

TOWN OF BRUNSWICK, NEW YORK

FINANCIAL STATEMENTS

Year Ended December 31, 2020

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, 2020, 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, 2020, 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 16, 2021

Mistert, Manzanero & Scott, LLP

TOWN OF BRUNSWICK, NEW YORK
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

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, 2020. This document should be read in conjunction with the Town's financial statements.

Financial Highlights

- Capital purchases and improvements totaling \$605,499 of which \$265,857 was road improvements, which were partially funded by State.
- Net position increased by \$820,298 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, 2020

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 \$13,865,800 to \$14,686,098. 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, 2020

The Town as a Whole (Cont'd.)

Table A-1: Condensed Statement of Net Position

	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>	<u>Percent Change</u>
Assets:			
Current and other assets	\$ 9,089,904	\$ 8,221,255	9.8 %
Capital assets, net	<u>12,803,118</u>	<u>12,762,980</u>	6.3 %
Total assets	<u>21,893,022</u>	<u>20,984,235</u>	4.3 %
Deferred outflows of resources	<u>2,479,988</u>	<u>443,128</u>	459.7 %
Liabilities:			
Current liabilities	739,267	803,175	(28.1) %
Long-term outstanding	<u>8,603,408</u>	<u>6,215,136</u>	38.4 %
Total liabilities	<u>9,342,675</u>	<u>7,018,311</u>	33.1 %
Deferred inflows of resources	<u>344,237</u>	<u>543,252</u>	36.6 %
Net position:			
Net investment in capital assets	11,998,118	11,795,481	1.7 %
Unrestricted	<u>2,687,980</u>	<u>2,070,319</u>	29.8 %
Total net position	<u>\$ 14,686,098</u>	<u>\$ 13,865,800</u>	5.9 %

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

	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>	<u>Percent Change</u>
Revenue:			
Program revenue:			
Charges for services	\$ 1,483,487	\$ 1,698,643	(12.7) %
Capital grants and contributions	270,378	298,642	(9.5) %
General revenue:			
Real property taxes	4,093,853	4,089,903	0.1 %
Non-property tax items	1,801,951	1,768,903	1.9 %
Use of money and property	30,760	112,976	(72.8) %
Sale of property, compensation for loss	66,349	63,279	4.9 %
Miscellaneous local sources	107,644	100,134	7.5 %
State aid	<u>328,812</u>	<u>310,881</u>	5.8 %
Total revenue	<u>8,183,234</u>	<u>8,443,361</u>	(3.1) %

TOWN OF BRUNSWICK, NEW YORK
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

The Town as a Whole (Cont'd.)

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

	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>	<u>Percent Change</u>
Expenses:			
General support	1,780,142	2,022,266	(12.0) %
Public safety	1,402,680	1,388,141	1.0 %
Health	12,000	25,600	(53.1) %
Transportation	2,253,251	2,622,098	(14.1) %
Economic assistance and opportunity	1,200	8,478	(85.8) %
Culture and recreation	321,972	473,620	(32.0) %
Home and community service	1,564,829	1,635,127	(4.3) %
Debt service	<u>26,862</u>	<u>31,473</u>	(14.7) %
Total expenses	<u>7,362,936</u>	<u>8,206,803</u>	(10.3) %
Increase in net position	<u>\$ 820,298</u>	<u>\$ 236,558</u>	246.7 %

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

	<u>2020</u>		<u>2019</u>	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Functions:				
Public safety	\$ 1,402,680	\$ 1,303,326	\$ 1,388,141	\$ 1,180,589
Transportation	2,253,251	1,966,319	2,622,098	2,293,765
Home and community service	<u>1,564,829</u>	<u>213,240</u>	<u>1,635,127</u>	<u>251,205</u>
Total	<u>\$ 5,220,760</u>	<u>\$ 3,482,885</u>	<u>\$ 5,645,366</u>	<u>\$ 3,725,559</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 \$7,877,115, which is \$897,862 more than last year's total of \$6,979,253.

General Fund – Fund balance increased by \$319,645, compared to the prior year increase of \$228,327. Both 2020 revenues and expenses decreased compared to 2019, but the decrease in expenses was greater which resulted in larger increase in fund balance in 2020 compared to 2019.

TOWN OF BRUNSWICK, NEW YORK

MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

Town Funds (Cont'd.)

Highway Fund – Fund balance increased by \$210,198, compared to the prior year increase of \$159,675. This resulted from a decrease in revenues by \$13,615 which was less than the decrease in expenditures of \$64,138 when compared to the prior year.

Water Fund – Fund balance increased by \$270,071, compared to the prior year increase of \$332,046. This resulted from a decrease in revenues by \$10,377 and an increase in expenditures of \$51,598 when compared to the prior year.

Fire Protection Fund – Fund balance increased by \$1,795, compared to the prior year increase of \$32,270. Revenues decreased by \$20,578 and expenditures decreased by \$9,897 compared to the previous year.

