,841	10.3 %
Capital grants and contributions	298,642	353,365	(15.5) %
General revenue:			
Real property taxes	4,089,903	4,035,845	1.3 %
Non-property tax items	1,768,903	1,616,139	9.5 %
Use of money and property	112,976	60,549	86.6 %
Sale of property, compensation for loss	63,279	50,324	25.7 %
Miscellaneous local sources	100,134	62,787	59.5 %
State aid	<u>310,881</u>	<u>342,473</u>	(9.2) %
Total revenue	<u>8,443,361</u>	<u>8,061,323</u>	4.7 %

TOWN OF BRUNSWICK, NEW YORK

MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

The Town as a Whole (Cont'd.)

Table A-2: Changes in Net Position from Operating Results (Cont'd.)

	Fiscal Year 2019	Fiscal Year 2018	Percent Change
Expenses:			
General support	2,022,266	1,970,611	2.6 %
Public safety	1,388,141	1,391,263	(0.2) %
Health	25,600	22,200	15.3 %
Transportation	2,622,098	2,461,804	6.5 %
Economic assistance and opportunity	8,478	8,663	(2.1) %
Culture and recreation	473,620	440,933	7.4 %
Home and community service	1,635,127	1,489,949	9.7 %
Debt service	<u>31,473</u>	<u>34,602</u>	(9.0) %
Total expenses	<u>8,206,803</u>	<u>7,820,025</u>	(4.9) %
Increase (decrease) in net position	<u>\$ 236,558</u>	<u>\$ 241,298</u>	(2.0) %

Table A-3 presents the cost of each of the Town's three largest governmental programs: transportation, home and community services, and public safety, as well as each program's net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

Table A-3: Net Cost of Largest Governmental Activities

	2019		2018	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Functions:				
Public safety	\$ 1,388,141	\$ 1,180,589	\$ 1,391,263	\$ 1,217,175
Transportation	2,622,098	2,293,765	2,461,804	2,075,792
Home and community service	<u>1,635,127</u>	<u>251,205</u>	<u>1,489,949</u>	<u>170,862</u>
Total	<u>\$ 5,645,366</u>	<u>\$ 3,725,559</u>	<u>\$ 5,343,016</u>	<u>\$ 3,463,829</u>

Town Funds

As the Town completed the year, its governmental funds (as presented in the Funds Financial Statement-Balance Sheet on Page 11) reported a combined fund balance of \$6,979,254, which is \$775,541 more than last year's total of \$6,203,713.

General Fund – Fund balance increased by \$228,327, compared to the prior year decrease of \$239,277. Increases in culture and recreation, home and community services and employee benefits categories resulted in the decrease of fund balance between 2019 and 2018.

TOWN OF BRUNSWICK, NEW YORK
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

Town Funds (Cont'd.)

Highway Fund – Fund balance increased by \$159,675, compared to the prior year increase of \$315,193. The decrease in revenues by \$72,989 was less than the increase in expenditures of \$82,529, compared to the previous year.

Water Fund – Fund balance increased by \$332,046, compared to the prior year increase of \$250,683. Revenues increased by \$88,035 and expenditures increased by \$6,672, compared to the previous year.

Fire Protection Fund – Fund balance increased by \$32,270, compared to the prior year decrease of \$7,877. Revenues increased by \$25,158 and expenditures decreased by \$14,989, compared to the previous year.

Special Sewer Fund – Fund balance decreased by \$16,455, compared to the increase in the prior year of \$250,683. Revenues increased by \$18,690 and expenditures increased by \$42,145, compared to the previous year.

General Fund Budgetary Highlights

Table A-4: General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenues:				
Real property and non-property tax items	\$ 1,956,010	\$ 1,956,010	\$ 2,179,740	\$ 223,730
Departmental income	298,131	298,132	341,154	43,022
Licenses and permits	145,025	145,025	162,270	17,245
State aid	388,000	388,000	310,881	(77,119)
Other revenue	71,800	71,800	172,664	100,864
Total revenue	<u>2,858,966</u>	<u>2,858,967</u>	<u>3,166,709</u>	<u>307,742</u>
Expenditures:				
Governmental support	1,129,841	1,129,841	1,165,382	(35,541)
Debt service	108,410	108,410	108,410	-
Other expenditures	<u>1,716,620</u>	<u>1,743,558</u>	<u>1,664,590</u>	<u>78,968</u>
Total expenditures	<u>2,954,871</u>	<u>2,981,809</u>	<u>2,938,382</u>	<u>43,427</u>
Net change in fund balance	(95,905)	(122,842)	228,327	351,169
Fund balance, beginning of year	<u>1,812,979</u>	<u>1,812,979</u>	<u>1,812,979</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,717,074</u>	<u>\$ 1,690,137</u>	<u>\$ 2,041,306</u>	<u>\$ 351,169</u>

TOWN OF BRUNSWICK, NEW YORK
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2019

Capital Asset and Debt Administration

Capital Assets

At December 31, 2019, the Town had \$12,762,980, net of depreciation, invested in a broad range of capital assets, including equipment, buildings, and land.

Table A-5: Capital Assets

	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>	<u>Percent Change</u>
Land	\$ 6,056,801	\$ 6,056,801	- %
Buildings and improvements	3,618,373	3,667,876	(1.4) %
Furniture and equipment	1,642,933	1,385,425	18.6 %
Infrastructure	<u>1,444,873</u>	<u>1,617,648</u>	(10.7) %
 Total capital assets	 <u>\$ 12,762,980</u>	 <u>\$ 12,727,750</u>	 0.3 %

Debt

At year-end, the Town had \$915,000 in bonds outstanding versus \$1,030,000 last year. Bond anticipation notes (BANs) decreased by \$58,390 from \$110,890 to \$52,500 during 2019. As of December 31, 2019, the Town has \$5,007,460 accrued for other postemployment benefits and \$25,658 accrued for compensated absences. It also has a net pension liability of \$377,018. More detailed information about the Town's long-term debt is included in the notes to the financial statements.

