

**TOWN OF BRUNSWICK, NEW YORK**

**FINANCIAL STATEMENTS**

**Year Ended December 31, 2021**

TOWN OF BRUNSWICK, NEW YORK

TABLE OF CONTENTS

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	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1 – 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4 – 9
BASIC FINANCIAL STATEMENTS:	
Government – Wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet – Governmental Funds and Reconciliation of Total Governmental Fund Balance to Government-Wide Net Position	12
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	14
Statement of Fiduciary Net Position – Fiduciary Funds	15
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	15
Notes to Financial Statements	16 – 40
REQUIRED SUPPLEMENTARY INFORMATION:	
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund (Unaudited)	41
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Highway Fund (Unaudited)	42
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Water Fund (Unaudited)	43
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Fire Protection Fund (Unaudited)	44
Schedule of Changes in Net OPEB Liability (Unaudited)	45
Schedule of Contributions – Pension Plans (Unaudited)	46
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	47 – 48

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## INDEPENDENT AUDITORS' REPORT

To the Town Board  
Town of Brunswick, New York  
Troy, New York

### **Opinion**

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, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, as listed in the table of contents.

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, 2021, and the respective changes in financial position for the year then ended in accordance with U.S. GAAP.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified audit opinion.

### **Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently know information that may raise substantial doubt shortly thereafter.

## **Auditors' Responsibilities of the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Other Matters***

***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on Pages 4 – 9 and 41 – 46, 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.

*Mistert, Manzanero & Scott, LLP*

Oneonta, New York  
June 8, 2022

TOWN OF BRUNSWICK, NEW YORK  
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2021

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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, 2021. This document should be read in conjunction with the Town's financial statements.

Financial Highlights

- Capital purchases and improvements totaling \$604,008 of which \$301,013 was road improvements, which were partially funded by State.
- Net position increased by \$1,614,559 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 10) and the statement of activities (Page 11) 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 12. 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 5. 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, 2021

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Reporting the Town's Most Significant Funds

Our analysis of the Town's major funds begins on Page 7 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 15. 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 \$15,868,434 to \$17,482,993. 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, 2021

The Town as a Whole (Cont'd.)

**Table A-1: Condensed Statement of Net Position**

	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>	<u>Percent Change</u>
Assets:			
Current and other assets	\$ 12,385,921	\$ 10,272,240	20.6 %
Capital assets, net	<u>12,815,273</u>	<u>12,803,118</u>	0.1 %
Total assets	<u>25,201,194</u>	<u>23,075,358</u>	9.2 %
Deferred outflows of resources	<u>2,816,128</u>	<u>2,479,988</u>	13.6 %
Liabilities:			
Current liabilities	816,141	739,267	10.4 %
Long-term outstanding	<u>8,026,443</u>	<u>8,603,408</u>	(6.7)%
Total liabilities	<u>8,842,584</u>	<u>9,342,675</u>	(5.4)%
Deferred inflows of resources	<u>1,691,745</u>	<u>344,237</u>	391.4 %
Net position:			
Net investment in capital assets	12,120,273	11,998,118	1.0 %
Unrestricted	<u>5,362,720</u>	<u>3,870,316</u>	38.6 %
Total net position	<u>\$ 17,482,993</u>	<u>\$ 15,868,434</u>	10.2 %

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

	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>	<u>Percent Change</u>
Revenue:			
Program revenue:			
Charges for services	\$ 1,606,857	\$ 1,483,487	8.3 %
Capital grants and contributions	435,594	270,378	61.1 %
General revenue:			
Real property taxes	4,180,723	4,093,853	2.1 %
Non-property tax items	2,093,805	1,801,951	16.2 %
Use of money and property	73,341	30,760	138.4 %
Sale of property, compensation for loss	88,147	66,349	32.9 %
Miscellaneous local sources	114,534	107,644	6.4 %
State aid	456,563	328,812	38.9 %
Federal aid	<u>669,024</u>	<u>-</u>	N/A
Total revenue	<u>9,718,588</u>	<u>8,183,234</u>	18.8 %

TOWN OF BRUNSWICK, NEW YORK  
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2021

The Town as a Whole (Cont'd.)

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

	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>	<u>Percent Change</u>
Expenses:			
General support	2,048,012	1,780,142	15.0 %
Public safety	1,399,162	1,402,680	(0.3) %
Health	3,500	12,000	(70.8) %
Transportation	2,493,364	2,253,251	10.7 %
Economic assistance and opportunity	10,441	1,200	770.1 %
Culture and recreation	467,062	321,972	45.1 %
Home and community service	1,659,622	1,564,829	6.1 %
Debt service	<u>22,866</u>	<u>26,862</u>	(14.9) %
Total expenses	<u>8,104,029</u>	<u>7,362,936</u>	10.1 %
Increase in net position	<u>\$ 1,614,559</u>	<u>\$ 820,298</u>	96.8 %

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>2021</u>		<u>2020</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	\$ 1,399,162	\$ 2,038,434	\$ 1,402,680	\$ 1,303,326
Transportation	2,493,364	2,040,319	2,253,251	1,966,319
Home and community service	<u>1,659,622</u>	<u>254,554</u>	<u>1,564,829</u>	<u>213,240</u>
Total	<u>\$ 5,552,148</u>	<u>\$ 4,333,307</u>	<u>\$ 5,220,760</u>	<u>\$ 3,482,885</u>

Town Funds

As the Town completed the year, its governmental funds (as presented in the Funds Financial Statement-Balance Sheet on Page 12) reported a combined fund balance of \$10,982,396, which is \$1,922,945 more than last year's total of \$9,059,451.