Special Sewer Fund – Fund balance decreased by \$21,371, compared to the decrease in the prior year of \$16,455. Revenues increased by \$247 and expenditures decreased by \$37,579, compared to the previous year.

General Fund Budgetary Highlights

Table A-4: General Fund Budgetary Highlights

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Final Budget Variance with Budgetary Actual</u>
Revenues:				
Real property and non-property tax items	\$ 2,100,240	\$ 2,100,240	\$ 2,217,802	\$ 117,562
Departmental income	262,700	262,700	176,350	(86,350)
Licenses and permits	155,025	155,025	113,563	(41,462)
State aid	275,000	275,000	328,812	53,812
Other revenue	<u>69,000</u>	<u>69,000</u>	<u>115,669</u>	<u>46,669</u>
Total revenue	<u>2,861,965</u>	<u>2,861,965</u>	<u>2,952,196</u>	<u>90,231</u>
Expenditures:				
Governmental support	1,155,888	1,179,588	1,124,696	54,892
Debt service	101,760	101,760	101,756	4
Other expenditures	<u>1,805,235</u>	<u>1,825,335</u>	<u>1,406,099</u>	<u>419,236</u>
Total expenditures	<u>3,062,883</u>	<u>3,106,683</u>	<u>2,632,551</u>	<u>474,132</u>
Net change in fund balance	(200,918)	(244,718)	319,645	564,363
Fund balance, beginning of year	<u>2,041,306</u>	<u>2,041,306</u>	<u>2,041,306</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,840,388</u>	<u>\$ 1,796,588</u>	<u>\$ 2,360,951</u>	<u>\$ 564,363</u>

TOWN OF BRUNSWICK, NEW YORK
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2020

Capital Asset and Debt Administration

Capital Assets

At December 31, 2020, the Town had \$12,803,118, net of depreciation, invested in a broad range of capital assets, including equipment, buildings, and land.

Table A-5: Capital Assets

	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2019</u>	<u>Percent Change</u>
Land	\$ 6,056,801	\$ 6,056,801	- %
Buildings and improvements	3,568,870	3,618,373	(1.4) %
Furniture and equipment	1,806,963	1,642,933	10.0 %
Infrastructure	<u>1,370,484</u>	<u>1,444,873</u>	(5.1) %
Total capital assets	<u>\$ 12,803,118</u>	<u>\$ 12,762,980</u>	.3 %

Debt

At year-end, the Town had \$805,000 in bonds outstanding versus \$915,000 last year. The remaining \$52,500 of bond anticipation notes (BANs) were paid off during 2020. As of December 31, 2020, the Town has \$6,459,169 accrued for other postemployment benefits and \$22,964 accrued for compensated absences. It also has a net pension liability of \$1,426,275. 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 2021 is expected to total \$8.92 million with the general fund accounting for \$3.08 million and the highway fund \$2.38 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 of Brunswick at their office located at 336 Town Office Road, Troy, New York 12180.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF NET POSITION

December 31, 2020

<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 7,536,442
Due from other governments	583,522
Other receivables	969,940
Total current assets	<u>9,089,904</u>
Non-current assets:	
Capital assets, net of accumulated depreciation	<u>12,803,118</u>
TOTAL ASSETS	<u>21,893,022</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Other post-employment benefits (OPEB)	1,571,412
Pension	908,576
Total deferred outflows of resources	<u>2,479,988</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	48,854
Accrued liabilities	235,504
Due to other governments	344,909
Current portion of bonds payable	110,000
Total current liabilities	<u>739,267</u>
Long-term liabilities:	
Bonds payable, net of current portion	695,000
Other post-employment benefits (OPEB)	6,459,169
Compensated absences	22,964
Net pension liability	1,426,275
Total long-term liabilities	<u>8,603,408</u>
TOTAL LIABILITIES	<u>9,342,675</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Other post-employment benefits (OPEB)	313,022
Pension	31,215
Total deferred inflows of resources	<u>344,237</u>
<u>NET POSITION</u>	
Net investment in capital assets	11,998,118
Unrestricted	<u>2,687,980</u>
TOTAL NET POSITION	<u>\$ 14,686,098</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF ACTIVITIES

Year Ended December 31, 2020

	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	\$ 1,780,142	\$ 10,640	\$ -	\$ -
Public safety	1,402,680	99,354	-	-
Health	12,000	-	-	-
Transportation	2,253,251	16,554	-	270,378
Economic assistance and opportunity	1,200	-	-	-
Culture and recreation	321,972	5,350	-	-
Home and community services	1,564,829	1,351,589	-	-
Debt service - Interest	26,862	-	-	-
Total functions and programs	<u>7,362,936</u>	<u>1,483,487</u>	<u>-</u>	<u>270,378</u>
				<u>(5,609,071)</u>
General revenue:				
Real property taxes				4,093,853
Non-property tax items				1,801,951
Use of money and property				30,760
Sale of property and compensation for loss, net				66,349
Miscellaneous local sources				107,644
State aid				328,812
Total general revenue				<u>6,429,369</u>
Change in net position				820,298
Total net position - Beginning of year				<u>13,865,800</u>
Total net position - End of year				<u>\$ 14,686,098</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, 2020