Economic Factors and Next Year's Budget Rates

The budget for 2020 is expected to total \$8.91 million with the general fund accounting for \$3.1 million and the highway fund \$2.3 million.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town accountant's office at Town of Brunswick, 336 Town Office Road, Troy, New York 12180.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF NET POSITION

December 31, 2019

ASSETS

Current assets:

Cash and cash equivalents	\$ 6,862,780
Due from other governments	548,826
Other receivables	809,649
Total current assets	<u>8,221,255</u>

Non-current assets:

Capital assets, net of accumulated depreciation	<u>12,762,980</u>
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TOTAL ASSETS	<u>20,984,235</u>
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DEFERRED OUTFLOWS OF RESOURCES

Other post-employment benefits (OPEB)	207,885
Pension	<u>235,243</u>
Total deferred outflows of resources	<u>443,128</u>

LIABILITIES

Current liabilities:

Accounts payable	67,950
Accrued liabilities	233,589
Due to other governments	339,137
Bond anticipation notes payable	52,499
Current portion of bonds payable	<u>110,000</u>
Total current liabilities	<u>803,175</u>

Long-term liabilities:

Bonds payable, net of current portion	805,000
Other post-employment benefits (OPEB)	5,007,460
Compensated absences	25,658
Net pension liability	<u>377,018</u>
Total long-term liabilities	<u>6,215,136</u>

TOTAL LIABILITIES	<u>7,018,311</u>
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DEFERRED INFLOWS OF RESOURCES

Other post-employment benefits (OPEB)	408,740
Pension	<u>134,512</u>
Total deferred inflows of resources	<u>543,252</u>

NET POSITION

Net investment in capital assets	11,795,481
Unrestricted	<u>2,070,319</u>

TOTAL NET POSITION	<u>\$ 13,865,800</u>
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See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF ACTIVITIES

Year Ended December 31, 2019

	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions and programs:				
General support	\$ 2,022,266	\$ 12,553	\$ -	\$ -
Public safety	1,388,141	207,552	-	-
Health	25,600	-	-	-
Transportation	2,622,098	29,691	-	298,642
Economic assistance and opportunity	8,478	-	-	-
Culture and recreation	473,620	64,925	-	-
Home and community services	1,635,127	1,383,922	-	-
Debt service - Interest	31,473	-	-	-
Total functions and programs	<u>8,206,803</u>	<u>1,698,643</u>	<u>-</u>	<u>298,642</u>
General revenue:				
Real property taxes				4,089,903
Non-property tax items				1,768,903
Use of money and property				112,976
Sale of property and compensation for loss, net				63,279
Miscellaneous local sources				100,134
State aid				<u>310,881</u>
Total general revenue				<u>6,446,076</u>
Change in net position				236,558
Total net position - Beginning of year				<u>13,629,242</u>
Total net position - End of year				<u>\$ 13,865,800</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

BALANCE SHEET - GOVERNMENTAL FUNDS AND RECONCILIATION OF TOTAL
GOVERNMENTAL FUND BALANCE TO GOVERNMENT - WIDE NET POSITION

December 31, 2019

	Governmental Fund Types			
	General	Highway	Water	Fire Protection
<u>ASSETS</u>				
Cash and cash equivalents	\$ 2,073,381	\$ 1,790,766	\$ 1,845,733	\$ 90,095
Other receivables	87,929	35,968	628,745	-
Due from other funds	-	-	-	-
Due from other governments	548,826	-	-	-
Total assets	<u>\$ 2,710,136</u>	<u>\$ 1,826,734</u>	<u>\$ 2,474,478</u>	<u>\$ 90,095</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 27,391	\$ 37,838	\$ 2,670	\$ -
Accrued liabilities	92,613	106,807	30,559	-
Due to other governments	-	-	339,137	-
Due to other funds	-	-	-	-
Bond anticipation notes payable	-	-	-	-
Total liabilities	<u>120,004</u>	<u>144,645</u>	<u>372,366</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Earned but not received sales tax	<u>548,826</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE</u>				
Assigned:				
Appropriated for subsequent years' expenditures	150,918	-	57,816	-
Operations for the special revenue fund	-	1,682,089	2,044,296	90,095
Unassigned	<u>1,890,388</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>2,041,306</u>	<u>1,682,089</u>	<u>2,102,112</u>	<u>90,095</u>
Total liabilities and fund balance	<u>\$ 2,710,136</u>	<u>\$ 1,826,734</u>	<u>\$ 2,474,478</u>	<u>\$ 90,095</u>

A reconciliation for total governmental fund balance to government-wide net position is as follows:

Total governmental fund balance

Capital assets used in governmental activities are not financial resources and are not reported in funds

Earned but not received items recognized as revenue under full accrual accounting

Deferred outflows of resources

Deferred inflows of resources

Long-term bonds payable are not due and payable in the current period, and are not reported in funds

Long-term other post-employment benefits are not due and payable in the current period, and are not reported in the funds

Long-term compensated absences are not due and payable in the current period, and are not reported in funds

Long-term pension liability is not due and payable in the current period, and are not reported in funds

NET POSITION OF GOVERNMENTAL ACTIVITIES

See accompanying notes.

Governmental Fund Types			Total
Capital Projects	Special Sewer	Non-Major Funds	Governmental Funds
\$ -	\$ 569,650	\$ 493,155	\$ 6,862,780
-	32,789	24,218	809,649
-	-	-	-
-	-	-	548,826
<u>\$ -</u>	<u>\$ 602,439</u>	<u>\$ 517,373</u>	<u>\$ 8,221,255</u>

\$ -	\$ -	\$ 51	\$ 67,950
-	1,763	1,847	233,589
-	-	-	339,137
-	-	-	-
52,499	-	-	52,499
<u>52,499</u>	<u>1,763</u>	<u>1,898</u>	<u>693,175</u>

-	-	-	548,826
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-	60,223	35,000	303,957
-	540,453	480,475	4,837,408
(52,499)	-	-	1,837,889
<u>(52,499)</u>	<u>600,676</u>	<u>515,475</u>	<u>6,979,254</u>
<u>\$ -</u>	<u>\$ 602,439</u>	<u>\$ 517,373</u>	<u>\$ 8,221,255</u>

\$ 6,979,254
 12,762,980
 548,826
 443,128
 (543,252)
 (915,000)

 (5,007,460)
 (25,658)
(377,018)