General Fund – Fund balance increased by \$1,136,471, compared to the prior year increase of \$319,645. Both 2021 revenues and expenses increased compared to 2020, but the increase in revenues was greater which resulted in larger increase in fund balance in 2021 compared to 2020.

TOWN OF BRUNSWICK, NEW YORK  
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2021

Town Funds (Cont'd.)

Highway Fund – Fund balance increased by \$351,941, compared to the prior year increase of \$210,198. Both 2021 revenues and expenses increased compared to 2020, but the increase in revenues was greater which resulted in larger increase in fund balance in 2021 compared to 2020.

Water Fund – Fund balance increased by \$267,061, compared to the prior year increase of \$270,071. Both revenues and expenditures increased by a relatively similar amount when compared to the prior year.

Fire Protection Fund – Fund balance increased by \$152,213, compared to the prior year increase of \$1,795. This was due to an increase in investment income from the inclusion of the LOSAP activity. The LOSAP activity was included in the fund for the first time due to GASB 84 changes in reporting.

Special Sewer Fund – Fund balance increased by \$20,661, compared to the increase in the prior year of \$21,371. Both revenues and expenditures increased by a relatively similar amount when compared to the prior 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
<b>Revenues:</b>				
Real property and non-property tax items	\$ 2,124,442	\$ 2,124,442	\$ 2,442,012	\$ 317,570
Departmental income	263,500	318,500	246,782	(71,718)
Licenses and permits	155,025	155,025	166,448	11,423
State and federal aid	354,000	354,000	1,125,587	771,587
Other revenue	57,400	2,400	116,042	113,642
Total revenue	<u>2,954,367</u>	<u>2,954,367</u>	<u>4,096,871</u>	<u>1,142,504</u>
<b>Expenditures:</b>				
Governmental support	1,121,391	1,116,891	1,282,301	(165,410)
Debt service	100,107	100,107	100,106	1
Other expenditures	<u>1,857,807</u>	<u>1,857,807</u>	<u>1,577,993</u>	<u>279,814</u>
Total expenditures	<u>3,079,305</u>	<u>3,074,805</u>	<u>2,960,400</u>	<u>114,405</u>
Net change in fund balance	(124,938)	(120,438)	1,136,471	1,256,909
Fund balance – Beginning of year	<u>2,360,951</u>	<u>2,360,951</u>	<u>2,360,951</u>	<u>-</u>
Fund balance – End of year	<u>\$ 2,236,013</u>	<u>\$ 2,240,513</u>	<u>\$ 3,497,422</u>	<u>\$ 1,256,909</u>

TOWN OF BRUNSWICK, NEW YORK  
MANAGEMENTS' DISCUSSION AND ANALYSIS

Year Ended December 31, 2021

Capital Asset and Debt Administration

*Capital Assets*

At December 31, 2021, the Town had \$12,815,273, net of depreciation, invested in a broad range of capital assets, including equipment, buildings, and land.

**Table A-5: Capital Assets**

	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2020</u>	<u>Percent Change</u>
Land	\$ 6,056,801	\$ 6,056,801	- %
Buildings and improvements	3,477,546	3,568,870	(2.6) %
Furniture and equipment	1,929,265	1,806,963	6.8 %
Infrastructure	<u>1,351,661</u>	<u>1,370,484</u>	(1.4) %
Total capital assets	<u>\$ 12,815,273</u>	<u>\$ 12,803,118</u>	0.01 %

*Debt*

At year-end, the Town had \$695,000 in bonds outstanding versus \$805,000 last year. The remaining \$52,500 of bond anticipation notes (BANs) were paid off during 2020. As of December 31, 2021, the Town has \$7,412,097 accrued for other postemployment benefits and \$24,408 accrued for compensated absences. It also has a net pension liability of \$4,938. 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 2022 is expected to total \$9.19 million with the general fund accounting for \$3.08 million and the highway fund \$2.56 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, 2021

ASSETS

Current assets:

Cash and cash equivalents	\$ 9,474,953
Due from other governments	697,384
Other receivables	941,689
Service award program assets	<u>1,271,895</u>
Total current assets	12,385,921

Non-current assets:

Capital assets, net of accumulated depreciation	<u>12,815,273</u>
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TOTAL ASSETS	<u>25,201,194</u>
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DEFERRED OUTFLOWS OF RESOURCES

Other post-employment benefits (OPEB)	1,792,225
Pension	<u>1,023,903</u>
Total deferred outflows of resources	<u>2,816,128</u>

LIABILITIES

Current liabilities:

Accounts payable	58,507
Accrued liabilities	263,881
Due to other governments	383,753
Current portion of bonds payable	<u>110,000</u>
Total current liabilities	<u>816,141</u>

Long-term liabilities:

Bonds payable, net of current portion	585,000
Other post-employment benefits (OPEB)	7,412,097
Compensated absences	24,408
Net pension liability	<u>4,938</u>
Total long-term liabilities	<u>8,026,443</u>

TOTAL LIABILITIES	<u>8,842,584</u>
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DEFERRED INFLOWS OF RESOURCES

Other post-employment benefits (OPEB)	217,297
Pension	<u>1,474,448</u>
Total deferred inflows of resources	<u>1,691,745</u>

NET POSITION

Net investment in capital assets	12,120,273
Unrestricted	<u>5,362,720</u>
TOTAL NET POSITION	<u>\$ 17,482,993</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021

		Program Revenue			Net (Expense)
			Operating	Capital	Revenue and
		Charges for	Grants and	Grants and	Changes in
	Expenses	Services	Contributions	Contributions	Net Assets
Functions and programs:					
General support	\$ 2,048,012	\$ 9,578	\$ -	\$ -	\$ (2,038,434)
Public safety	1,399,162	113,710	-	-	(1,285,452)
Health	3,500	-	-	-	(3,500)
Transportation	2,493,364	17,451	-	435,594	(2,040,319)
Economic assistance and opportunity	10,441	-	-	-	(10,441)
Culture and recreation	467,062	61,050	-	-	(406,012)
Home and community services	1,659,622	1,405,068	-	-	(254,554)
Debt service - Interest	22,866	-	-	-	(22,866)
Total functions and programs	<u>8,104,029</u>	<u>1,606,857</u>	<u>-</u>	<u>435,594</u>	<u>(6,061,578)</u>
General revenue:					
Real property taxes					4,180,723
Non-property tax items					2,093,805
Use of money and property					73,341
Sale of property and compensation for loss, net					88,147
Miscellaneous local sources					114,534
State aid					456,563
Federal aid					669,024
Total general revenue					<u>7,676,137</u>
Change in net position					<u>1,614,559</u>
Total net position - Beginning of year					14,686,098
Prior period adjustment					<u>1,182,336</u>
Total net position - Beginning of year - Restated					<u>15,868,434</u>
Total net position - End of year					<u>\$ 17,482,993</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, 2021

	Governmental Fund Types		
	General	Highway	Water
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 3,541,373	\$ 2,175,561	\$ 2,470,667
Other receivables	96,499	207,480	590,414
Due from other governments	697,384	-	-
Service award program assets	-	-	-
Total assets	<u>\$ 4,335,256</u>	<u>\$ 2,383,041</u>	<u>\$ 3,061,081</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 34,328	\$ 20,450	\$ 2,504
Accrued liabilities	106,122	118,363	35,580
Due to other governments	-	-	383,753
Total liabilities	<u>140,450</u>	<u>138,813</u>	<u>421,837</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Earned but not received sales tax	<u>697,384</u>	<u>-</u>	<u>-</u>
<b><u>FUND BALANCE</u></b>			
Assigned:			
Appropriated for subsequent years' expenditures	86,016	-	-
Restricted for service award program	-	-	-
Operations for the special revenue fund	-	2,244,228	2,639,244
Unassigned	<u>3,411,406</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>3,497,422</u>	<u>2,244,228</u>	<u>2,639,244</u>
Total liabilities and fund balance	<u>\$ 4,335,256</u>	<u>\$ 2,383,041</u>	<u>\$ 3,061,081</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
Fire Protection	Capital Projects	Special Sewer	Non-Major Funds	Governmental Funds
\$ 154,544	\$ -	\$ 621,554	\$ 511,254	\$ 9,474,953
-	-	23,383	23,913	941,689
-	-	-	-	697,384
1,271,895	-	-	-	1,271,895
<u>\$ 1,426,439</u>	<u>\$ -</u>	<u>\$ 644,937</u>	<u>\$ 535,167</u>	<u>\$ 12,385,921</u>
\$ -	\$ -	\$ 8	\$ 1,217	\$ 58,507
-	-	2,221	1,595	263,881
-	-	-	-	383,753
<u>-</u>	<u>-</u>	<u>2,229</u>	<u>2,812</u>	<u>706,141</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>697,384</u>
-	-	-	-	86,016
1,271,895	-	-	-	1,271,895
154,544	-	642,708	532,355	6,213,079
-	-	-	-	3,411,406
<u>1,426,439</u>	<u>-</u>	<u>642,708</u>	<u>532,355</u>	<u>10,982,396</u>
<u>\$ 1,426,439</u>	<u>\$ -</u>	<u>\$ 644,937</u>	<u>\$ 535,167</u>	<u>\$ 12,385,921</u>