	Governmental Fund Types		
	General	Highway	Water
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,393,134	\$ 1,818,527	\$ 2,119,814
Other receivables	85,566	205,595	628,553
Due from other governments	583,522	-	-
Total assets	\$ 3,062,222	\$ 2,024,122	\$ 2,748,367
<u>LIABILITIES</u>			
Accounts payable	\$ 23,403	\$ 22,756	\$ 603
Accrued liabilities	94,346	109,079	30,672
Due to other governments	-	-	344,909
Total liabilities	117,749	131,835	376,184
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Earned but not received sales tax	583,522	-	-
<u>FUND BALANCE</u>			
Assigned:			
Appropriated for subsequent years' expenditures	124,938	-	-
Operations for the special revenue fund	-	1,892,287	2,372,183
Unassigned	2,236,013	-	-
Total fund balance	2,360,951	1,892,287	2,372,183
Total liabilities and fund balance	\$ 3,062,222	\$ 2,024,122	\$ 2,748,367

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
Fire Protection	Capital Projects	Special Sewer	Non-Major Funds	Governmental Funds
\$ 91,890	\$ -	\$ 598,422	\$ 514,655	\$ 7,536,442
-	-	25,616	24,610	969,940
-	-	-	-	583,522
<u>\$ 91,890</u>	<u>\$ -</u>	<u>\$ 624,038</u>	<u>\$ 539,265</u>	<u>\$ 9,089,904</u>
\$ -	\$ -	\$ 1,991	\$ 101	\$ 48,854
-	-	-	1,407	235,504
-	-	-	-	344,909
<u>-</u>	<u>-</u>	<u>1,991</u>	<u>1,508</u>	<u>629,267</u>
-	-	-	-	583,522
-	-	-	-	124,938
91,890	-	622,047	537,757	5,516,164
-	-	-	-	2,236,013
<u>91,890</u>	<u>-</u>	<u>622,047</u>	<u>537,757</u>	<u>7,877,115</u>
<u>\$ 91,890</u>	<u>\$ -</u>	<u>\$ 624,038</u>	<u>\$ 539,265</u>	<u>\$ 9,089,904</u>
				\$ 7,877,115
				12,803,118
				583,522
				2,479,988
				(344,237)
				(805,000)
				(6,459,169)
				(22,964)
				<u>(1,426,275)</u>
				<u>\$ 14,686,098</u>

TOWN OF BRUNSWICK, NEW YORK

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

December 31, 2020

	Government Fund Types		
	General	Highway	Water
<u>REVENUES</u>			
Real property taxes and liens	\$ 985,222	\$ 1,481,624	\$ 407,240
Non-property tax items	1,232,580	534,675	-
Departmental income	176,350	-	1,040,982
Intergovernmental charges	-	13,404	-
Use of money and property	9,264	11,202	8,286
Licenses and permits	113,563	3,150	-
Sale of property and compensation of loss	2,576	63,773	-
Miscellaneous local sources	103,829	2,015	1,800
State aid	328,812	270,378	-
Total revenue	<u>2,952,196</u>	<u>2,380,221</u>	<u>1,458,308</u>
<u>EXPENDITURES</u>			
General governmental support	1,124,696	-	-
Public safety	221,997	-	-
Health	12,000	-	-
Transportation	168,097	1,760,633	-
Economic assistance and opportunity	1,200	-	-
Culture and recreation	308,051	-	-
Home and community services	222,910	-	1,126,695
Employee benefits	471,844	409,390	61,542
Debt service - Principal	80,000	-	-
Debt service - Interest	21,756	-	-
Total expenditures	<u>2,632,551</u>	<u>2,170,023</u>	<u>1,188,237</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)	319,645	210,198	270,071
Fund balance - Beginning of year	<u>2,041,306</u>	<u>1,682,089</u>	<u>2,102,112</u>
Fund balance - End of year	<u>\$ 2,360,951</u>	<u>\$ 1,892,287</u>	<u>\$ 2,372,183</u>

See accompanying notes.