\$ 13,865,800

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUNDS

December 31, 2019

	Governmental Fund Types		
	General	Highway	Water
<u>REVENUES</u>			
Real property taxes and liens	\$ 962,166	\$ 1,475,504	\$ 405,788
Non-property tax items	1,217,574	501,494	-
Departmental income	341,154	-	1,007,164
Intergovernmental charges	-	27,791	26,045
Use of money and property	38,375	45,504	24,654
Licenses and permits	162,270	1,900	-
Sale of property and compensation of loss	39,189	43,001	-
Miscellaneous local sources	95,100	-	5,034
State aid	310,881	298,642	-
Federal aid	-	-	-
Total revenue	<u>3,166,709</u>	<u>2,393,836</u>	<u>1,468,685</u>
<u>EXPENDITURES</u>			
General governmental support	1,165,382	-	-
Public safety	173,202	-	-
Health	25,600	-	-
Transportation	195,025	1,830,600	-
Economic assistance and opportunity	8,478	-	-
Culture and recreation	459,699	-	-
Home and community services	340,705	-	1,073,398
Employee benefits	461,881	403,561	63,241
Debt service - Principal	85,000	-	-
Debt service - Interest	23,410	-	-
Total expenditures	<u>2,938,382</u>	<u>2,234,161</u>	<u>1,136,639</u>
<u>OTHER SOURCES</u>			
BANS redeemed from appropriations	-	-	-
Total other sources	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue and other sources over expenditures and other sources (uses)	228,327	159,675	332,046
Fund balance - Beginning of year	<u>1,812,979</u>	<u>1,522,414</u>	<u>1,770,066</u>
Fund balance - End of year	<u>\$ 2,041,306</u>	<u>\$ 1,682,089</u>	<u>\$ 2,102,112</u>

See accompanying notes.

Governmental Fund Types				Total
Fire Protection	Capital Projects	Special Sewer	Non-Major Funds	Governmental Funds
\$ 1,178,005	\$ -	\$ 13,838	\$ 54,602	\$ 4,089,903
-	-	-	-	1,719,068
-	-	46,825	85,494	1,480,637
-	-	-	-	53,836
1,130	-	1,725	1,588	112,976
-	-	-	-	164,170
-	-	-	-	82,190
-	-	-	-	100,134
-	-	-	-	609,523
-	-	-	-	-
<u>1,179,135</u>	<u>-</u>	<u>62,388</u>	<u>141,684</u>	<u>8,412,437</u>
-	-	-	-	1,165,382
1,051,375	-	-	-	1,224,577
-	-	-	-	25,600
-	-	-	-	2,025,625
-	-	-	-	8,478
-	-	-	-	459,699
-	-	73,050	57,217	1,544,370
95,490	-	5,793	6,727	1,036,693
-	-	-	88,390	173,390
-	-	-	8,063	31,473
<u>1,146,865</u>	<u>-</u>	<u>78,843</u>	<u>160,397</u>	<u>7,695,287</u>
-	58,391	-	-	58,391
<u>-</u>	<u>58,391</u>	<u>-</u>	<u>-</u>	<u>58,391</u>
32,270	58,391	(16,455)	(18,713)	775,541
<u>57,825</u>	<u>(110,890)</u>	<u>617,131</u>	<u>534,188</u>	<u>6,203,713</u>
<u>\$ 90,095</u>	<u>\$ (52,499)</u>	<u>\$ 600,676</u>	<u>\$ 515,475</u>	<u>\$ 6,979,254</u>

TOWN OF BRUNSWICK, NEW YORK

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2019

Net changes in fund balance - Total governmental funds	\$ 775,541
Capital outlays, net of disposals, are expenditures in governmental funds but are capitalized in the statement of net position	602,436
Depreciation is not recorded as an expenditure in the governmental fund, but is recorded in the statement of activities	(567,206)
Repayments of long-term debts are recorded as an expenditure in governmental governmental funds, but are recorded as payable of liabilities in the statement of net position	115,000
Pension expense resulting from GASB 68 related actuary reporting is not recorded as an expenditure in the governmental funds but is recorded in the statement of activities	(49,598)
Other post-employment benefits do not require the expenditure of current resources and are therefore, not reported as an expenditure in the governmental funds	(689,450)
Change in certain revenue recognized in the governmental funds using the modified accrual method of accounting was recognized in the statement of activities in the prior year	<u>49,835</u>
Change in net position - Governmental activities	<u><u>\$ 236,558</u></u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

Year Ended December 31, 2019

	Private Purpose Trusts	Agency
<u>ASSETS</u>		
Cash	\$ 403,324	\$ 363,523
Restricted cash - LOSAP	-	37,100
Accounts receivable	-	390
Restricted assets, at fair value:		
Equities	-	359,251
Fixed income	-	615,825
Contributions receivable	-	44,483
Total assets	<u>\$ 403,324</u>	<u>\$ 1,420,572</u>
<u>LIABILITIES</u>		
Funds held for others	\$ 1,332	\$ 363,523
Service awards	-	1,057,049
Total liabilities	<u>\$ 1,332</u>	<u>\$ 1,420,572</u>
<u>NET POSITION</u>		
Reserved for other purposes	<u>\$ 401,992</u>	

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS

Year Ended December 31, 2019

	Private Purpose Trusts
Additions:	
Miscellaneous local sources	\$ 5,500
Investment earnings	1,190
Total additions	<u>6,690</u>
Deductions:	
Home and community services	<u>-</u>
CHANGE IN NET POSITION	6,690
NET POSITION - Beginning of year	<u>395,302</u>
NET POSITION - End of year	<u>\$ 401,992</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Town of Brunswick, New York (the “Town”) is governed by its charter, local town law, general laws of the State of New York, and various local laws. The members of the Town Board comprise the legislative body responsible for overall operations and the Town Supervisor serves as Chief Executive Officer.

The following basic services are provided: general government support, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services.

All governmental activities and functions performed for the Town of Brunswick are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial statements of the Town of Brunswick have been prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Basis of Presentation

Town-Wide Statements

The statement of net position and the statement of activities present financial information about the Town's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions.

Governmental activities generally are financed through taxes, intergovernmental revenue, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenue includes charges paid by the recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including fiduciary funds.

The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The accounts of the Town are organized into funds, each of which is considered a separate accounting entity.

The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenue and expenditures. The various funds are summarized by type in the financial statements.

The fund types used by the Town are as follows:

Governmental Funds

General Fund – This is the Town's primary operating fund and accounts for all financial transactions that are not required to be accounted for in another fund.

Highway Fund – Used to account for transactions related to maintenance and construction of town roads.

Water Fund – Used to account for transactions related to providing water to various town residents.

Fire Protection Fund – Used to account for transactions related to providing fire protection services to town residents.

Capital Projects Fund – Used to account the financial resources used for acquisition, construction, or major repair of capital facilities.

Special Sewer Fund – Used to account for the financial resources used for certain sewer operations.

Non-Major Funds – Consist of Sewer and Special Water funds.

Fiduciary Funds

Fiduciary activities are those in which the Town acts as trustee or agent for resources that belong to others. These activities are not included in the Town-wide financial statements, because their resources do not belong to the Town and are not available to be used.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fiduciary Funds (Cont'd.)

