

**TOWN OF BRIGHTON**

**Monroe County, New York**

**BASIC FINANCIAL STATEMENTS**

**For Year Ended December 31, 2018**

**Raymond F. Wager, CPA, P.C.**  
Certified Public Accountants

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**Independent Auditors' Report**

To the Honorable Town Council  
The Town of Brighton  
Monroe County, New York

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Brighton, Monroe County, New York, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

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

***Auditor's Responsibility***

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

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

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

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Brighton, Monroe County, New York, as of December 31, 2018, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

As described in Note II to the financial statements, the Town adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result, the beginning net position has been restated. Our opinion is not modified with respect to this matter.

## *Required Supplemental Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in Town's total OPEB liability and related ratio, schedule of the Town's proportionate share of the net position liability, schedule of Town contributions, and budgetary comparison information on pages 3–12 and 61-65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## *Other Information*

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

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

Rochester, New York  
April 23, 2019

*Raymond F. Wagoner, CPA, PC*

## **Management's Discussion and Analysis**

### **Town of Brighton, Monroe County, New York**

**December 31, 2018**

As the management of the Town of Brighton, Monroe County, New York, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2018. This discussion and analysis should be read in conjunction with the financial statements and the accompanying notes to the statements.

The Basic Financial Statements consist of a series of inter-related financial statements. The Statement of Net Position and Statement of Activities provide information about the activities of the Town as a whole, presenting both short term and longer-term views of the Town's finances. For governmental activities, the Town's traditional fund financial statements tell the reader how Town provided services and programs were financed in 2018, as well as what resources are available for future spending. Fund financial statements report on the Town's operations in greater detail than the government-wide statements, and concentrate on the Town's most significant funds (identified as "major" funds), with less significant (or "non-major") funds accumulated for presentation in one column. Fiduciary funds statements provide information about financial activities for which the Town acts solely as trustee or agent for the benefit of organizations or persons outside of the Town government.

#### **Reporting on the Town as an Entity: The Statement of Net Position and the Statement of Activities**

The *Statement of Net Position* includes Assets and Liabilities of the Town as a whole, with the difference between Assets and Liabilities reported as the Total Net Position. The *Statement of Activities* presents financial information as to how the Town's Net Assets changed during the fiscal year, with all changes being reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Over time, increases or decreases in the Town's Net Position is one indicator of whether its "financial health" is strengthening or deteriorating. These statements are inclusive of all of the Town's basic services including police, public works/highway, parks, recreation, and library. Both statements utilize the accrual basis of accounting, the same accounting method used by most private-sector organizations.

## **Reporting the Town's Most Significant Funds: Fund Financial Statements**

The Fund Financial Statements provide detailed financial information about the most significant funds of the Town, not the Town as a whole. Some funds (most notably the General and Highway Funds) are established as required by State law, while other funds (such as the Library Fund) are established at the Town's discretion to help it account for and manage money for specific purposes. All of the Town's funds are classified as Governmental Funds which focus on near-term inflows and outflows of spendable resources and on balances of spendable resources still available at the end of the fiscal year. This measurement focus is known as the modified accrual basis of accounting.

Financial information is presented separately in the *Governmental Funds Balance Sheet* and in the *Statement of Revenues, Expenditures, and Changes in Fund Balances* for the Town's General and Highway Funds (each being considered a major fund). Financial information for all other Governmental Funds is combined into a single, aggregated presentation. Individual fund data for each of the non-major funds is provided in the Combining Statements provided at the end of these Basic Financial Statements.

Included as Required Supplemental Information is the Town's compliance with the Original and Amended Budget for the Town's General and Highway funds (both major funds) as reported in the *Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual*.

In that the focus of Governmental Funds is narrower than that of the government-wide financial statements, it is useful to compare the information provided in each. The reader may then better understand the long-term impacts of near-term financing decisions. The reconciliation of total Fund Balances to the Net Position of Governmental Activities provided in the *Governmental Funds Balance Sheet*, and the *Reconciliation of the Statement of Revenues, Expenditures, and Changes in Governmental Fund Balances to the Statement of Activities* facilitate the comparison between Governmental Funds and Governmental Activities.

## **Reporting the Town's Fiduciary Responsibilities: The Town as Trustee**

Fiduciary Funds are not reported in the government-wide financial statements in that the resources of those funds are not available to support the Town's services and programs. The Town is responsible for ensuring that the assets reported in these funds are utilized for their intended purpose. The Town's fiduciary activities are reported in the *Statement of Fiduciary Net Position* and in the *Statement of Changes in Fiduciary Net Position* and are prepared using the full accrual basis of accounting.

## **Notes to the Basic Financial Statements**

The Notes to the Basic Financial Statements provide additional information essential to a clear understanding of the financial information provided in the government-wide and fund financial statements.

## Combining Financial Statements

The *Combining Balance Sheet – Non-major Governmental Funds* and the *Combining Statement of Revenues, Expenditures, and Changes in Fund Balances for Non-major Governmental Funds* present individual fund information for each of the Town's Special Revenue Funds (other than the Highway Fund) and Debt Service Fund. The totals provided in these statements are brought forward to the *Governmental Funds Balance Sheet* and the *Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances*.