Government Fund Types				Total
Fire Protection	Capital Projects	Special Sewer	Non-Major Funds	Governmental Funds
\$ 1,157,986	\$ -	\$ 14,168	\$ 47,613	\$ 4,093,853
-	-	-	-	1,767,255
-	-	47,706	88,332	1,353,370
-	-	-	-	13,404
571	-	761	676	30,760
-	-	-	-	116,713
-	-	-	-	66,349
-	-	-	-	107,644
-	-	-	-	599,190
<u>1,158,557</u>	<u>-</u>	<u>62,635</u>	<u>136,621</u>	<u>8,148,538</u>
-	-	-	-	1,124,696
1,061,016	-	-	-	1,283,013
-	-	-	-	12,000
-	-	-	-	1,928,730
-	-	-	-	1,200
-	-	-	-	308,051
-	-	35,487	20,644	1,405,736
95,746	-	5,777	6,089	1,050,388
-	-	-	82,500	162,500
-	-	-	5,106	26,862
<u>1,156,762</u>	<u>-</u>	<u>41,264</u>	<u>114,339</u>	<u>7,303,176</u>
-	52,500	-	-	52,500
-	52,500	-	-	52,500
1,795	52,500	21,371	22,282	897,862
<u>90,095</u>	<u>(52,500)</u>	<u>600,676</u>	<u>515,475</u>	<u>6,979,253</u>
<u>\$ 91,890</u>	<u>\$ -</u>	<u>\$ 622,047</u>	<u>\$ 537,757</u>	<u>\$ 7,877,115</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, 2020

Net changes in fund balance - Total governmental funds	\$ 897,862
Capital outlays, net of disposals, are expenditures in governmental funds but are capitalized in the statement of net position	605,499
Depreciation is not recorded as an expenditure in the governmental fund, but is recorded in the statement of activities	(565,361)
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	110,000
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	(272,627)
Other post-employment benefits do not require the expenditure of current resources and are therefore, not reported as an expenditure in the governmental funds	10,230
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>34,696</u>
Change in net position - Governmental activities	<u><u>\$ 820,299</u></u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

Year Ended December 31, 2020

	Private Purpose Trusts	Custodial Funds
<u>ASSETS</u>		
Cash	\$ 406,329	\$ 310,229
Restricted cash - LOSAP	-	196,731
Accounts receivable	-	54,291
Restricted assets, at fair value:		
Equities	-	409,168
Fixed income	-	522,146
Total assets	<u>\$ 406,329</u>	<u>\$ 1,492,565</u>
<u>LIABILITIES</u>		
Funds held for others	\$ 1,332	\$ 310,229
Service awards	-	1,182,336
Total liabilities	<u>\$ 1,332</u>	<u>\$ 1,492,565</u>
<u>NET POSITION</u>		
Reserved for other purposes	<u>\$ 404,997</u>	

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS

Year Ended December 31, 2020

	Private Purpose Trusts
Additions:	
Miscellaneous local sources	\$ 2,500
Investment earnings	505
Total additions	<u>3,005</u>
Deductions:	
Home and community services	<u>-</u>
CHANGE IN NET POSITION	3,005
NET POSITION - Beginning of year	<u>401,992</u>
NET POSITION - End of year	<u>\$ 404,997</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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, 2020

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

Used to account for assets held by the local government in a trustee or custodial capacity. The following are the fiduciary funds:

Custodial Funds

- LOSAP Trust Fund – used to account for the defined contribution length of service award program (LOSAP) for participating fire companies.
- Other Custodial Fund – 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.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

Private Purpose Trust Funds

These funds are used to account for trust arrangements in which principal and income are used to complete capital improvements by developers on Town owned lands.

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 16, 2021, 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.

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.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

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.

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.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

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.

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.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

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, 2020, 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.

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, 2020 by recording \$47,865, which is its share of insurance premiums for 8 currently enrolled retirees, as expenditure for the current year.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS
Year Ended December 31, 2020

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

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.

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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

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.

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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

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, 2020 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

On May 8, 2020, the GASB issued Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance* in response to the COVID-19 pandemic. The effective dates of GASB Statements not yet implemented by the Town have been updated below to reflect the impact of this Statement. There were no new GASB Statements implemented by the Town for the year ended December 31, 2020.

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

- Statement No. 87, *Leases*, which will be effective for the year ending December 31, 2022.
- 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, 2021.
- Statement No. 91, *Conduit Debt Obligations*, which will be effective for the year ending December 31, 2022.
- Statement No. 92, *Omnibus 2020*, which will be effective for the year ending December 31, 2022.
- Statement No. 93, *Replacement of Interbank Offered Rates*, which will be effective for the year ending December 31, 2022.
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will be effective for the year ending December 31, 2023.
- Statement No. 96, *Subscription-Based Information Technology Arrangements*, which will be effective for the year ending December 31, 2023.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and 84, and a supersession of GASB Statement No. 32*, which will be effective for the year ending December 31, 2022.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

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.

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 \$2,278,483 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.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 2 CASH AND CASH EQUIVALENTS (Cont'd.)

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	\$ 6,097,392	\$ 5,974,515
Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	\$ 2,502,125	
Letter of credit	3,500,000	
Covered by FDIC insurance	<u>250,000</u>	
Total	<u>\$ 6,252,125</u>	

As of December 31, 2020, 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.