There are three types of fiduciary funds:

- LOSAP Trust Fund – used to account for the defined contribution length of service award program (LOSAP) for participating fire companies.
- Private Purpose Trust Funds – used to account for trust arrangements in which principal and income are used to complete capital improvements by developers on Town owned lands.
- Agency Funds – strictly custodial in nature and do not involve the measurement of results of operations. This includes assets deposited with the Town are held to use for engineering fees incurred as the result of development in the Town.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenditures during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities, and useful lives of long-lived assets.

Events Occurring After Reporting Date

The Town has evaluated subsequent events through July 29, 2020, which is the date the financial statements were available to be issued.

Measurement Focus and Basis of Accounting

The Town-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions in which the Town gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations.

On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The Town considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Measurement Focus and Basis of Accounting (Cont'd.)

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from issuance of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Explanation of Differences Between Fund Statements and Town-Wide Statements

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the Town-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the statement of activities compared with the current financial resources focus of the governmental funds.

Total Fund Balances of Governmental Funds vs. Net Assets of Governmental Activities

Total fund balances of the Town's governmental funds differ from "net assets" of governmental activities reported in the statement of net assets. This difference primarily results from the additional long-term economic focus of the statement of net assets versus the solely current financial resources focus of the governmental fund balance sheets.

Statement of Revenues, Expenditures, and Changes in Fund Balance vs. Statement of Activities

Differences between the governmental funds statement of revenues, expenditures, and changes in fund balance and the statement of activities fall into one of three broad categories.

Long-Term Revenue and Expense Differences

Long-term revenue differences arise because governmental funds report revenue only when it is considered "available", whereas the statement of activities reports revenue when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the statement of activities.

Capital Related Differences

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the statement of activities.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Statement of Revenues, Expenditures, and Changes in Fund Balance vs. Statement of Activities (Cont'd.)

Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net assets.

Cash and Cash Equivalents

The Town's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the Town's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the state.

Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance.

Property Taxes

Town real property taxes are levied annually and become a lien no later than January 1. Taxes are collected during the period January 1 to March 31. Taxes for Town special district purposes and county purposes are levied together as a single bill. The County of Rensselaer, New York, assumes enforcement responsibility for all taxes levied in the Town and for special district purposes. Accordingly, the Town and special districts receive the full amount of such taxes within the year of levy.

Other Receivables

Other receivables are shown at gross. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

Prepaid Expenses

Prepaid expenses represent payments made by the Town for which benefits extend beyond year-end.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Interfund Transactions

The operations of the Town include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The Town typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the town-wide statements, the amounts reported on the statement of net position for interfund receivables and payables represent amounts due between different fund types (governmental activities and fiduciary funds). Eliminations have been made for all interfund receivables and payables between the funds, with the exception of those due from or to the fiduciary funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables may be netted on the accompanying governmental funds balance sheet when it is the Town's practice to settle these amounts at a net balance based upon the right of legal offset.

Capital Assets

Capital assets are reported at actual cost for acquisitions subsequent to January 1, 2004. For assets acquired prior to January 1, 2004, estimated historical costs, based on appraisals conducted by independent third-party professionals were used. Donated assets are reported at estimated fair market value at the time received.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the Town-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$ 5,000	N/A	N/A
Infrastructure	20,000	Straight-line	10
Water transmission infrastructure	10,000	Straight-line	20
Buildings and improvements	5,000	Straight-line	20-50
Furniture and equipment	5,000	Straight-line	5-20

Vested Employee Benefits

The liability for compensated absences is calculated at rates in effect as of December 31, 2019, and is recorded in the governmental funds in as much as it will be funded from current financial resources and the government-wide statement includes amounts to be paid from future financial resources.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Retirement Benefits

Town employees participate in the New York State and Local Employees' Retirement System. The Town established a defined contribution length of service awards program for the active firefighters of the Brunswick Fire Company, No. 1, Volunteer Fire Company of Center Brunswick and the Mountain View Volunteer Fire Company, Inc.

Other Postemployment Benefits

In addition to providing the retirement benefits described, the Town provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the Town and its employees. Substantially all of these employees may become eligible for these benefits if they reach normal retirement age while working in the Town. The Town pays a variable percentage of the cost of premiums to an insurance company.

At the fund level, the Town recognized the current cost of providing benefits for December 31, 2019 by recording \$180,055, which is its share of insurance premiums for 4 currently enrolled retirees, as expenditure for the current year.

Budgetary Procedures and Accounting

Procedures

The Town employs the following budgetary procedures:

- A. No later than September 30th, the Budget Officer submits a tentative budget to the Town council for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the proposed means of financing for the following funds:

General Fund, Highway, Water, Sewer, Special Water, Special Sewer, and Fire Protection Funds.

- B. After public hearings are conducted to obtain taxpayer comments, but no later than November 20, the Town Board adopts the town budget.

- C. All modifications to the adopted budget must be approved by the Town Board.

Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Unexpended appropriations lapse at year-end.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Unrecognized or Unearned Revenue

Unrecognized revenue is reported when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue can arise when resources are received by the Town before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Town has legal claim to the resources, the liability for unearned revenue is removed and revenue is recorded. The Town has unrecognized revenue related to sales tax it is entitled to at year end, but not received within the sixty day period of availability.

Short-Term Debt

The Town may issue Bond Anticipation Notes (BANs), in anticipation of proceeds from the subsequent sales of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue debt.

Fund Balance/Net Position Classifications

Town-Wide Statements:

In the Town-wide statements, there are three classes of net position:

Net investment in capital assets – Consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction, or improvement of those assets.

Restricted net position – Reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Town has no restricted assets.

Unrestricted net position – Reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the Town.

Fund Statements:

In the fund financial statements there are five allowable classifications of fund balance:

Non-spendable – Includes amounts that cannot be spent, because they are either not in spendable form or legally or contractually required to be maintained intact.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fund Balance/Net Position Classifications (Cont'd.)

Restricted – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Committed – Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision making authority, i.e., the Town Council.

Assigned – Includes amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned – Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the Town.

Order of Fund Balance Spending Policy

The Town's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as assigned fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

Fund Deficit

The Capital Projects has a fund deficit at December 31, 2019 which will be alleviated through the pay down and/or conversion of the short-term bond anticipation notes into long-term debt over the next few years.

Newly Adopted Accounting Standards

During the year December 31, 2019, the following GASB Statements have become effective:

- Statement No. 83, *Certain Asset Retirement Obligations*,
- Statement No. 84, *Fiduciary Activities*,
- Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*,
- Statement No. 90, *Majority Equity Interests-an Amendment of GASB Statements No. 14 and 61*,

The Town has evaluated these Statements and determined that they have no significant impact on the Town's financial statements for the year ending December 31, 2019.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Newly Adopted Accounting Standards (Cont'd.)