### The Town as a Whole Governmental Activities

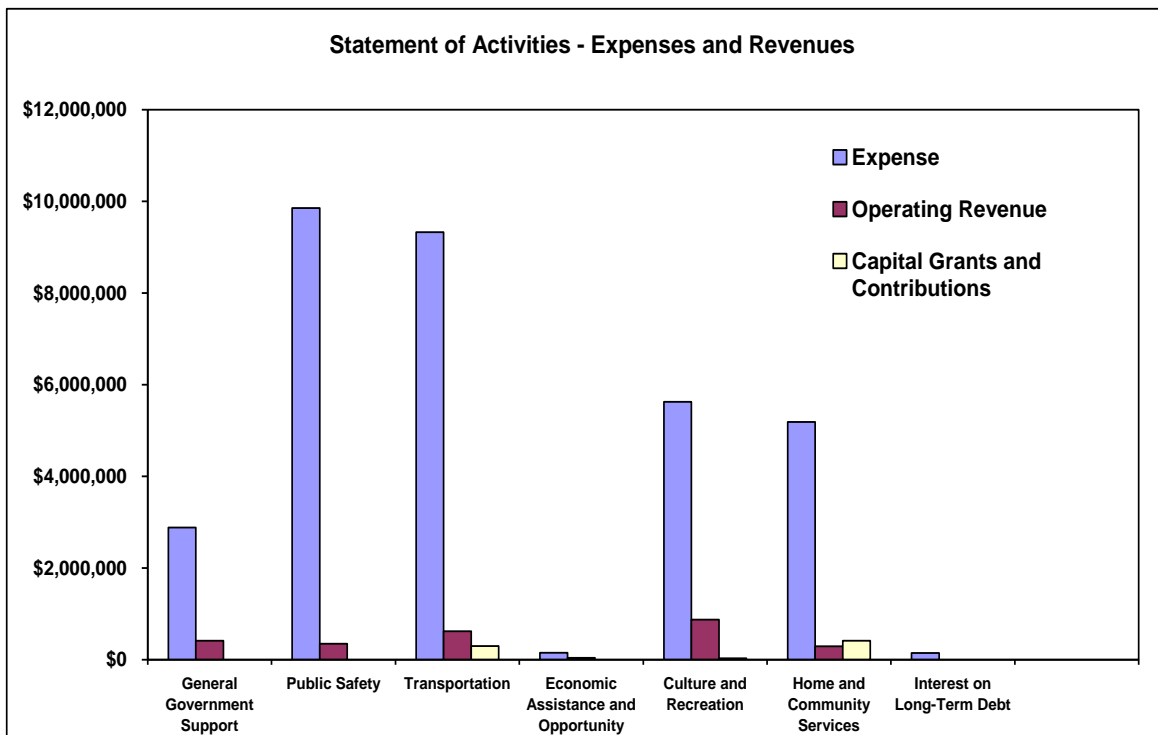
For the year ended December 31, 2018, Net Position changed as noted below, with the total \$15,947,335 representing a 19.29% decrease in Net Position.

<u>Assets:</u>	<u>2018</u>	<u>2017</u>	<u>\$ Change</u>	<u>% Change</u>
Current and Other Assets	\$ 13,300,171	\$ 15,013,744	\$ (1,713,573)	-11.41%
Capital Assets	45,647,028	48,552,491	(2,905,463)	-5.98%
<b>Total Assets</b>	<b>\$ 58,947,199</b>	<b>\$ 63,566,235</b>	<b>\$ (4,619,036)</b>	<b>-7.27%</b>
<b><u>Deferred Outflow of Resources:</u></b>	<b>\$ 6,562,375</b>	<b>\$ 4,969,507</b>	<b>\$ 1,592,868</b>	<b>32.05%</b>
<b><u>Liabilities:</u></b>				
Current Liabilities	\$ 1,011,752	\$ 1,364,429	\$ (352,677)	-25.85%
Noncurrent Liabilities	40,687,111	46,545,941	(5,858,830)	-12.59%
<b>Total Liabilities</b>	<b>\$ 41,698,863</b>	<b>\$ 47,910,370</b>	<b>\$ (6,211,507)</b>	<b>-12.96%</b>
<b><u>Deferred Inflow of Resources:</u></b>	<b>\$ 7,863,376</b>	<b>\$ 867,586</b>	<b>\$ 6,995,790</b>	<b>806.35%</b>
<b><u>Net Position:</u></b>				
Invested in Capital Assets, net of Related Debt	\$ 39,191,820	\$ 43,094,136	\$ (3,902,316)	-9.06%
<b><u>Restricted For:</u></b>				
Capital Reserves	843,516	1,109,935	(266,419)	-24.00%
Reserve for LOSAP	741,834	833,879	(92,045)	-11.04%
Other Purposes	3,355,329	3,545,589	(190,260)	-5.37%
Unrestricted	(28,185,164)	(28,825,753)	640,589	-2.22%
<b>Total Net Position</b>	<b>\$ 15,947,335</b>	<b>\$ 19,757,786</b>	<b>\$ (3,810,451)</b>	<b>-19.29%</b>

In order to fairly compare 2018 to 2017, the 2017 Net Position amounts are restated as outlined in note II (page 32), Restatement of Net Position. As of the close of 2018, 100% of the OPEB liability is now recorded. Previous to the closing of the 2018 fiscal year, only a prorated portion of this liability was being recorded. It is important to note that the net OPEB liability does not require the use of current financial resources and therefore, is not reported as expenditures in the governmental funds, but rather in the non-current liabilities.