NOTE 3 CAPITAL ASSETS

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

	<u>Balance at 12/31/19</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 12/31/20</u>
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	3,457,402	339,642	161,598	3,635,446
Water transmission infrastructure	579,284		-	579,284
Infrastructure	<u>2,870,056</u>	<u>265,857</u>	<u>-</u>	<u>3,135,913</u>
Total depreciable cost	<u>12,813,431</u>	<u>605,499</u>	<u>161,598</u>	<u>13,257,332</u>
Less: Accumulated depreciation:				
Buildings and improvements	2,288,316	49,503	-	2,337,819
Furniture and equipment	1,814,469	175,612	161,598	1,828,483
Water transmission infrastructure	304,905	54,263	-	359,168
Infrastructure	<u>1,699,562</u>	<u>285,983</u>	<u>-</u>	<u>1,985,545</u>
Total accumulated depreciation	<u>6,107,252</u>	<u>565,361</u>	<u>161,598</u>	<u>6,511,015</u>
Total capital assets, net	<u>\$ 12,762,980</u>	<u>\$ 40,138</u>	<u>\$ -</u>	<u>\$ 12,803,118</u>

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 3 CAPITAL ASSETS (Cont'd.)

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

General governmental support	\$ 65,733
Transportation	418,360
Culture and recreation	13,921
Home and community services	<u>67,347</u>
Total depreciation expense	<u>\$ 565,361</u>

NOTE 4 OTHER RECEIVABLES

Other receivables consisted of the following at December 31:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Water Fund</u>	<u>Special Sewer</u>	<u>Non-Major Funds</u>	<u>Total</u>
Water and sewer rents	\$ -	\$ -	\$ 628,553	\$ 25,616	\$ 24,610	\$ 678,779
Various fees/ state aid	<u>85,566</u>	<u>205,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>291,161</u>
Total	<u>\$ 85,566</u>	<u>\$ 205,595</u>	<u>\$ 628,553</u>	<u>\$ 25,616</u>	<u>\$ 24,610</u>	<u>\$ 969,940</u>

NOTE 5 DUE FROM OTHER GOVERNMENTS

New York State owes the Town its share of sales tax for the fourth quarter, amounting to \$583,522.

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 Due 9/11/20 at 1.85%	<u>\$ 52,500</u>	<u>\$ -</u>	<u>\$ 52,500</u>	<u>\$ -</u>

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 7 DUE TO OTHER GOVERNMENTS

The Town's water fund owes the City of Troy \$344,909 at December 31, 2020 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	\$ 90,000	\$ -	\$ (30,000)	\$ 60,000	\$ 30,000
Town office	<u>825,000</u>	<u>-</u>	<u>(80,000)</u>	<u>745,000</u>	<u>80,000</u>
Total	<u>915,000</u>	<u>-</u>	<u>(110,000)</u>	<u>805,000</u>	<u>110,000</u>
Other liabilities:					
OPEB	5,007,460	1,451,709	-	6,459,169	-
Net Pension	377,018	1,049,257	-	1,426,275	-
Compensated absences	<u>25,658</u>	<u>-</u>	<u>(2,694)</u>	<u>22,964</u>	<u>-</u>
Total	<u>5,410,136</u>	<u>2,500,966</u>	<u>(2,694)</u>	<u>7,908,408</u>	<u>-</u>
Total long-term liabilities	<u>\$ 6,325,136</u>	<u>\$ 2,500,966</u>	<u>\$ (112,694)</u>	<u>\$ 8,713,408</u>	<u>\$ 110,000</u>

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%	\$ 60,000
Town Hall	2018	2030	2.00%	<u>745,000</u>
Total				<u>\$ 805,000</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	75,000	12,576	87,576
2026 – 2030	<u>355,000</u>	<u>29,387</u>	<u>384,387</u>
Totals	<u>\$ 805,000</u>	<u>\$ 115,644</u>	<u>\$ 920,644</u>

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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.

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:

	<u>ERS</u>
2020	\$ 273,200
2019	271,131
2018	272,770

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

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 9 PENSION PLANS (Cont'd.)

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

At December 31, 2020, 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.

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

	<u>ERS</u>
Actuarial valuation date	March 31, 2020
Net pension liability	\$ 1,426,275
Town's portion of the Plan's total net pension liability	0.0053861%

For the year ended December 31, 2020, the Town recognized pension expense of \$508,399 for ERS. At December 31, 2020, 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	\$ 83,942	\$ -
Change of assumptions	28,718	24,798
Net difference between projected and actual earnings on pension plan investments	731,178	-
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	<u>64,738</u>	<u>6,417</u>
Total	<u>\$ 908,576</u>	<u>\$ 31,215</u>

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 9 PENSION PLANS (Cont'd.)