The following are GASB Statements that have been issued recently and are currently being evaluated by the Town, for their potential impact in future years.

- Statement No. 87, *Leases*, which will be effective for the year ending December 31, 2020.
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for the year ending December 31, 2020.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending December 31, 2021.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending December 31, 2021.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The government has the following items that qualify for reporting in this category. First is a deferred charge related to pensions reported in the Town-wide statement of net position. This represents the effect of the net change in the Town's proportion of the collective net pension asset or liability and difference during the measurement period between the Town's contributions and its proportion share of total contributions to the pension systems not included in pension expense.

The second item relates to OPEB reporting in the Town wide statement of net position. This represents the effect of net change in the actual and expected experience.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, 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 deferred inflow is related to pensions reported to the Town wide statement of net position. This represents the effect of the net change in the Town's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the Town's contributions and its proportion share of total contributions to the pension systems not included in pension expense, and the net difference between projected and actual earnings on pension plan investments.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 2 CASH AND CASH EQUIVALENTS

The Town participates in a multi-municipal cooperative investment pool agreement pursuant to New York State General Municipal Law Article 5-G, Section 119-0, whereby it holds a portion of its cash in cooperation with other participants. At December 31, 2019, the Town held \$4,252,818 in investments consisting of various investments in securities issued by the United States and its agencies. The investments are highly liquid and considered to be cash equivalents.

The above amount represents the cost of the investment pool shares and is considered to approximate market value. The investment pool is categorically exempt from the New York State collateralization requirements and therefore is not included in the amounts below.

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. While the Town does not have a specific policy for custodial credit risk, New York State statutes govern the Town's investments policies.

Deposits exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash and cash equivalents, including trust and agency funds	\$ 3,473,925	\$ 3,377,731
Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	\$ 701,141	
Letter of credit	3,000,000	
Covered by FDIC insurance	<u>250,000</u>	
Total	<u>\$ 3,951,141</u>	

As of December 31, 2019, all of the Town's cash and cash equivalent balances were either insured or collateralized with securities held by the pledging financial institution's trust department in the Town's name.

The Town does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.

The Town does not typically purchase investments denominated in foreign currency and is not exposed to foreign currency risk.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 3 CAPITAL ASSETS

Capital asset balances and activity for the Town for the year ended December 31 were as follows:

	Balance at 12/31/18	Additions	Deletions	Balance at 12/31/19
Capital assets that are not depreciated:				
Land	\$ 6,056,801	\$ -	\$ -	\$ 6,056,801
Capital assets that are depreciated:				
Buildings and improvements	5,906,689	-	-	5,906,689
Furniture and equipment	3,244,826	450,385	237,809	3,457,402
Water transmission infrastructure	573,447	5,837	-	579,284
Infrastructure	2,704,931	165,125	-	2,870,056
Total depreciable cost	12,429,893	621,347	237,809	12,813,431
Less: Accumulated depreciation:				
Buildings and improvements	2,238,813	49,503	-	2,288,316
Furniture and equipment	1,859,401	173,966	218,898	1,814,469
Water transmission infrastructure	250,642	54,263	-	304,905
Infrastructure	1,410,088	289,474	-	1,699,562
Total accumulated depreciation	5,758,944	567,206	218,898	6,107,252
Total capital assets, net	\$ 12,727,750	\$ 54,141	\$ 18,911	\$ 12,762,980

Depreciation expense was charged to governmental functions as follows at December 31:

General governmental support	\$ 65,733
Transportation	420,205
Culture and recreation	13,921
Home and community services	67,347
Total depreciation expense	\$ 567,206

NOTE 4 OTHER RECEIVABLES

Other receivables consisted of the following at December 31:

	General Fund	Highway Fund	Water Fund	Special Sewer	Non-Major Funds	Total
Water and sewer rents	\$ -	\$ -	\$ 628,745	\$ 32,789	\$ 24,218	\$ 685,752
Various fees/state aid	87,929	35,968	-	-	-	123,897
Total	\$ 87,929	\$ 35,968	\$ 628,745	\$ 32,789	\$ 24,218	\$ 809,649

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 5 DUE FROM OTHER GOVERNMENTS

New York State owes the Town its share of sales tax for the fourth quarter, amounting to \$548,826.

NOTE 6 BOND ANTICIPATION NOTES

The Town may issue bond anticipation notes (BANs) in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date. Transaction in short-term debt for the year ended December 31 consisted of the following:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
BAN Matured 9/13/19 at 0.88%	\$ 110,890	\$ -	\$ 110,890	\$ -
BAN Due 9/11/20 at 1.85%	-	52,500	-	52,500
Total BANS	<u>\$ 110,890</u>	<u>\$ 52,500</u>	<u>\$ 110,890</u>	<u>\$ 52,500</u>

NOTE 7 DUE TO OTHER GOVERNMENTS

The Town's water fund owes the City of Troy \$339,137 at December 31, 2019 for water purchases.

NOTE 8 LONG-TERM DEBT

Long-term liability balances and activity for the year ended December 31, consisted of the following:

	<u>Beginning Balance</u>	<u>Issued Increase</u>	<u>Redeemed (Decrease)</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
Bonds and notes payable:					
General obligation debt:					
Public improvement	\$ 120,000	\$ -	\$ (30,000)	\$ 90,000	\$ 30,000
Town office	<u>910,000</u>	<u>-</u>	<u>(85,000)</u>	<u>825,000</u>	<u>80,000</u>
Total	<u>1,030,000</u>	<u>-</u>	<u>(115,000)</u>	<u>915,000</u>	<u>110,000</u>
Other liabilities:					
OPEB	5,317,246	-	(309,786)	5,007,460	-
Net Pension	163,315	213,703	-	377,018	-
Compensated absences	<u>25,239</u>	<u>419</u>	<u>-</u>	<u>25,658</u>	<u>-</u>
Total	<u>5,505,800</u>	<u>214,122</u>	<u>(309,786)</u>	<u>5,410,136</u>	<u>-</u>
Total long-term liabilities	<u>\$ 6,535,800</u>	<u>\$ 214,122</u>	<u>\$ (424,786)</u>	<u>\$ 6,325,136</u>	<u>\$ 110,000</u>

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 8 LONG-TERM DEBT (Cont'd.)