\$ 10,982,396  
 12,815,273  
 697,384  
 2,816,128  
 (1,691,745)  
 (695,000)

(7,412,097)  
 (24,408)  
 (4,938)

\$ 17,482,993

TOWN OF BRUNSWICK, NEW YORK

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

December 31, 2021

	Government Fund Types		
	General	Highway	Water
<b><u>REVENUES</u></b>			
Real property taxes and liens	\$ 996,744	\$ 1,481,103	\$ 408,949
Non-property tax items	1,445,268	534,675	-
Departmental income	246,782	-	1,081,743
Intergovernmental charges	-	17,351	-
Use of money and property	983	851	733
Licenses and permits	166,448	100	-
Sale of property and compensation of loss	2,920	82,865	2,362
Miscellaneous local sources	112,139	2,395	-
State aid	456,563	435,594	-
Federal aid	669,024	-	-
Total revenue	<u>4,096,871</u>	<u>2,554,934</u>	<u>1,493,787</u>
<b><u>EXPENDITURES</u></b>			
General governmental support	1,282,301	-	-
Public safety	179,426	-	-
Health	3,500	-	-
Transportation	234,082	1,795,295	-
Economic assistance and opportunity	10,441	-	-
Culture and recreation	453,141	-	-
Home and community services	236,907	-	1,163,016
Employee benefits	460,496	407,698	63,710
Debt service - Principal	80,000	-	-
Debt service - Interest	20,106	-	-
Total expenditures	<u>2,960,400</u>	<u>2,202,993</u>	<u>1,226,726</u>
Excess (deficiency) of revenue and other sources over expenditures and other sources (uses)	<u>1,136,471</u>	<u>351,941</u>	<u>267,061</u>
Fund balance - Beginning of year	2,360,951	1,892,287	2,372,183
Prior period adjustment	-	-	-
Fund balance - Beginning of year - Restated	<u>2,360,951</u>	<u>1,892,287</u>	<u>2,372,183</u>
Fund balance - End of year	<u>\$ 3,497,422</u>	<u>\$ 2,244,228</u>	<u>\$ 2,639,244</u>

See accompanying notes.

Government Fund Types				Total
Fire Protection	Capital Projects	Special Sewer	Non-Major Funds	Governmental Funds
\$ 1,247,979	\$ -	\$ 13,188	\$ 32,760	\$ 4,180,723
-	-	-	-	1,979,943
-	-	50,863	43,570	1,422,958
-	-	-	-	17,351
70,342	-	230	202	73,341
-	-	-	-	166,548
-	-	-	-	88,147
-	-	-	-	114,534
-	-	-	-	892,157
-	-	-	-	669,024
<u>1,318,321</u>	<u>-</u>	<u>64,281</u>	<u>76,532</u>	<u>9,604,726</u>
-	-	-	-	1,282,301
1,063,010	-	-	-	1,242,436
-	-	-	-	3,500
-	-	-	-	2,029,377
-	-	-	-	10,441
-	-	-	-	453,141
-	-	38,085	43,114	1,481,122
103,098	-	5,535	6,060	1,046,597
-	-	-	30,000	110,000
-	-	-	2,760	22,866
<u>1,166,108</u>	<u>-</u>	<u>43,620</u>	<u>81,934</u>	<u>7,681,781</u>
<u>152,213</u>	<u>-</u>	<u>20,661</u>	<u>(5,402)</u>	<u>1,922,945</u>
91,890	-	622,047	537,757	9,059,451
<u>1,182,336</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,182,336</u>
<u>1,274,226</u>	<u>-</u>	<u>622,047</u>	<u>537,757</u>	<u>9,059,451</u>
<u>\$ 1,426,439</u>	<u>\$ -</u>	<u>\$ 642,708</u>	<u>\$ 532,355</u>	<u>\$ 10,982,396</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, 2021

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Net changes in fund balance - Total governmental funds	\$ 1,922,945
Capital outlays, net of disposals, are expenditures in governmental funds but are capitalized in the statement of net position	604,008
Depreciation is not recorded as an expenditure in the governmental fund, but is recorded in the statement of activities	(591,853)
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	93,431
Other post-employment benefits do not require the expenditure of current resources and are therefore, not reported as an expenditure in the governmental funds	(637,834)
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>113,862</u>
Change in net position - Governmental activities	<u>\$ 1,614,559</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS

Year Ended December 31, 2021

	Private Purpose Trusts	Custodial Funds
<b><u>ASSETS</u></b>		
Cash	\$ 414,171	\$ 340,604
Accounts receivable	-	-
Restricted assets, at fair value:		
Equities	-	-
Fixed income	-	-
Total assets	<u>\$ 414,171</u>	<u>\$ 340,604</u>
<b><u>LIABILITIES</u></b>		
Funds held for others	<u>\$ 1,332</u>	<u>\$ 340,604</u>
<b><u>NET POSITION</u></b>		
Reserved for other purposes	<u>\$ 412,839</u>	