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, 2020. 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>	Net Deferred Outflows/ Inflows ERS
2021	\$ 158,433
2022	223,837
2023	276,712
2024	218,379
2025	-
Thereafter	-
Total	<u>\$ 877,361</u>

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, 2020
Actuarial valuation date	April 1, 2019
Interest rate	6.8 %
Salary scale	4.2% 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-2018.

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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 9 PENSION PLANS (Cont'd.)

E. Actuarial Assumptions (Cont'd.)

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	36.0%	4.05 %
International equity	14.0%	6.15 %
Private equity	10.0%	6.75 %
Real estate	10.0%	4.95 %
Absolute return strategies *	2.0%	3.25 %
Opportunistic portfolio	3.0%	4.65 %
Real assets	3.0%	5.95 %
Bonds and mortgages	17.0%	0.75 %
Cash	1.0%	0.00 %
Inflation indexed bonds	<u>4.0%</u>	0.50 %
	<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 6.8% 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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 9 PENSION PLANS (Cont'd.)

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 (5.80 % for ERS) or 1 percentage point higher (7.8% for ERS) than the current rate:

<u>ERS</u>	1% Decrease (5.80%)	Current Assumption (6.80%)	1% Increase (7.8%)
Employer's proportionate share of net pension liability (asset)	\$ 2,617,618	\$ 1,426,275	\$ 329,044

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:

	<u>ERS – March 31, 2020</u>		
	<u>Pension Plans Fiduciary Net Position</u>	<u>Town's Proportionate Share of Plans Fiduciary Net Position</u>	<u>Town's Allocation as Determined by the Plan</u>
Total pension liability	\$ 194,596,261,000	\$ 10,481,153	0.0053861 %
Net position	<u>(168,115,682,000)</u>	<u>(9,054,878)</u>	<u>0.0053861 %</u>
Net pension liability (asset)	<u>\$ 26,480,579,000</u>	<u>\$ 1,426,275</u>	<u>0.0053861 %</u>
Fiduciary net position, as a percentage of total pension liability	86.39%		

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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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.

Employees Covered by Benefit Terms – At December 31, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	15
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>21</u>
 Total membership	 <u>36</u>

B. Total OPEB Liability

The Town's total OPEB liability of \$6,459,169 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the December 31, 2020 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	2.74%

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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Cont'd.)

C. Changes in the Total OPEB Liability

Balance, January 1, 2020	\$ 5,007,460
Changes for the year:	
Service cost	148,939
Interest	207,150
Differences between expected and actual experience	160,011
Changes of assumptions of other inputs	1,143,494
Benefit payments	<u>(207,885)</u>
Net changes	<u>1,451,709</u>
Balance, December 31, 2020	<u>\$ 6,459,169</u>

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 (1.74%) or 1 percentage point higher (3.74%) than the current discount rate:

	<u>1.74%</u> <u>1% Decrease</u>	<u>2.74%</u> <u>Current Rate</u>	<u>3.74%</u> <u>1% Increase</u>
Total OPEB Liability	<u>\$ 7,708,118</u>	<u>\$ 6,459,169</u>	<u>\$ 5,490,389</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</u> <u>Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 5,435,491</u>	<u>\$ 6,459,169</u>	<u>\$ 7,796,631</u>

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (Cont'd.)

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

For the year ended December 31, 2020, the Town recognized OPEB expense of \$666,295. At December 31, 2020, 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	\$ 382,334	\$ -
Changes of assumptions or other inputs	988,439	313,022
Employer contributions subsequent to measurement date	<u>200,639</u>	<u>-</u>
Total	<u>\$ 1,571,412</u>	<u>\$ 313,022</u>

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>
2021	\$ 310,206
2022	310,206
2023	204,573
2024	232,766
2025	-
2026 and thereafter	-

NOTE 11 LENGTH OF SERVICE AWARDS PROGRAM (LOSAP)

The Town established a defined contribution LOSAP for the active volunteer 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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

Program Description

Participation, Vesting, and Service Credit

The program provisions and benefits provided under each of the three LOSAP are the same.

Active volunteer firefighters who have reached the age of 16 and completed 1 year of firefighting service are eligible to participate in their respective fire company. 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 or upon death or total and permanent disability. The entitlement age in all programs is age 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 Town on the basis of a statutory list of activities and point values. A participant may also have received credit for 5 years of firefighting service rendered prior to the establishment of the programs.

Benefits and Contribution

A participant's benefit under the program is the amount resulting from the contributions made by the Town 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 currently made on behalf of each participant who is credited with a year of firefighting service. Contributions for service earned after January 1, 2021 have been increased to \$1,200. 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 become payable when a participant reaches entitlement age. The programs provides statutorily mandatory disability and death benefits.