Additions and deletions to compensated absences are shown net because it is impracticable to determine these amounts separately. Issue dated, maturities, and interest rates on outstanding debt consisted of the following at December 31:

<u>Bond Issue</u>	<u>Issued</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Balance</u>
Public Improvement	2005	2022	4.55%	\$ 90,000
Town Hall	2018	2030	2.00%	<u>825,000</u>
Total				<u>\$ 915,000</u>

The following is a summary of the maturity of bonds payable at December 31:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 110,000	\$ 25,896	\$ 135,896
2021	110,000	22,867	132,867
2022	110,000	19,736	129,736
2023	80,000	16,506	96,506
2024	75,000	14,572	89,572
2025 – 2029	360,000	40,738	400,738
2030 – 2032	<u>70,000</u>	<u>1,225</u>	<u>71,225</u>
Totals	<u>\$ 915,000</u>	<u>\$ 141,540</u>	<u>\$ 1,056,540</u>

NOTE 9 PENSION PLANS

A. General Information

The Town participates in the New York State and Local Employees' Retirement System (ERS), and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing, multiple-employer retirement systems. The Systems provide retirement benefits, as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 9 PENSION PLANS (Cont'd.)

B. Plan Descriptions and Benefits Provided

The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. NYSERS provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law govern obligations of employers and employees to contribute, and benefits to employees. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the New York State and Local Retirement Systems, Gov. Alfred E. Smith State Office Building, Albany, New York 12244.

C. Funding Policy

The Systems are noncontributory for the employees who joined prior to July 27, 1976. For employees who joined the Systems after July 27, 1976 and prior to January 1, 2010, employees contribute 3% of their salary, except that employees in the Systems for more than ten years of employment are no longer required to contribute. For employees who joined after January 1, 2010 and prior to April 1, 2012, employees in NYSERS contribute 3% of their salary throughout their active membership. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund. For employees who joined after April 1, 2012, employees in NYSERS contribute 3% of their salary until April 1, 2014, and then contribute 3% to 6% of their salary throughout their active membership. Town of Brunswick is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were:

	ERS
2019	\$ 271,131
2018	272,770
2017	242,162

The Town's contributions made to the Systems were equal to 100% of the contributions required for each year.

D. Pension, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the Town reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 9 PENSION PLANS (Cont'd.)

D. Pension, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd.)

This information was provided by the ERS System in reports provided to the Town.

	<u>ERS</u>
Actuarial valuation date	March 31, 2019
Net pension liability	\$ 377,018
Town's portion of the Plan's total net pension liability	0.0053211%

For the year ended December 31, 2019, the Town recognized pension expense of \$278,293 for ERS. At December 31, 2019, the Town's reported deferred outflows of resources and deferred inflows of resources related to ERS:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 74,243	\$ 25,309
Change of assumptions	94,767	-
Net difference between projected and actual earnings on pension plan investments	-	96,764
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	<u>66,233</u>	<u>12,439</u>
Total	<u>\$ 235,243</u>	<u>\$ 134,512</u>

Town contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended March 31:</u>	<u>Net Deferred Outflows/ Inflows ERS</u>
2020	\$ 96,512
2021	(59,039)
2022	5,545
2023	57,714
2024	-
Thereafter	<u>-</u>
Total	<u>\$ 100,732</u>

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 9 PENSION PLANS (Cont'd.)

E. Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>ERS</u>
Measurement date	March 31, 2019
Actuarial valuation date	April 1, 2018
Interest rate	7.0 %
Salary scale	3.8% indexed by service
Decrement tables	April 1, 2010 - March 31, 2015 System Experience
Inflation rate	2.5 %

The annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 9 PENSION PLANS (Cont'd.)

E. Actuarial Assumptions (Cont'd.)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	36.0%	4.55 %
International equity	14.0%	6.35 %
Private equity	10.0%	7.50 %
Real estate	10.0%	5.55 %
Absolute return strategies *	2.0%	3.75 %
Opportunistic portfolio	3.0%	5.68 %
Real assets	3.0%	5.29 %
Bonds and mortgages	17.0%	1.31 %
Cash	1.0%	(0.25)%
Inflation indexed bonds	4.0%	1.25 %
	<u>100.0%</u>	

The real rate of return is net of the long-term inflation assumption of 2.50%.

* Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity, respectively.

F. Discount Rate

The discount rate used to calculate the total pension liability was 7.0% for ERS. 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 requires rates, actuarially. Based upon the assumptions, the Plan'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.

G. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

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

<u>ERS</u>	<u>1% Decrease (6.0%)</u>	<u>Current Assumption (7.0%)</u>	<u>1% Increase (8.0%)</u>
Employer's proportionate share of net pension liability (asset)	\$ 1,648,383	\$ 377,018	\$ (691,019)

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 9 PENSION PLANS (Cont'd.)

H. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the respective valuation dates, were as follows:

	ERS – March 31, 2019		
	Pension Plans Fiduciary Net Position	Town's Proportionate Share of Plans Fiduciary Net Position	Town's Allocation as Determined by the Plan
Total pension liability	\$ 189,803,429,000	\$ 10,099,632	0.0053211 %
Net position	(182,718,124,000)	(9,722,614)	0.0053211 %
Net pension liability (asset)	\$ 7,085,305	\$ 377,018	0.0053211 %
Fiduciary net position, as a percentage of total pension liability	96.27%		

I. Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of December 31, 2019 represent the projected employer contribution for the period of April 1, 2019 through December 31, 2019 based on paid ERS wages multiplied by the employer's contribution rate, by tier.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

A. General Information about the OPEB Plan

The Town provides postemployment, medical and prescription drug insurance, coverage to retired employees in accordance with the provisions of various employment contracts. The benefits levels, employee contributions and employer contributions are governed by the Town's contractual agreements. The plan is a single-employer defined benefit OPEB plan administered by the Town. The Town pays 80% of the plan cost and the retiree pays the remaining 20%. Surviving spouses of retirees may continue individual health coverage through the Town with the same contributions requirements.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Cont'd.)

A. General Information about the OPEB Plan (Cont'd.)

Employees Covered by Benefit Terms – At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>23</u>
Total membership	<u>39</u>

B. Total OPEB Liability

The Town's total OPEB liability of \$5,007,460 was measured as of December 31, 2019 and was determined by an actuarial valuation as of that date.

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

Inflation rate	2.40%
Salary scale	2.00%
Discount rate	4.10%

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

Mortality – RP-2014 adjusted to 2006 total dataset mortality table projected to the valuation date with scale MP-2016.