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS

Year Ended December 31, 2021

	Private Purpose Trusts
<b>Additions:</b>	
Miscellaneous local sources	\$ 7,690
Investment earnings	<u>152</u>
Total additions	<u>7,842</u>
<b>Deductions:</b>	
Home and community services	<u>-</u>
<b>CHANGE IN NET POSITION</b>	7,842
NET POSITION - Beginning of year	<u>404,997</u>
NET POSITION - End of year	<u>\$ 412,839</u>

See accompanying notes.

TOWN OF BRUNSWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

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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 are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial statements of the Town 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, 2021

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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*

- 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, 2021

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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 June 8, 2022, 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, 2021

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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, 2021

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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, 2021

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, 2021 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, 2021 by recording \$117,593, which is its share of insurance premiums for 19 currently enrolled retirees, as expenditure for the current year.

TOWN OF BRUNSWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

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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, 2021

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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, 2021

---

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.

Newly Adopted Accounting Standards

The Town has implemented GASB 84, *Fiduciary Activities* in 2021.

The Town has evaluated GASB 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* and GASB 98, *The Annual Comprehensive Financial Report*, and have determined that there is no significant impact for the year ended December 31, 2021.

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, 2022.
- 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, 2021, except for paragraph 11b, 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, 2021

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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, 2021, the Town held \$2,278,666 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, 2021

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	\$ 8,071,504	\$ 7,951,333
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>500,000</u>	
Total	<u>\$ 6,502,125</u>	

As of December 31, 2021, 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 12/31/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at 12/31/21</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	3,635,446	302,995	-	3,938,441
Water transmission infrastructure	579,284	-	-	579,284
Infrastructure	<u>3,135,913</u>	<u>301,013</u>	-	<u>3,436,926</u>
Total depreciable cost	<u>13,257,332</u>	<u>604,008</u>	-	<u>13,861,340</u>
Less: Accumulated depreciation:				
Buildings and improvements	2,337,819	91,324	-	2,429,143
Furniture and equipment	1,828,483	180,693	-	2,009,176
Water transmission infrastructure	359,168	54,263	-	413,431
Infrastructure	<u>1,985,545</u>	<u>265,573</u>	-	<u>2,251,118</u>
Total accumulated depreciation	<u>6,511,015</u>	<u>591,853</u>	-	<u>7,102,868</u>
Total capital assets, net	<u>\$ 12,803,118</u>	<u>\$ 12,155</u>	<u>\$ -</u>	<u>\$ 12,815,273</u>

TOWN OF BRUNSWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 3 CAPITAL ASSETS (Cont'd.)

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

General governmental support	\$ 65,681
Transportation	448,227
Culture and recreation	13,921
Home and community services	<u>64,024</u>
Total depreciation expense	<u>\$ 591,853</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	\$ -	\$ -	\$ 590,414	\$ 23,383	\$ 23,913	\$ 637,710
Various fees/ state aid	<u>96,499</u>	<u>207,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>303,979</u>
Total	<u>\$ 96,499</u>	<u>\$ 207,480</u>	<u>\$ 590,414</u>	<u>\$ 23,383</u>	<u>\$ 23,913</u>	<u>\$ 941,689</u>

NOTE 5 DUE FROM OTHER GOVERNMENTS

New York State owes the Town its share of sales tax for the fourth quarter, amounting to \$697,384.

NOTE 6 DUE TO OTHER GOVERNMENTS

The Town's water fund owes the City of Troy \$383,753 at December 31, 2021 for water purchases.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

**NOTE 7 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>
<b>Governmental activities:</b>					
Bonds and notes payable:					
General obligation debt:					
Public improvement	\$ 60,000	\$ -	\$ (30,000)	\$ 30,000	\$ 30,000
Town office	<u>745,000</u>	<u>-</u>	<u>(80,000)</u>	<u>665,000</u>	<u>80,000</u>
Total	<u>805,000</u>	<u>-</u>	<u>(110,000)</u>	<u>695,000</u>	<u>110,000</u>
 Other liabilities:					
OPEB	6,459,169	952,928	-	7,412,097	-
Net Pension	1,426,275	-	(1,421,337)	4,938	-
Compensated absences	<u>22,964</u>	<u>1,444</u>	<u>-</u>	<u>24,408</u>	<u>-</u>
Total	<u>7,908,408</u>	<u>954,372</u>	<u>(1,421,337)</u>	<u>7,441,443</u>	<u>-</u>
 Total long-term liabilities	<u>\$ 8,713,408</u>	<u>\$ 954,372</u>	<u>\$ (1,531,337)</u>	<u>\$ 8,136,443</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%	\$ 30,000
Town Hall	2018	2030	2.00%	<u>665,000</u>
 Total				<u>\$ 695,000</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	75,000	10,400	85,400
2027 – 2030	<u>280,000</u>	<u>18,987</u>	<u>298,987</u>
 Totals	<u>\$ 695,000</u>	<u>\$ 92,777</u>	<u>\$ 787,777</u>