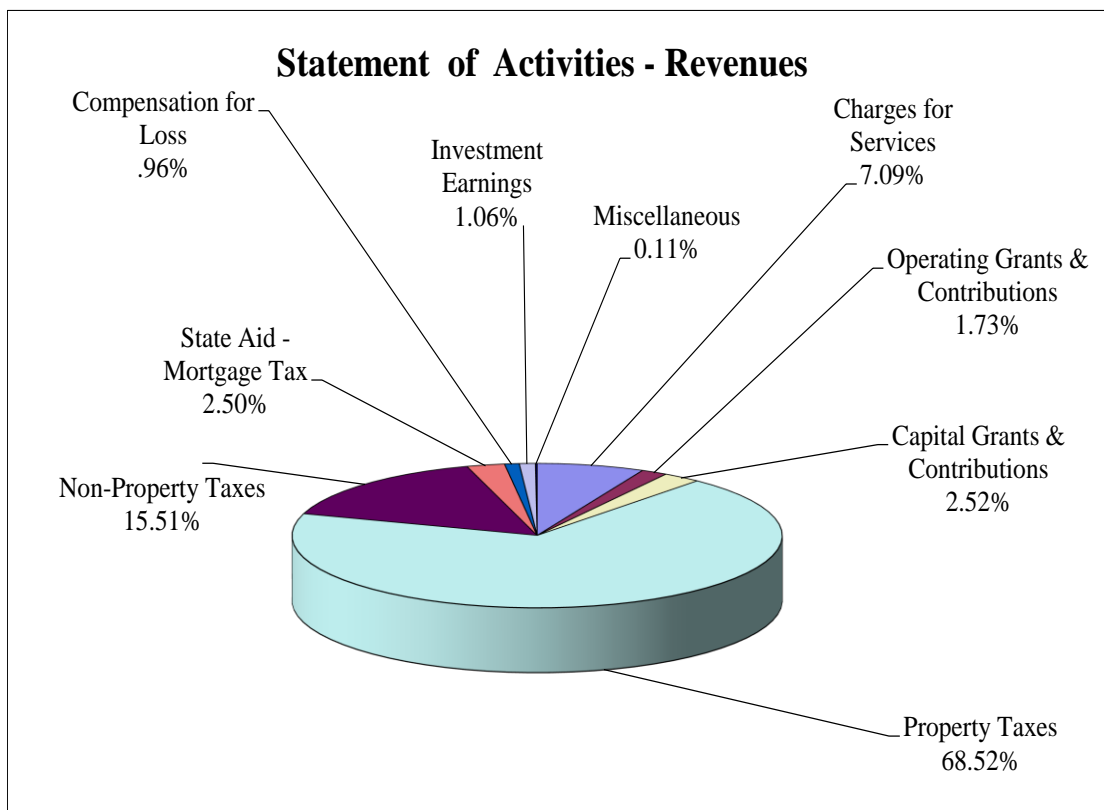
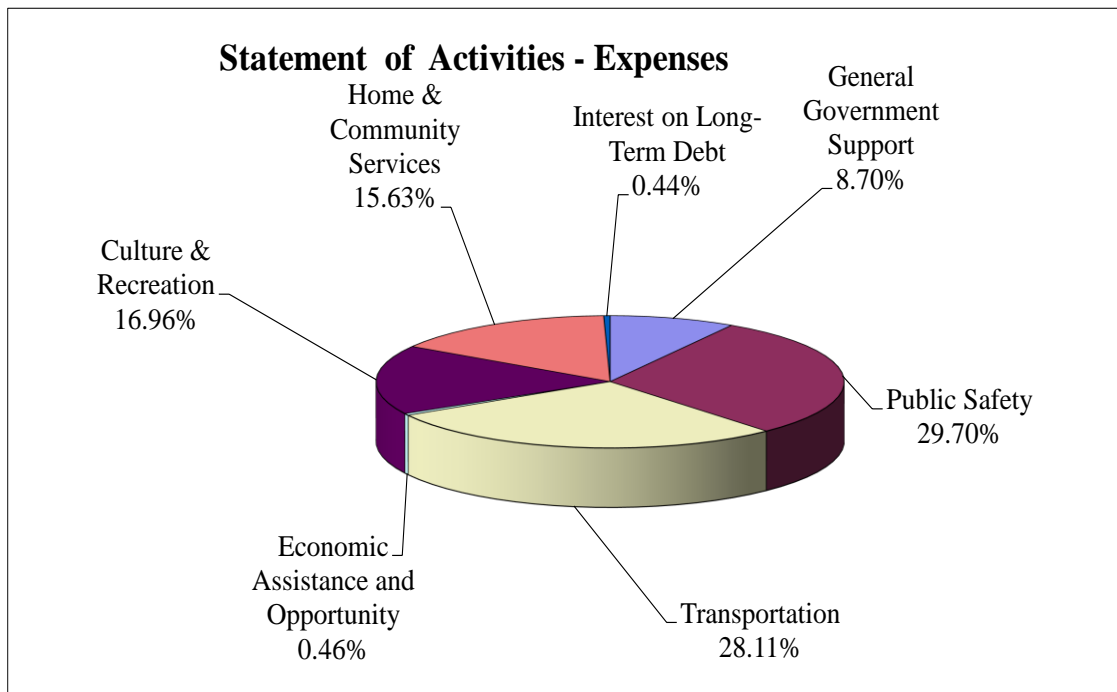
The total Net Position reflects a reduction of \$3,810,451 when compared to the 2017 Total Net Position as restated. The most significant factor relating to the \$3,810,451 is a reduction in net capital assets of \$2,905,463. This was a result of the difference between a net increase in accumulated depreciation of \$7,117,677 and a net increase in capital assets of \$4,212,214. Depreciation expense is an accounting measure of asset utilization based on estimates of useful life for each asset. The actual life of an asset may not parallel the estimated life used for the purpose of calculating depreciation expenses. In addition, the Town of Brighton is a nearly fully developed community such that most of its needed infrastructure already exists, is being maintained and depreciated, giving with little opportunity for infrastructure expansion. Other factors affecting the net position included a net increase in obligations for serial bonds of \$485,537, a reduction of 3,549,370 in OPEB liability being recorded (Other Post-Employment Benefits for employee medical in retirement) and a net change resulting in a reduction of the pension liability of \$2,869,686. The reductions in liabilities, however, were partially offset by a \$1,355,557 net reduction in fund balances.

In the Statement of Activities, expenses incurred by type of governmental activity (inclusive of depreciation expense) totaled \$33,181,333, with program revenues attributable to a particular activity totaling \$3,329,726. The \$29,851,607 net negative result of expenses less revenues highlights the relative financial burden that each of the governmental activities places on the Town's taxpayers. A total of \$26,041,156 in revenues not directly attributable to any particular governmental activity are reported as General Revenues, serving to further reduce the net cost of governmental activities. The net cost of all governmental activities, after applying all Program and General Revenues, results in a \$3,810,451 negative Change in Net Position.





The Bar Graph presented above shows the relative relationship between the Program Expenses and Program Revenues by governmental activity. The \$29,851,607 balance in the net cost of operations is funded by General Revenues of \$26,041,156 and other revenues totaling \$3,329,726 for a total of \$29,370,882 for all revenues (of which \$20,125,769 or 68.5% is generated through the property tax levy). The net result was a decrease in net position of \$3,810,451.



The above program activities expenses pie chart shows the relative commitment of resources for the many types of critical services provided by the Town, and the program revenues pie chart shows the sources of revenue generated and their relative proportions as a part of total Town revenues.

### The Town's Governmental Funds

For the fiscal year ended December 31, 2018, the Town's Governmental Funds reported combined ending fund balances of \$12,327,813, a decrease of \$1,355,557 from the total 2017 fund balances (\$13,683,370). While some of the non-major funds saw increases in their fund balances, the two major funds (General and Highway) saw decreases as follows: \$692,720 for the General Fund; \$40,779 for the Highway Fund.