C. Changes in the Total OPEB Liability

Balance, January 1, 2019	\$ 5,317,246
Changes for the year:	
Service cost	188,443
Interest	186,298
Differences between expected and actual experience	-
Changes of assumptions of other inputs	(504,472)
Benefit payments	<u>(180,055)</u>
Net changes	<u>(309,786)</u>
Balance, December 31, 2019	<u>\$ 5,007,460</u>

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Cont'd.)

C. Changes in the Total OPEB Liability (Cont'd.)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current discount rate:

	3.10% <u>1% Decrease</u>	4.10% <u>Current Rate</u>	5.10% <u>1% Increase</u>
Total OPEB Liability	\$ <u>5,803,537</u>	\$ <u>5,007,460</u>	\$ <u>4,371,982</u>

Sensitivity of the Total OPEB Liability to Change in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Healthcare Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ <u>4,289,208</u>	\$ <u>5,007,460</u>	\$ <u>5,924,809</u>

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Town recognized OPEB expense of \$279,016. At December 31, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions or other inputs	-	408,740
Employer contributions subsequent to measurement date	<u>207,885</u>	<u>-</u>
Total	\$ <u>207,885</u>	\$ <u>408,740</u>

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Cont'd.)

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd.)

The amortization period for the beginning of the measurement period is 5.27 years for the average expected remaining service life of members. Amounts reported as deferred outflows of sources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended December 31,</u>	<u>Amount</u>
2020	\$ (95,725)
2021	(95,725)
2022	(95,725)
2023	(95,725)
2024 and thereafter	(25,847)

NOTE 11 LENGTH OF SERVICE AWARDS PROGRAM (LOSAP)

The Town established a defined contribution LOSAP for the active firefighters of the Brunswick Fire Company, No. 1, Volunteer Fire Company of Center Brunswick and the Mountain View Volunteer Fire Company, Inc. The Town is the sponsor and administrator of the three programs which took effect on January 1, 1996. The programs, established pursuant to Article 11-A of General Municipal Law, provide municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters.

Program Description

Participation, Vesting, and Service Credit

Active volunteer firefighters who have reached the age of 16 and completed 1 year of firefighting service are eligible to participate in the program. Participants acquire a non-forfeitable right to a service award after being credited with 5 years of firefighting service or upon attaining the program's entitlement age, which is 62. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points.

Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for 5 years of firefighting service rendered prior to the establishment of the program.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 11 LENGTH OF SERVICE AWARDS PROGRAM (LOSAP) (Cont'd.)

Program Description (Cont'd.)

Benefits and Contribution

A participant's benefit under the program is the amount resulting from the contributions made by the sponsor on behalf of the participant, plus interest and/or other earnings resulting from the investment of the contributions, less necessary administrative costs, forfeitures and losses resulting from the investment of contributions. Contributions in the amount of \$700 are made on behalf of each participant who is credited with a year of firefighting service. The maximum number of years of firefighting service for which a participant may receive a contribution is forty years. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandatory disability and death benefits.

Fiduciary Investment and Control

Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the governing board. The governing board of the sponsor has retained and designated Penflex, Inc. to assist in the administration of the program. The designated program administrator's functions include determining and certifying in writing the amount of the service award to be paid to a participant or to a participant's designated beneficiary and additional services as defined in the agreement with the Town. Disbursements for the payment of benefits or administrative expenses must be approved by the authorized representative of the Town.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The trust agreement is dated May 9, 1996, and the trustee is the Town Board.

Authority to invest program assets is vested in the program trustee. Program assets are invested in accordance with a statutory "prudent person" rule.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 11 LENGTH OF SERVICE AWARDS PROGRAM (LOSAP) (Cont'd.)

Program and Financial Condition

Assets and Liabilities

Assets available for benefits consisted of the following at December 31:

	<u>% of Total</u>	<u>Total</u>
Sponsor contributions receivable	4.0 %	\$ 44,483
Interest receivable	0.0 %	390
Money market	4.0 %	37,100
Fixed income	58.0 %	615,825
U.S. equities	21.0 %	221,954
International equities	13.0 %	137,297
Mixed assets	0.0 %	-
Subtotal		<u>1,057,049</u>
Less: Liabilities		<u>-</u>
Total net position available for benefits		<u>\$ 1,057,049</u>
Unfunded liability for prior service		<u>\$ -</u>

Prior Service Costs

Prior service costs have been amortized and paid.

Receipts and Disbursements

Plan net position, beginning of year		\$ 935,431
Changes during the 2019 year:		
Sponsor contributions, accrual	\$ 28,502	
Investment income earned	15,981	
Changes in contributions receivable	33,827	
Changes in fair market value of investments	85,483	
Changes in investment income receivable	-	
Plan benefit withdrawals	(35,178)	
Administrative fees and other charges	<u>(6,997)</u>	
Total change in plan net position		<u>121,618</u>
Plan net position, end of year		<u>\$ 1,057,049</u>

Contributions

Amount of sponsors' required contribution	\$ 28,502
Amount of sponsors' actual contribution	28,502

Administrative Fees

Fees paid to designated program administrator	\$ 5,100
Other administrative fees	6,997

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2019

NOTE 12 COMMITMENTS AND CONTINGENCIES

Long-Term Contracts

The Town purchases water from the City of Troy for consumption by Brunswick's residents. The amount paid is based on actual usage and the water rate set annually by the City of Troy. The agreement was reached November 27, 1967 and expired November 27, 2007. Currently the Town is paying the same rates as the City of Troy residents. The Town is in the process of renegotiating the agreement.

Lawsuits

The Town is a defendant in a number of lawsuits. In the opinion of the Town Attorney, after considering all relevant facts, such litigation will not, in the aggregate, have a material adverse effect on the financial position of the Town as of December 31, 2019.

Grant Programs

The Town participates in a few grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs may be conducted, in accordance with grantor requirements, on a periodic basis. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town believes, based upon its review of current activity and prior experience, the amount of such disallowances, if any, will be nominal.

Environmental Risks

Certain facilities are subject to federal, state and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Town expect such compliance to have, any material affect upon the capital expenditures or financial condition of the Town. The Town believes that its current practices and procedures for control and disposition of regulated wastes comply with applicable federal, state, and local requirements.