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 8 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>
2021	\$ 236,888
2020	273,200
2019	271,131

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, 2021

NOTE 8 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, 2021, 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, 2021. 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, 2021
Net pension liability	\$ 4,938
Town's portion of the Plan's total net pension liability	0.0049588%

For the year ended December 31, 2021, the Town recognized pension expense of \$130,645 for ERS. At December 31, 2021, 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	\$ 60,302	\$ -
Change of assumptions	907,879	17,123
Net difference between projected and actual earnings on pension plan investments	-	1,418,391
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	<u>55,722</u>	<u>38,934</u>
Total	<u>\$ 1,023,903</u>	<u>\$ 1,474,448</u>

TOWN OF BRUNSWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 8 PENSION PLANS (Cont'd.)

D. Pension, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (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, 2021. 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
2022	\$ (71,297)
2023	(23,063)
2024	(77,336)
2025	(278,847)
2026	-
Thereafter	-
Total	<u>\$ (450,543)</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, 2021
Actuarial valuation date	April 1, 2020
Interest rate	5.9 %
Salary scale	4.4% indexed by service
Decrement tables	April 1, 2015 - March 31, 2020 System Experience
Inflation rate	2.7 %

The annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018.

The actuarial assumptions used in the April 1, 2020 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, 2021

### NOTE 8 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	32.0%	4.05 %
International equity	15.0%	6.30 %
Private equity	10.0%	6.75 %
Real estate	9.0%	4.95 %
Opportunistic portfolio	3.0%	4.50 %
Credit	4.0%	3.63 %
Real assets	3.0%	5.95 %
Fixed income	23.0%	0.00 %
Cash	<u>1.0%</u>	0.50 %
	<u>100.0%</u>	

The real rate of return is net of the long-term inflation assumption of 2.00%.

\* 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 5.9% 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, 2021

NOTE 8 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 5.90% 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 (4.90% for ERS) or 1 percentage point higher (6.90% for ERS) than the current rate:

<u>ERS</u>	<u>1% Decrease (4.90%)</u>	<u>Current Assumption (5.90%)</u>	<u>1% Increase (6.90%)</u>
Employer's proportionate share of net pension liability (asset)	\$ <u>1,370,507</u>	\$ <u>4,938</u>	\$ <u>(1,254,437)</u>

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, 2021</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	\$ 220,680,157,000	\$ 10,943,088	0.0049588 %
Net position	<u>220,580,583,000</u>	<u>10,938,150</u>	<u>0.0049588 %</u>
Net pension liability (asset)	\$ <u>99,574,000</u>	\$ <u>4,938</u>	<u>0.0049588 %</u>
Fiduciary net position, as a percentage of total pension liability	99.95%		

I. Payables to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of December 31, 2021 represent the projected employer contribution for the period of April 1, 2021 through December 31, 2021 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, 2021

NOTE 9 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, 2021, 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 \$7,412,097 was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs* – The total OPEB liability in the December 31, 2021 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	2.12%

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, 2021

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (Cont'd.)

C. Changes in the Total OPEB Liability

Balance, January 1, 2021	\$ 6,459,169
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Changes for the year:

Service cost	221,416
Interest	180,299
Differences between expected and actual experience	-
Changes of assumptions of other inputs	751,852
Benefit payments	<u>(200,639)</u>
Net changes	<u>952,928</u>

Balance, December 31, 2021	\$ <u>7,412,097</u>
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*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 (1.12%) or 1 percentage point higher (3.12%) than the current discount rate:

	<u>1.12%</u> <u>1% Decrease</u>	<u>2.12%</u> <u>Current Rate</u>	<u>3.12%</u> <u>1% Increase</u>
Total OPEB Liability	\$ <u>8,913,005</u>	\$ <u>7,412,097</u>	\$ <u>6,254,415</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>6,126,054</u>	\$ <u>7,412,097</u>	\$ <u>9,111,641</u>

TOWN OF BRUNSWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 9 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, 2021, the Town recognized OPEB expense of \$862,593. At December 31, 2021, 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	\$ 238,203	\$ -
Changes of assumptions or other inputs	1,327,819	217,297
Employer contributions subsequent to measurement date	<u>226,203</u>	<u>-</u>
Total	<u>\$ 1,792,225</u>	<u>\$ 217,297</u>

The amortization period for the beginning of the measurement period is 4.99 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>
2022	\$ 460,878
2023	355,245
2024	383,438
2025	149,164
2026	-
2027 and Thereafter	-

NOTE 10 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, 2021

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NOTE 10 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 \$1,200 are currently 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 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. 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.