The fund balance, per GASB Statement 54 reporting beginning in fiscal year 2011, is broken out into four categories: Nonspendable, Restricted, Assigned, and Unassigned, all of which are more fully defined in the notes to these statements. Nonspendable fund balance, such as prepaid expenditures, total \$536,921. Restricted fund balance, such as reserves and amounts restricted by law or grantors for a specific purpose, total \$5,501,093. Assigned fund balance, amounts intended to be used for a specific purpose such as encumbrances and appropriated fund balance, total \$3,300,101. Unassigned fund balance, available for Town use, total \$2,989,698 (down \$272,160 from year-end 2017 unassigned fund balance of \$3,261,858).

### Comparative Schedule of Expenditures

The following table presents a summary and comparison of expenditures for all Governmental Funds for the fiscal years ended December 31, 2018 and 2017.

<b><u>Expenditures:</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>Variance</u></b>
General Governmental Support	\$ 3,232,474	\$ 2,937,796	\$ 294,678
Public Safety	7,339,332	7,352,342	(13,010)
Transportation	5,406,725	4,394,392	1,012,333
Economic Assistance/Opportunity	119,173	119,686	(513)
Culture and Recreation	4,799,188	3,426,180	1,373,008
Home and Community Services	4,270,746	3,574,372	696,374
Employee Benefits	6,593,683	6,427,116	166,567
Debt Service - Principal	1,009,463	870,663	138,800
Debt Service - Interest	142,289	120,541	21,748
<b>Total</b>	<b><u>\$ 32,913,073</u></b>	<b><u>\$ 29,223,088</u></b>	<b><u>\$ 3,689,985</u></b>

As shown on the Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds, recast in the table above, the Town expended \$32,913,073 for current year operations. By comparison, this was (on a net basis) \$3,689,985 more than the \$29,223,088 expended in 2017. This increase in expenditures was primarily attributed to a several capital purchases / projects that were expensed in 2018: Building Improvements \$160,477 for HVAC and siding replacement at the Operations Center; \$616,179 for various equipment purchases (dump bodies, small trucks, tractors, large dump truck) as well as other increases in operational expenses as related to the Transportation Function. The increase in the Culture and Recreation Function is primarily due to the purchase of an additional 26 acres of parkland on Westfall Road for \$1,230,710. Home and Community Services also reflects increases due to capital purchases / projects of \$330,312 for Blossom Road sanitary sewer improvements, \$186,100 for purchase of a large dump truck and \$69,646 for the purchase of sewer camera equipment.

## Comparative Schedule of Revenues

The following schedule presents a summary of General Fund, Special Revenue Funds (including Highway), Capital Projects and Debt Service Fund revenues for the fiscal years ended December 31, 2018 and 2017.

<u>Revenues:</u>	<u>2018</u>	<u>2017</u>	<u>Variance</u>
Real Property and Tax Items	\$ 20,125,769	\$ 19,851,400	\$ 274,369
Non-Property Taxes	4,555,015	4,297,453	257,562
Departmental Income	911,294	822,997	88,297
Intergovernmental Charges	642,872	556,515	86,357
Use of Money and Property	311,760	147,805	163,955
Licenses and Permits	266,062	242,431	23,631
Fines and Forfeitures	240,981	277,726	(36,745)
Sale of Property and Compensation for Loss	283,017	324,306	(41,289)
Miscellaneous	55,493	31,567	23,926
Interfund Revenues	691,634	529,404	162,230
State and County Aid	1,910,585	1,903,016	7,569
Federal Aid	68,034	40,377	27,657
<b>Total</b>	<b>\$ 30,062,516</b>	<b>\$ 29,024,997</b>	<b>\$ 1,037,519</b>

Again, as shown on the Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds, recast in the table above, the Town recorded \$30,062,516 in revenues to support current year operations. By comparison, on a net basis this was an increase of \$1,037,519 from the \$29,024,997 recorded in 2017.

Areas of major increases in revenues include \$274,369 for property taxes (inclusive of PILOTS and interest) and \$252,847 for the Town's share of the Monroe County sales tax, interest earnings were up by \$163,955 and interfund revenues increased by \$162,230. Decreases included \$158,482 from NYS mortgage tax and \$30,908 in Court revenues.

## Fund Balances

General Fund. The General Fund, a major fund, is the primary operating fund of the Town including operations of the Police, Recreation, Parks, and Public Works Departments, the Town Court, the portion of the Highway Department not required to be accounted for in the Highway Fund, and General Administration. Results of operations in the General Fund generated a reduction of \$396,976. When netting out the transfers in for debt, closed capital projects and the transfers out for capital projects, the General Fund balance decreased by \$692,720. The present \$2,989,698 in unassigned fund balance represents 17.1% of the \$17,497,561 in total fund expenditures and operating transfers out recorded in the year.

Highway Fund. The Highway Fund, also classified as a major fund, includes the greater portion of the activities of the Town's Highway Department (with the balance of Highway Department activities being accounted for in the General Fund). Highway Fund activities include road repair, storm sewer maintenance, machinery acquisition and maintenance, and snow and ice control. Results of operations in the Highway Fund generated a reduction of \$46,654 in revenues over expenditures. The present \$1,846,308 of assigned fund balance for highway operations represents 33.4% of the \$5,524,920 in total fund expenditures recorded in the fiscal year.

"Non-Major" Special Revenue (Governmental) Funds. "Non-Major" Special Revenue Funds are used to account for taxes, user fees, and other revenues that are raised or received to fund special governmental activities including the Brighton Memorial Library, Consolidated (Sanitary) Sewer District, and other governmental services (e.g. ambulance service, fire protection, street lighting, and refuse collection) provided to service areas that may or may not encompass the entire Town. Operations of all "Non-Major" Special Revenue funds (inclusive of the debt service fund) resulted in a reduction of \$622,058 in net changes in fund balances. The reduction in fund balances is most notable related to the Capital Projects and Consolidated Water Funds and the projects therein.

As shown on the Balance Sheet for all Governmental Funds, the reconciliation of Total Fund Balances of \$12,327,813 to Net Position of Governmental Activities of \$15,947,335 is made up of \$45,647,028 in net capital assets used in governmental activities reduced by of deferred pension outflows net of inflows of \$1,301,001. Other Subtractions to fund balances include \$7,074,218 in obligations on outstanding bonds, OPEB liability of \$28,934,604, accrued interest on debt totaling \$39,394, net pension liability of \$3,441,581, and compensated absences earned and due to Town employees totaling \$1,236,708.