Fiduciary Investment and Control

A year of firefighting service or (service credit) is determined by the Town Board, based on information certified to the Town Board by each fire companies. The fire companies must maintain all required records on forms prescribed by the Town Board. The Town Board has retained and designated Firefly Admin, Inc. ("Firefly") to assist the Town Board to carry out its duties as administrator of the programs. The specific functions performed by Firefly are designated in a service agreement signed between Firefly and the Town Board. Disbursements for the payment of benefits to participants are calculated by Firefly and submitted to the Town Board for approval before payment is actually made. Program assets are required to be held in trust by General Municipal Law, 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 programs. The Town Board adopted a trust document which names the Board members as trustees and stipulates that all accumulated program assets are assets of the Town, reserved for the exclusive purpose of the programs and subject to the creditors on the Town in case the Town was to become insolvent. The trust agreement is dated May 9, 1996, and the trustee is the Town Board.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

Program Description (Cont'd.)

Authority to invest the programs assets is vested in the trustee (i.e, the Town Board). The programs' assets are invested in accordance with a statutory "prudent person" rule and an investment policy adopted by the Town Board. The assets are held in a custodial account with RBC Wealth Management. RBC Wealth management is also retained by the Town Board as portfolio manager.

Program and Financial Condition

Assets and Liabilities

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

	<u>Total</u>
Sponsor contributions receivable	\$ 54,291
Cash and equivalents	196,731
Fixed income	522,146
U.S. equities	282,740
International equities	<u>126,428</u>
Subtotal	1,182,336
Less: Liabilities	<u>-</u>
Total net position available for benefits	<u>\$ 1,182,336</u>
Unfunded liability for prior service	<u>\$ -</u>

Prior Service Costs

All service costs have been paid.

Receipts and Disbursements

Plan net position, beginning of year		\$ 1,057,049
Changes during the 2020 year:		
Sponsor contributions, accrual	\$ 44,483	
Investment income earned	23,183	
Changes in contributions receivable	9,807	
Changes in fair market value of investments	69,014	
Changes in investment income receivable	(389)	
Plan benefit withdrawals	(13,210)	
Administrative fees and other charges	<u>(7,601)</u>	
Total change in plan net position		<u>125,287</u>
Plan net position, end of year		<u>\$ 1,182,336</u>

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

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

Program and Financial Condition (Cont'd.)

Contributions

Amount of sponsors' required contribution	\$ 44,483
Amount of sponsors' actual contribution	44,483

Administrative Fees

Fees paid to designated program administrator	\$ 4,450
Fees paid for investment management	7,601

Other investment related fees *

* Mutual funds have internal expenses charged for operating the mutual fund. These expenses are paid from the fund and are reflected in the fund earnings. These fees are disclosed in the mutual fund prospectus.

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, 2020.

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.

TOWN OF BRUNSWICK, NEW YORK
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2020

NOTE 12 COMMITMENTS AND CONTINGENCIES (Cont'd)

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.

COVID – 19

During 2020, the Town has been impacted by the effects of the worldwide coronavirus pandemic. The Town is closely monitoring its operations, liquidity, capital resources, and is actively working to minimize the current and future impact of this unprecedented situation.

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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, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 969,943	\$ 969,943	\$ 985,222	\$ 15,279
Non-property tax items	1,130,297	1,130,297	1,232,580	102,283
Departmental income	262,700	262,700	176,350	(86,350)
Use of money and property	14,000	14,000	9,264	(4,736)
Licenses and permits	155,025	155,025	113,563	(41,462)
Sale of property and compensation of loss	-	-	2,576	2,576
Miscellaneous local sources	55,000	55,000	103,829	48,829
State aid	275,000	275,000	328,812	53,812
Total revenue	2,861,965	2,861,965	2,952,196	90,231
Expenditures:				
General governmental support	1,155,888	1,179,588	1,124,696	54,892
Public safety	240,879	248,079	221,997	26,082
Health	24,000	24,000	12,000	12,000
Transportation	248,703	248,703	168,097	80,606
Economic assistance and opportunity	11,000	11,000	1,200	9,800
Culture and recreation	421,564	420,414	308,051	112,363
Home and community services	317,457	337,457	222,910	114,547
Employee benefits	541,632	535,682	471,844	63,838
Debt service - Principal	80,000	80,000	80,000	-
Debt service - Interest	21,760	21,760	21,756	4
Total expenditures	3,062,883	3,106,683	2,632,551	474,132
Net change in fund balance	(200,918)	(244,718)	319,645	564,363
Fund balance - Beginning of year	2,041,306	2,041,306	2,041,306	-
Fund balance - End of year	\$ 1,840,388	\$ 1,796,588	\$ 2,360,951	\$ 564,363