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 10 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	\$ 72,343
Cash and equivalents	45,662
Fixed income	673,663
U.S. equities	232,889
International equities	186,675
Other assets	<u>60,663</u>
Subtotal	1,271,895
Less: Liabilities	<u>-</u>
Total net position available for benefits	<u>\$ 1,271,895</u>
Unfunded liability for prior service	<u>\$ -</u>

*Prior Service Costs*

All prior service costs have been paid.

*Receipts and Disbursements*

Plan net position – Beginning of year		\$ 1,182,336
Changes during the 2021 year:		
Sponsor contributions, accrual	\$ 55,242	
Investment income earned	31,349	
Changes in contributions receivable	18,052	
Changes in fair market value of investments	38,793	
Changes in investment income receivable	-	
Benefits paid	(45,431)	
Investment fees and other charges	<u>(8,446)</u>	
Total change in plan net position		<u>89,559</u>
Plan net position – End of year		<u>\$ 1,271,895</u>

TOWN OF BRUNSWICK, NEW YORK

NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

NOTE 10 LENGTH OF SERVICE AWARDS PROGRAM (LOSAP) (Cont'd.)

Program and Financial Condition (Cont'd.)

*Contributions*

Amount of sponsors' required contribution	\$	54,291
Amount of sponsors' actual contribution		55,242

*Administrative Fees*

Fees paid to third-party administrator	\$	9,845
Fees paid for investment management		8,446

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 11 PRIOR PERIOD ADJUSTMENT

Implementation of GASB Statement 84 has resulted in an increase of the assets and fund balance/net position in the financial statements for the LOSAP, which was previously classified as fiduciary assets and liabilities. The result is an increase in beginning assets and fund balance in the fire protection fund of \$1,182,336.

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, 2021.

TOWN OF BRUNSWICK, NEW YORK  
NOTES TO FINANCIAL STATEMENTS

Year Ended December 31, 2021

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NOTE 12 COMMITMENTS AND CONTINGENCIES (Cont'd)

*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.

*COVID – 19*

The Town has been impacted by the effects of the worldwide coronavirus pandemic. The Town is closely monitoring it 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 (Unaudited)

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 949,200	\$ 949,200	\$ 996,744	\$ 47,544
Non-property tax items	1,175,242	1,175,242	1,445,268	270,026
Departmental income	263,500	318,500	246,782	(71,718)
Use of money and property	2,400	2,400	983	(1,417)
Licenses and permits	155,025	155,025	166,448	11,423
Sale of property and compensation of loss	-	-	2,920	2,920
Miscellaneous local sources	55,000	-	112,139	112,139
State aid	354,000	354,000	456,563	102,563
Federal aid	-	-	669,024	669,024
Total revenue	<u>2,954,367</u>	<u>2,954,367</u>	<u>4,096,871</u>	<u>1,142,504</u>
Expenditures:				
General governmental support	1,121,391	1,116,891	1,282,301	(165,410)
Public safety	193,644	193,644	179,426	14,218
Health	3,500	3,500	3,500	-
Transportation	254,146	254,146	234,082	20,064
Economic assistance and opportunity	11,000	11,000	10,441	559
Culture and recreation	472,346	472,346	453,141	19,205
Home and community services	328,406	328,406	236,907	91,499
Employee benefits	594,765	594,765	460,496	134,269
Debt service - Principal	80,000	80,000	80,000	-
Debt service - Interest	20,107	20,107	20,106	1
Total expenditures	<u>3,079,305</u>	<u>3,074,805</u>	<u>2,960,400</u>	<u>114,405</u>
Net change in fund balance	(124,938)	(120,438)	1,136,471	1,256,909
Fund balance - Beginning of year	<u>2,360,951</u>	<u>2,360,951</u>	<u>2,360,951</u>	<u>-</u>
Fund balance - End of year	<u>\$ 2,236,013</u>	<u>\$ 2,240,513</u>	<u>\$ 3,497,422</u>	<u>\$ 1,256,909</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

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

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 1,482,293	\$ 1,482,293	\$ 1,481,103	\$ (1,190)
Non-property tax items	534,675	534,675	534,675	-
Intergovernmental charges	32,000	32,000	17,351	(14,649)
Use of money and property	2,000	2,000	851	(1,149)
Licenses and permits	-	-	100	100
Sale of property and compensation of loss	28,155	28,155	82,865	54,710
State aid	298,619	435,594	435,594	-
Federal aid	-	-	-	-
Total revenue	<u>2,377,742</u>	<u>2,514,717</u>	<u>2,554,934</u>	<u>40,217</u>
Expenditures:				
Transportation	1,928,765	1,535,740	1,795,295	(259,555)
Employee benefits	448,977	978,977	407,698	571,279
Total expenditures	<u>2,377,742</u>	<u>2,514,717</u>	<u>2,202,993</u>	<u>311,724</u>
Net change in fund balance	-	-	351,941	351,941
Fund balance - Beginning of year	<u>1,892,287</u>	<u>1,892,287</u>	<u>1,892,287</u>	<u>-</u>
Fund balance - End of year	<u>\$ 1,892,287</u>	<u>\$ 1,892,287</u>	<u>\$ 2,244,228</u>	<u>\$ 351,941</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