### **General Fund Budgetary Highlights**

The Town's General Fund Budget for revenue and operating transfers increased by \$103,663 over the course of the year, to a total amended budget of \$16,655,658. Actual revenues and operating transfers-in came in above the amended budget estimates by \$132,413. Approximately \$292,018 was from the Town's portion of the Monroe County sales tax revenues, \$61,673 in interest earnings with a shortfall in the receipt of NYS Mortgage tax of \$216,501.

The Town's General Fund appropriation budget increased by \$368,078 over the course of the year to a total of \$17,904,960 in amended appropriations. In all functional categories, actual expenditures were less than amended budget estimates. This variance totaled \$578,274. Major favorable budget variances included: General Government Support of \$165,580, Public Safety of \$141,304, Culture and Recreation of \$80,259, and Employee Benefits of \$122,728 all less than budget.

### **Highway Fund Budgetary Highlights**

The Town's Highway Fund revenue budget totaled \$5,318,181, after adding amendments to the revenue budget of \$41,991. Actual revenues came in above the amended budget estimates by \$165,960, of which \$91,807 related interfund revenues, \$39,256 in State Highway aid, and \$31,630 in interest earnings.

The Town's amended Highway Fund appropriation budget totaled \$5,835,194. There was a total favorable variance in Highway Fund expenditures of \$294,699. There were several factors contributing to this variance including \$111,103 in unspent road materials and related supplies, \$10,739 in equipment, \$127,667 in salaries; \$45,185 in related employee fringe benefits. The net unfavorable variance of excess expenditures over revenues in the Highway Fund was \$40,779.

## Capital Assets and Debt Administration

Capital Assets. In accordance with Governmental Accounting Standards Board (GASB) Statement #34, the Town records depreciation expense and accumulated depreciation associated with all of its capital assets including infrastructure. The Town's investment in capital assets for its governmental activities totals \$45,647,028, net of accumulated depreciation. This investment in capital assets includes Land, Work in Progress, Buildings and Improvements, Machinery and Equipment, and Infrastructure. Land increased by \$1,297,300 due to the acquisition of an additional 26 acres of land at the Buckland Park. Work in Progress remained essentially flat increasing by \$10,224 on a net basis due to capitalization of projects. The net values of Buildings and Improvements of \$4,343,522 are reflective of \$219,519 in additions and \$932,676 in net depreciation expense. Net Machinery and Equipment values of \$3,965,994 reflect \$939,375 in additions and \$323,196 in disposals (through sale or other disposal) and a net increase in accumulated depreciation of \$458,496. Infrastructure is valued at \$27,441,971 (net of accumulated depreciation). This includes \$2,632,707 in new and improved infrastructure, \$563,715 in deletions, and net depreciation expenses in 2018 of \$5,726,505. This primarily results from the Town's nearly fully developed dynamic, such that the need and opportunity to develop new infrastructure is small while, by comparison, the recording of depreciation on its mature network of roads (and road improvements), sewers (sanitary and storm), sidewalks, street lights, etc. is substantial. The Town's newly acquired or constructed capital assets were funded with cash, bonds, and State Aid. The following table summarizes the value of these capital assets, net of accumulated depreciation.

	<u>2018</u>	<u>2017</u>
Land	\$ 9,223,734	\$ 7,926,434
Work in Progress	671,807	661,583
Buildings and Land Improvements	4,343,522	5,056,679
Machinery and Equipment	3,965,994	3,808,311
Infrastructure	27,441,971	31,099,484
<b>Total</b>	<b><u>\$ 45,647,028</u></b>	<b><u>\$ 48,552,491</u></b>

Debt Administration and Other Long-Term Obligations. At year-end 2018 the Town had \$7,074,218 in Bonds outstanding. Of this amount \$1,007,712 will be redeemed in the ensuing year's budget, leaving \$6,066,506 to be redeemed in future years. The Town maintains a conservative debt borrowing policy and has a rating of AA-2 from Moody's Investors Service.

At year end 2018 the Town also had \$1,236,708 in accumulated compensated absences due its employees, a net decrease of \$34,229 from the prior year. The Town budgets a minimal amount for the payment of compensated absences; relying on available budgetary appropriations when that portion of the liability that relates to an employee severing service with the Town is "cashed out".

New for the fiscal year ending 12/31/15 was the GASB Statement No. 68 requirement to record the Town's net pension liability of the New York State Employees and Police & Fire Retirement Systems. The Town's net liability, as calculated by the NYS Retirement System, totaled \$2,095,413 for 2018; a decrease of \$2,869,686 over year-end 2017.

Also at the end of 2018 the entire OPEB liability was recorded. The balance at January 1, 2018 for the OPEB liability has been restated at \$32,483,974. As of the end of 2018, this amount decreased by \$3,549,370 bringing the total OPEB liability at year end to \$28,934,604. The OPEB liability is now recorded at one hundred percent.

### **Economic Factors, Subsequent Significant Events, and Future Budget Impacts**

Historically, the Town of Brighton's budgeting philosophy has been conservative. The continued implementation of this principal has kept the Town's fund balances in the major funds stable for a number of years. Budget performances are reviewed quarterly with the Town Board to identify potential areas of stress so corrective actions can be implemented as early as possible. Strong fund balance positions in the Town's major funds will help mitigate the economic and tax cap pressures being placed on future operating and capital budgets. A strong fund balance position will also enable the Town to quickly respond to unanticipated budgetary demands such as unanticipated weather-related events.

A continuing challenge for all municipalities in New York State is the increasing cost of providing employee benefits – many of which are dictated by negotiated collective bargaining agreements or by the State of New York (as it pertains to the NYS and Local Employees' Retirement systems). While the employer contribution rates related to the New York State Employees' and Police and Fire Retirement Systems have stabilized and the long-term predictions show a slight decrease in the rates, the projections are dependent on economic and market conditions impacting the overall performance of the State Retirement System Fund. This, along with the ever escalating cost of employee medical insurance will continue to place pressure on the Town's future budgets as employee benefits are twenty-five percent (25%) of the Town's overall operating budget.

In 2018 the Town-wide reassessment project was completed. As a result, the Town's assessed taxable valuation increased by 14.46% (\$381,541,082) from \$2,639,218,053 used to calculate the 2018 real property tax rate to \$3,020,759,135 in 2019. As a result, the increase in the Town's Tax Levy of \$276,030 or 1.81% resulted in a 11.05% reduction in the actual tax rate from \$5.58 in 2018 to \$4.96 in 2019 or just under sixty-two cents (\$.616).