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TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 958,713	\$ 958,713	\$ 962,166	\$ 3,453
Non-property tax items	997,297	997,297	1,217,574	220,277
Departmental income	298,131	298,132	341,154	43,022
Use of money and property	11,800	11,800	38,375	26,575
Licenses and permits	145,025	145,025	162,270	17,245
Sale of property and compensation of loss	10,000	10,000	39,189	29,189
Miscellaneous local sources	50,000	50,000	95,100	45,100
State aid	388,000	388,000	310,881	(77,119)
Total revenue	<u>2,858,966</u>	<u>2,858,967</u>	<u>3,166,709</u>	<u>307,742</u>
Expenditures:				
General governmental support	1,129,841	1,129,841	1,165,382	(35,541)
Public safety	187,111	187,111	173,202	13,909
Health	24,000	24,000	25,600	(1,600)
Transportation	245,634	245,634	195,025	50,609
Economic assistance and opportunity	11,000	11,000	8,478	2,522
Culture and recreation	419,130	419,130	459,699	(40,569)
Home and community services	315,821	342,759	340,705	2,054
Employee benefits	513,924	513,924	461,881	52,043
Debt service - Principal	108,410	85,000	85,000	-
Debt service - Interest	-	23,410	23,410	-
Total expenditures	<u>2,954,871</u>	<u>2,981,809</u>	<u>2,938,382</u>	<u>43,427</u>
Net change in fund balance	(95,905)	(122,842)	228,327	351,169
Fund balance - Beginning of year	<u>1,812,979</u>	<u>1,812,979</u>	<u>1,812,979</u>	<u>-</u>
Fund balance - End of year	<u>\$ 1,717,074</u>	<u>\$ 1,690,137</u>	<u>\$ 2,041,306</u>	<u>\$ 351,169</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HIGHWAY FUND

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 1,476,330	\$ 1,476,330	\$ 1,475,504	\$ (826)
Non-property tax items	501,494	501,494	501,494	-
Intergovernmental charges	32,000	32,000	27,791	(4,209)
Use of money and property	14,000	14,000	45,504	31,504
Licenses and permits	-	-	1,900	1,900
Sale of property and compensation of loss	18,155	18,155	43,001	24,846
State aid	257,796	257,796	298,642	40,846
Federal aid	-	-	-	-
Total revenue	<u>2,299,775</u>	<u>2,299,775</u>	<u>2,393,836</u>	<u>94,061</u>
Expenditures:				
Transportation	1,813,094	1,951,764	1,830,600	121,164
Employee benefits	<u>486,681</u>	<u>486,681</u>	<u>403,561</u>	<u>83,120</u>
Total expenditures	<u>2,299,775</u>	<u>2,438,445</u>	<u>2,234,161</u>	<u>204,284</u>
Net change in fund balance	-	(138,670)	159,675	298,345
Fund balance - Beginning of year	<u>1,522,414</u>	<u>1,522,414</u>	<u>1,522,414</u>	<u>-</u>
Fund balance - End of year	<u>\$ 1,522,414</u>	<u>\$ 1,383,744</u>	<u>\$ 1,682,089</u>	<u>\$ 298,345</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - WATER FUND

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 405,789	\$ 405,789	\$ 405,788	\$ (1)
Departmental income	1,065,799	1,065,799	1,007,164	(58,635)
Intergovernmental charges	-	-	26,045	26,045
Use of money and property	8,400	8,400	24,654	16,254
Sales of property and compensation of loss	-	-	-	-
Total revenue	<u>1,479,988</u>	<u>1,479,988</u>	<u>1,468,685</u>	<u>(11,303)</u>
Expenditures:				
Home and community services	1,499,690	1,499,690	1,073,398	426,292
Employee benefits	<u>91,887</u>	<u>91,887</u>	<u>63,241</u>	<u>28,646</u>
Total expenditures	<u>1,591,577</u>	<u>1,591,577</u>	<u>1,136,639</u>	<u>454,938</u>
Net change in fund balance	(111,589)	(111,589)	332,046	443,635
Fund balance - Beginning of year	<u>1,770,066</u>	<u>1,770,066</u>	<u>1,770,066</u>	<u>-</u>
Fund balance - End of year	<u>\$ 1,658,477</u>	<u>\$ 1,658,477</u>	<u>\$ 2,102,112</u>	<u>\$ 443,635</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - FIRE PROTECTION FUND

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 1,178,005	\$ 1,178,005	\$ 1,178,005	\$ -
Use of money and property	-	-	1,130	1,130
Total revenue	<u>1,178,005</u>	<u>1,178,005</u>	<u>1,179,135</u>	<u>1,130</u>
Expenditures:				
Public safety	1,051,325	1,051,325	1,051,375	(50)
Employee benefits	116,760	116,760	95,490	21,270
Total expenditures	<u>1,168,085</u>	<u>1,168,085</u>	<u>1,146,865</u>	<u>21,220</u>
Net change in fund balance	9,920	9,920	32,270	22,350
Fund balance - Beginning of year	<u>57,825</u>	<u>57,825</u>	<u>57,825</u>	<u>-</u>
Fund balance - End of year	<u>\$ 67,745</u>	<u>\$ 67,745</u>	<u>\$ 90,095</u>	<u>\$ 22,350</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

SCHEDULE OF CHANGES IN
NET OPEB LIABILITY

Year Ended December 31, 2019

	<u>2018</u>	<u>2019</u>
Total OPEB Liability:		
Service cost at end of year	\$ 130,252	\$ 188,443
Interest	166,963	186,298
Changes to benefit terms	-	-
Difference between expected and actual experience	590,584	-
Changes of assumptions or other inputs	172,031	(504,472)
Benefit payments	<u>(58,661)</u>	<u>(180,055)</u>
Net change in total OPEB liability	1,001,169	(309,786)
Total OPEB liability - Beginning	<u>4,316,077</u>	<u>5,317,246</u>
Total OPEB liability - Ending	<u><u>\$ 5,317,246</u></u>	<u><u>\$ 5,007,460</u></u>
Covered employee payroll	<u><u>\$ 3,982,317</u></u>	<u><u>\$ 461,320</u></u>
Total OPEB liability as a percentage of covered-employee payroll	134.00%	1085.00%

10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

The Town has no net assets accumulated in a trust that meets the criterial in paragraph 4 of GASB Statement No. 75, to pay OPEB benefits. The Town currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK
SCHEDULE OF CONTRIBUTIONS - PENSION PLANS
Year Ended December 31, 2019

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
NYSLRS Pension Plan				
Town's proportion of the net pension liability (asset)	0.0057875%	0.0050960%	0.0050602%	0.0053211%
Town's proportionate share of the net pension liability (asset)	\$ 928,905	\$ 478,835	\$ 163,315	\$ 377,018
Town's covered-employee payroll	1,677,566	1,643,393	1,873,065	1,780,278
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	55.37%	29.14%	8.72%	21.18%
Plan fiduciary net position as a percentage of total pension liability	90.70%	94.70%	98.24%	96.27%

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See auditors' report.