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

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 408,949	\$ 408,949	\$ 408,949	\$ -
Departmental income	1,029,000	1,029,000	1,081,743	52,743
Intergovernmental charges	-	-	-	-
Use of money and property	2,000	2,000	733	(1,267)
Sales of property and compensation of loss	-	-	2,362	2,362
Total revenue	<u>1,439,949</u>	<u>1,439,949</u>	<u>1,493,787</u>	<u>53,838</u>
Expenditures:				
Home and community services	1,367,313	1,367,313	1,163,016	204,297
Employee benefits	<u>72,636</u>	<u>72,636</u>	<u>63,710</u>	<u>8,926</u>
Total expenditures	<u>1,439,949</u>	<u>1,439,949</u>	<u>1,226,726</u>	<u>213,223</u>
Net change in fund balance	-	-	267,061	267,061
Fund balance - Beginning of year	<u>2,372,183</u>	<u>2,372,183</u>	<u>2,372,183</u>	<u>-</u>
Fund balance - End of year	<u>\$ 2,372,183</u>	<u>\$ 2,372,183</u>	<u>\$ 2,639,244</u>	<u>\$ 267,061</u>

See auditors' report.

TOWN OF BRUNSWICK, NEW YORK

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

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual (Budgetary Basis)	Final Budget Variance with Budgetary Actual
Revenue:				
Real property taxes and liens	\$ 1,247,979	\$ 1,247,979	\$ 1,247,979	\$ -
Use of money and property	-	-	70,342	70,342
Total revenue	<u>1,247,979</u>	<u>1,247,979</u>	<u>1,318,321</u>	<u>70,342</u>
Expenditures:				
Public safety	1,063,010	1,063,010	1,063,010	-
Employee benefits	<u>184,969</u>	<u>184,969</u>	<u>103,098</u>	<u>81,871</u>
Total expenditures	<u>1,247,979</u>	<u>1,247,979</u>	<u>1,166,108</u>	<u>81,871</u>
Net change in fund balance	-	-	152,213	152,213
Fund balance - Beginning of year	<u>1,274,226</u>	<u>1,274,226</u>	<u>1,274,226</u>	<u>-</u>
Fund balance - End of year	<u>\$ 1,274,226</u>	<u>\$ 1,274,226</u>	<u>\$ 1,426,439</u>	<u>\$ 152,213</u>

See auditors' report.

**TOWN OF BRUNSWICK, NEW YORK**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY (Unaudited)**  
**Year Ended December 31, 2021**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Total OPEB Liability:</b>				
Service cost at end of year	\$ 130,252	\$ 188,443	\$ 148,939	\$ 221,416
Interest	166,963	186,298	207,150	180,299
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	751,852
Benefit payments	<u>(58,661)</u>	<u>(180,055)</u>	<u>(207,885)</u>	<u>(200,639)</u>
Net change in total OPEB liability	1,001,169	(309,786)	1,451,709	952,928
Total OPEB liability - Beginning	<u>4,316,077</u>	<u>5,317,426</u>	<u>5,007,460</u>	<u>6,459,169</u>
Total OPEB liability - Ending	<u>\$ 5,317,246</u>	<u>\$ 5,007,640</u>	<u>\$ 6,459,169</u>	<u>\$ 7,412,097</u>
Covered employee payroll	<u>N/A</u>	<u>\$ 461,320</u>	<u>\$ 1,072,225</u>	<u>\$ 1,072,225</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>N/A</u>	<u>1085.00%</u>	<u>602.41%</u>	<u>691.28%</u>

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 criterion 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 (Unaudited)**  
**Year Ended December 31, 2021**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>NYSLRS Pension Plan</b>					
Town's proportion of the net pension liability (asset)	0.0050960%	0.0050602%	0.0053211%	0.0053861%	0.0049588%
Town's proportionate share of the net pension liability (asset)	\$ 478,835	\$ 163,315	\$ 377,018	\$ 1,426,275	\$ 4,938
Town's covered-employee payroll	1,643,393	1,873,065	1,780,278	1,732,276	1,707,558
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	29.14%	8.72%	21.18%	82.34%	0.29%
Plan fiduciary net position as a percentage of total pension liability	94.70%	98.24%	96.27%	86.39%	99.95%

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.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Town of Brunswick, New York (the "Town") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's financial statements, and have issued our report thereon dated June 8, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

MEMBERS: American Institute of Certified Public Accountants, New York State Society of Certified Public Accountants National Conference of CPA Practitioners

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Brunswick's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mobert, Manzanero & Scott, LLP*

Oneonta, New York  
June 8, 2022