Growing and maintaining Brighton's tax base is a matter of critical importance. If Brighton is to continue to provide the high level of municipal services currently offered, it is vital that smart growth redevelopment opportunities be sought out and given serious review and consideration.

### **Contacting the Town's Financial Management**

This financial report is designed to provide a general overview of the Town's finances for all those having an interest, and should be considered along with the Basic Financial Statements and related notes. Questions concerning any of the information provided in this report may be addressed to the Town of Brighton Finance Department at 2300 Elmwood Avenue, Rochester, New York, 14618.

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**

**Statement of Net Position**

**December 31, 2018**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 9,678,707
Investments	741,834
Accounts receivable, net	1,896,670
State and federal aid receivable	446,039
Prepaid items	536,921
<b>Capital assets:</b>	
Land and work in progress	9,895,541
Other capital assets, net of depreciation	35,751,487
<b>TOTAL ASSETS</b>	<b><u>\$ 58,947,199</u></b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources	<b><u>\$ 6,562,375</u></b>
 <b>LIABILITIES</b>	
Accounts payable and other current liabilities	\$ 560,515
Accrued liabilities	266,273
Unearned revenue	184,964
<b>Noncurrent liabilities:</b>	
Due in one year	1,749,737
Due in more than one year	38,937,374
<b>TOTAL LIABILITIES</b>	<b><u>\$ 41,698,863</u></b>
 <b>DEFERRED INFLOWS</b>	
Deferred inflows	<b><u>\$ 7,863,376</u></b>
 <b>NET POSITION</b>	
Net investment in capital assets	\$ 39,191,820
<b>Restricted for:</b>	
Capital reserves	843,516
Reserve for LOSAP	741,834
Restricted other purposes	3,355,329
Unrestricted	(28,185,164)
<b>TOTAL NET POSITION</b>	<b><u>\$ 15,947,335</u></b>

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

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**

**Statement of Activities**

**For the Year Ended December 31, 2018**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Changes in Net Position</u>
		<u>Services</u>	<u>Grants and</u>	<u>Grants and</u>	<u>Primary Government</u>
			<u>Contributions</u>	<u>Contributions</u>	<u>Governmental</u>
					<u>Activities</u>
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
General government support	\$ 2,885,423	\$ 34,318	\$ 377,498	\$ -	\$ (2,473,607)
Public safety	9,854,316	314,625	34,650	-	(9,505,041)
Transportation	9,327,584	621,927	-	295,645	(8,410,012)
Economic assistance and development	152,161	42,666	-	-	(109,495)
Culture and recreation	5,628,222	786,207	87,737	30,490	(4,723,788)
Home and community services	5,185,999	283,385	7,456	413,122	(4,482,036)
Interest on long-term debt	147,628	-	-	-	(147,628)
<b>Total Governmental Activities</b>	<b>\$ 33,181,333</b>	<b>\$ 2,083,128</b>	<b>\$ 507,341</b>	<b>\$ 739,257</b>	<b>\$ (29,851,607)</b>
<b>General Revenues:</b>					
<b>Taxes:</b>					
Property taxes				\$	20,125,769
Non-property taxes					4,555,015
Mortgage tax					733,499
Compensation for loss					283,017
Investment earnings					311,760
Miscellaneous					32,096
<b>Total General Revenues</b>				<b>\$</b>	<b>26,041,156</b>
Change in Net Position				\$	(3,810,451)
<b>Net Position - Beginning (restated)</b>					<b>19,757,786</b>
<b>Net Position - Ending</b>				<b>\$</b>	<b>15,947,335</b>

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



**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**

**Balance Sheet**

**Governmental Funds**

**December 31, 2018**

	<u>Major</u>		<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Highway Fund</u>		
<b>Assets</b>				
Cash and cash equivalents	\$ 3,893,711	\$ 2,055,068	\$ 3,729,928	\$ 9,678,707
Investments	-	-	741,834	741,834
Receivables, net	111,223	77,402	122,557	311,182
Due from other funds	-	195,725	-	195,725
Due from other governments, net	1,576,175	-	9,313	1,585,488
State and federal aid receivable	152,900	-	293,139	446,039
Prepaid items	404,976	73,349	58,596	536,921
<b>Total Assets</b>	<u>\$ 6,138,985</u>	<u>\$ 2,401,544</u>	<u>\$ 4,955,367</u>	<u>\$ 13,495,896</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Accounts payable and other current liabilities	\$ 191,020	\$ 92,372	\$ 250,155	\$ 533,547
Accrued liabilities	123,420	64,803	38,656	226,879
Due to other funds	4,646	-	191,079	195,725
Due to other governments	11,349	-	-	11,349
Overpayments and collections in advance	15,619	-	-	15,619
Unearned revenue	22,234	152,580	10,150	184,964
<b>Total Liabilities</b>	<u>\$ 368,288</u>	<u>\$ 309,755</u>	<u>\$ 490,040</u>	<u>\$ 1,168,083</u>
<b>Fund Balances:</b>				
Nonspendable	\$ 404,976	\$ 73,349	\$ 58,596	\$ 536,921
Restricted	922,230	172,132	4,406,731	5,501,093
Assigned	1,453,793	1,846,308	-	3,300,101
Unassigned	2,989,698	-	-	2,989,698
<b>Total Fund Balances</b>	<u>\$ 5,770,697</u>	<u>\$ 2,091,789</u>	<u>\$ 4,465,327</u>	<u>\$ 12,327,813</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 6,138,985</u>	<u>\$ 2,401,544</u>	<u>\$ 4,955,367</u>	

**Amounts reported for governmental activities in the statement of net position are different because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	45,647,028
Interest is accrued on outstanding bonds in the statement of net assets but not in the funds.	(39,394)
The following long-term obligations are not due and payable in the current period, therefore are not reported in the governmental funds:	
Serial Bonds Payable	(7,074,218)
Deferred Inflows	(7,863,376)
Deferred Outflows	6,562,375
Pension Liability	(3,441,581)
OPEB Liability	(28,934,604)
Compensated absences are not reported in the funds under fund accounting but are expensed as the liability is incurred in the statement of net position.	(1,236,708)
<b>Net Position of Governmental Activities</b>	<u><u>\$ 15,947,335</u></u>