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, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 1,482,394	\$ 1,482,394	\$ 1,481,624	\$ (770)
Non-property tax items	534,675	534,675	534,675	-
Intergovernmental charges	32,000	32,000	13,404	(18,596)
Use of money and property	17,000	17,000	11,202	(5,798)
Licenses and permits	-	-	3,150	3,150
Sale of property and compensation of loss	28,155	55,155	63,773	8,618
State aid	209,900	209,900	270,378	60,478
Federal aid	-	-	-	-
Total revenue	<u>2,304,124</u>	<u>2,331,124</u>	<u>2,380,221</u>	<u>49,097</u>
Expenditures:				
Transportation	1,803,364	1,922,814	1,760,633	162,181
Employee benefits	500,760	471,065	409,390	61,675
Total expenditures	<u>2,304,124</u>	<u>2,393,879</u>	<u>2,170,023</u>	<u>223,856</u>
Net change in fund balance	-	(62,755)	210,198	272,953
Fund balance - Beginning of year	<u>1,682,089</u>	<u>1,682,089</u>	<u>1,682,089</u>	<u>-</u>
Fund balance - End of year	<u>\$ 1,682,089</u>	<u>\$ 1,619,334</u>	<u>\$ 1,892,287</u>	<u>\$ 272,953</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, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 404,384	\$ 404,384	\$ 407,240	\$ 2,856
Departmental income	1,065,799	1,065,799	1,040,982	(24,817)
Intergovernmental charges	-	-	-	-
Use of money and property	8,400	8,400	8,286	(114)
Sales of property and compensation of loss	-	-	-	-
Total revenue	<u>1,478,583</u>	<u>1,478,583</u>	<u>1,458,308</u>	<u>(20,275)</u>
Expenditures:				
Home and community services	1,441,281	1,441,281	1,126,695	314,586
Employee benefits	<u>95,118</u>	<u>95,118</u>	<u>61,542</u>	<u>33,576</u>
Total expenditures	<u>1,536,399</u>	<u>1,536,399</u>	<u>1,188,237</u>	<u>348,162</u>
Net change in fund balance	(57,816)	(57,816)	270,071	327,887
Fund balance - Beginning of year	<u>2,102,112</u>	<u>2,102,112</u>	<u>2,102,112</u>	<u>-</u>
Fund balance - End of year	<u>\$ 2,044,296</u>	<u>\$ 2,044,296</u>	<u>\$ 2,372,183</u>	<u>\$ 327,887</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, 2020

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 1,157,986	\$ 1,157,986	\$ 1,157,986	\$ -
Use of money and property	-	-	571	571
Total revenue	<u>1,157,986</u>	<u>1,157,986</u>	<u>1,158,557</u>	<u>571</u>
Expenditures:				
Public safety	1,061,016	1,061,016	1,061,016	-
Employee benefits	96,970	96,970	95,746	1,224
Total expenditures	<u>1,157,986</u>	<u>1,157,986</u>	<u>1,156,762</u>	<u>1,224</u>
Net change in fund balance	-	-	1,795	1,795
Fund balance - Beginning of year	<u>90,095</u>	<u>90,095</u>	<u>90,095</u>	<u>-</u>
Fund balance - End of year	<u>\$ 90,095</u>	<u>\$ 90,095</u>	<u>\$ 91,890</u>	<u>\$ 1,795</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

**SCHEDULE OF CHANGES IN
NET OPEB LIABILITY**

Year Ended December 31, 2020

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability:			
Service cost at end of year	\$ 130,252	\$ 188,443	\$ 148,939
Interest	166,963	186,298	207,150
Changes to benefit terms	-	-	-
Difference between expected and actual experience	590,584	-	160,011
Changes of assumptions or other inputs	172,031	(504,472)	1,143,494
Benefit payments	<u>(58,661)</u>	<u>(180,055)</u>	<u>(207,885)</u>
Net change in total OPEB liability	1,001,169	(309,786)	1,451,709
Total OPEB liability - Beginning	<u>4,316,077</u>	<u>5,317,246</u>	<u>5,007,460</u>
Total OPEB liability - Ending	<u><u>\$ 5,317,246</u></u>	<u><u>\$ 5,007,460</u></u>	<u><u>\$ 6,459,169</u></u>
Covered employee payroll	<u>N/A</u>	<u>\$ 461,320</u>	<u>\$ 1,072,225</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>N/A</u>	1085.00%	602.41%

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, 2020

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
NYSLRS Pension Plan					
Town's proportion of the net pension liability (asset)	0.0057875%	0.0050960%	0.0050602%	0.0053211%	0.0053861%
Town's proportionate share of the net pension liability (asset)	\$ 928,905	\$ 478,835	\$ 163,315	\$ 377,018	\$ 877,361
Town's covered-employee payroll	1,677,566	1,643,393	1,873,065	1,780,278	1,732,276
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%	50.65%
Plan fiduciary net position as a percentage of total pension liability	90.70%	94.70%	98.24%	96.27%	86.39%

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.

See auditors' report.