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2018**

	Major		Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Highway Fund		
<b>Revenues:</b>				
Real property and tax items	\$ 9,247,240	\$ 4,090,100	\$ 6,788,429	\$ 20,125,769
Non-property taxes	4,555,015	-	-	4,555,015
Departmental income	690,603	2,567	218,124	911,294
Intergovernmental charges	67,987	574,207	678	642,872
Use of money and property	170,357	34,630	106,773	311,760
Licenses and permits	249,262	16,800	-	266,062
Fines and forfeitures	240,981	-	-	240,981
Sale of property and compensation for loss	55,806	129,134	98,077	283,017
Miscellaneous	31,613	90	23,790	55,493
Interfund revenues	344,380	339,377	7,877	691,634
State and county aid	1,134,827	291,361	484,397	1,910,585
Federal aid	-	-	68,034	68,034
<b>Total Revenues</b>	<b>\$ 16,788,071</b>	<b>\$ 5,478,266</b>	<b>\$ 7,796,179</b>	<b>\$ 30,062,516</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	\$ 3,080,293	\$ -	\$ 152,181	\$ 3,232,474
Public safety	5,664,091	-	1,675,241	7,339,332
Transportation	452,861	3,978,474	975,390	5,406,725
Economic assistance and development	119,173	-	-	119,173
Culture and recreation	1,542,297	-	3,256,891	4,799,188
Home and community services	1,212,317	-	3,058,429	4,270,746
Employee benefits	4,573,091	1,238,797	781,795	6,593,683
<b>Debt Service:</b>				
Debt service - principal	470,915	271,725	266,823	1,009,463
Debt service - interest and other charges	70,009	35,924	36,356	142,289
<b>Total Expenditures</b>	<b>\$ 17,185,047</b>	<b>\$ 5,524,920</b>	<b>\$ 10,203,106</b>	<b>\$ 32,913,073</b>
Excess (deficiency) of revenue over expenditures	\$ (396,976)	\$ (46,654)	\$ (2,406,927)	\$ (2,850,557)
<b>Other Financing Sources and Uses:</b>				
Transfers - in	\$ 16,770	\$ 5,875	\$ 458,538	\$ 481,183
Transfers - out	(312,514)	-	(168,669)	(481,183)
Serial bonds	-	-	1,495,000	1,495,000
<b>Total Other Financing Sources and Uses</b>	<b>\$ (295,744)</b>	<b>\$ 5,875</b>	<b>\$ 1,784,869</b>	<b>\$ 1,495,000</b>
Net change in fund balances	\$ (692,720)	\$ (40,779)	\$ (622,058)	\$ (1,355,557)
<b>Fund Balance - Beginning (restated)</b>	<b>6,463,417</b>	<b>2,132,568</b>	<b>5,087,385</b>	<b>13,683,370</b>
<b>Fund Balance - Ending</b>	<b>\$ 5,770,697</b>	<b>\$ 2,091,789</b>	<b>\$ 4,465,327</b>	<b>\$ 12,327,813</b>

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

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2018**

**Net Change in Fund Balances - Total Governmental Funds** \$ (1,355,557)

**Amounts reported for governmental activities in the statement of activities are different because:**

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlay	\$ 149,196	
Addition of assets	4,959,084	
Depreciation	(7,936,647)	
Gain/(Loss) on sale of assets	<u>(77,096)</u>	(2,905,463)

Bond and installment purchase debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term obligations in the statement of net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the statement of net position. The following details these items as they effect the governmental activities:

Debt repayment	\$ 1,009,463	
Proceeds from serial bonds	<u>(1,495,000)</u>	(485,537)

The net OPEB liability does not require the use of current financial resources, and therefore, is not reported as an expenditure in the governmental funds. 1,160,459

(Increase) decrease in proportionate share of net pension asset/liability reported in the statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues and expenditures in the governmental funds:

Employees' retirement system		(253,243)
------------------------------	--	-----------

Compensated absences represents the value of the earned and unused portion of the liability for vacation and compensatory time. They are reported in the statement of activities but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the net change of compensated absences. 34,229

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (5,339)

**Change in Net Position of Governmental Activities** \$ (3,810,451)

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

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**

**Statement of Fiduciary Net Position**

**Fiduciary Funds**

**December 31, 2018**

	<b>Expendable Trust</b>	<b>Agency Funds</b>
	<u>          </u>	<u>          </u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 556,175	\$ 889,798
Investments	<u>65,377</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>\$ 621,552</u>	<u>\$ 889,798</u>
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ 3,166
Accrued liabilities	-	51,191
Other liabilities	<u>-</u>	<u>835,441</u>
<b>TOTAL LIABILITIES</b>	<u>\$ -</u>	<u>\$ 889,798</u>
<b>NET POSITION</b>		
Other expendable trusts	<u>\$ 621,552</u>	
<b>TOTAL NET POSITION</b>	<u>\$ 621,552</u>	

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

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**

**Statement of Changes in Fiduciary Net Position**

**Fiduciary Funds**

**For the Year Ended December 31, 2018**

	<b>Expendable Trust</b>
	<u>                    </u>
<b>ADDITIONS</b>	
Contributions	\$ 111,838
Investment earnings	<u>2,050</u>
<b>TOTAL ADDITIONS</b>	<u>\$ 113,888</u>
<b>DEDUCTIONS</b>	
Culture and recreation expense	<u>\$ 25,055</u>
<b>TOTAL DEDUCTIONS</b>	<u>\$ 25,055</u>
Change in net position	\$ 88,833
<b>NET POSITION - BEGINNING</b>	<u>532,719</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 621,552</u></u>

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

# TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK

## Notes To The Basic Financial Statements

December 31, 2018

### I. Summary of Significant Accounting Policies:

The financial statements of the Town of Brighton, Monroe County, New York (the Town) have been prepared in conformity with generally accepted accounting principles (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.

#### A. Financial Reporting Entity

The Town (which was established in 1814) is governed by its charter, Town Law, other general laws of the State of New York and various local laws. The Town Board, which is the legislative body responsible for the overall operation of the Town, consists of the Supervisor and four Councilpersons. The Supervisor serves as Chief Executive Officer and Chief Fiscal Officer of the Town. The Supervisor is elected to serve a two year term. The Councilpersons are elected to serve four year terms with two Councilpersons on the ballot every two years.

The Town provides the following basic services to all or some residents of the Town: public safety, transportation (highway maintenance); parks and recreation; planning and zoning; public library; sanitary sewer; drainage; refuse disposal; street lighting; fire protection and ambulance; sidewalks and sidewalk snow removal.

All governmental activities and functions performed by the Town are its direct responsibility, no other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government which is the Town and (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The decision to include a potential component unit in the Town's reporting entity is based on several criteria including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities considered in determining the Town's reporting entity.

#### 1. Included in the Reporting Entity

The Brighton Memorial Library was established in 1951 by the Town and granted a charter by the State Board of Regents as provided in Article 5 of the Education Law. The Town appoints trustees; raises taxes for library purposes; has title to real property used by the library; and issues all library indebtedness which is supported by the full faith and credit of the Town. The library is a blended component unit, part of the primary government, and is reported in the special revenue fund types. The Town provides ongoing financial support of Library operations through the annual property tax levy.

**( I. ) (Continued)**

However, line item control over the library budget as well as control over the Library's general reserve fund rests exclusively with the Library Board of Trustees. Gifts and donations received by the Brighton Memorial Library are reported within the Trust and Agency Fund. Pursuant to Education Law, such funds are under exclusive control of the Library Board of Trustees. The Town does not exercise oversight responsibility with regard to such gifts and donations.

**2. Excluded From the Reporting Entity**

Although the following organizations, functions or activities are related to the Town they are not included in the Town reporting entity because of the reasons noted:

**a.** The Town is served by five school districts created by state legislation which designates the school boards as their governing authority. School board members are elected by the qualified voters of the districts. The school boards designate management and exercise complete responsibility of all financial matters. The Town Council exercises no oversight over school operations. Their audit reports may be obtained by contacting the school district.

**b.** The Brighton Fire District is an independent district corporation that has the authority to levy its own property taxes and borrow in its own name, and for which the governing commissioners are elected by the residents of the District. The Board of Fire Commissioners has complete responsibility for management of the District and its fiscal affairs. The Town Council exercises no oversight over District operations. Their audit reports may be obtained by contacting the Brighton Fire District.

**B. Basis of Presentation**

**1. Government-Wide Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. All of the Town's services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The Town first uses restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions, i.e., public safety and transportation, etc. The functions are also supported by general government revenues (property, sales taxes, mortgage tax, state revenue sharing, and investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operation grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

( I. ) (Continued)

The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (restricted purposes, and agency). Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the Government, these funds are not incorporated into the government-wide financial statements.

The Town does not allocate indirect costs. An administrative service fee is charged by the General Fund to the Town's special district funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of services provided (finance, personnel, purchasing, legal, technology, management, etc.).

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

**2. Fund Financial Statements**

The emphasis in fund financial statements is on the major fund in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements.

**a. Governmental Funds** - Governmental funds are those major and non-major funds through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. The following are the Town's governmental fund types.

**1. Major Governmental Funds**

**General Fund** - the principal operating fund and includes all operations not required to be recorded in other funds.

**Highway Fund** - a special revenue fund used to account for taxes, user fees, or other revenues which are raised or received to provide highway services to areas throughout the Town.

**2. Non-Major Governmental Funds**

The other funds which do not meet the major fund criteria are aggregated and reported as non-major other governmental funds. The following are reported as non-major other governmental funds.

**Capital Projects Fund** - used to account for financial resources to be used for the acquisition, construction or renovation of capital facilities; or the acquisition of equipment.

**Debt Service Fund** - used to account for financial resources accumulated in a reserve for payment of future principal and interest on long-term indebtedness.



( I. ) (Continued)

**Special Revenue Funds** - used to account for taxes, user fees, or other revenues which are raised or received to provide special services to areas that may or may not encompass the whole Town. The following are non-major special revenue funds utilized by the Town:

Public Library Fund	Consolidated Water District Fund
Neighborhood Improvement District Fund	Park Land Deposits Fund
Lighting Districts Fund	Consolidated Sewer Fund
Drainage Districts Fund	Fire Protection District Fund
Business Improvement Districts Fund	Park Special District Fund
Refuse Disposal Districts Fund	Ambulance Service District Fund
Sidewalk Snow Removal District Fund	Consolidated Sidewalk District Fund

**3. Fiduciary Funds**

Fiduciary funds are used to account for assets held by the local government in a trustee or custodial capacity.

**Agency Fund** - is custodial in nature and does not present results of operations or have measurement focus. The Agency Fund is accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the government holds for others in an agency capacity.

**Private Purpose Trust Funds** - are used to report certain trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

**C. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**1. Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Equity is classified as net position.

In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

( I. ) (Continued)

2. **Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter (within the year) to pay current liabilities. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

D. **Assets, Liabilities, and Equity**

1. **Cash and Investments**

The Town’s cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

Investments are stated at cost, which approximates market value.

2. **Receivables**

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales tax and grant reimbursements for capital projects.

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material.

3. **Inventory**

Inventory purchases in the General and Special Revenue Funds are recorded as expenditures at the time of purchase and year-end balances are not maintained.

4. **Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both governmental-wide and fund financial statements.

**5. Capital Assets**

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations and whether they are reported in the government –wide or fund financial statements.

**a. Government-Wide Statements**

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Prior to January 1, 2004, governmental funds’ infrastructure assets were not capitalized. These assets (back to January 1, 1974) have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. A capitalization threshold of \$5,000 is used to report capital assets. The range of estimated useful lives by type of assets is as follows:

<u>Class</u>	<u>Life in Years</u>
Buildings	15-20 Years
Sanitary Sewer System	30 Years
Machinery and Equipment	5-15 Years
Improvements; Parking Lots	5-10 Years
Roads, Sidewalks, Curbing, Light Systems, Gutters	30 Years

**b. Fund Financial Statements**

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

**6. Unearned Revenue**

The Town reports unearned revenues in its basic financial statements. Unearned revenue arises when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned revenue also arises when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Town has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

**7. 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/expenditure) until then. The government may have three items that qualify for reporting in this category. First is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is 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. Lastly is the Town contributions to the pension systems (ERS and PFRS Systems) subsequent to the measurement date.

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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town may have two items that qualify for reporting in this category. First arises only under a modified accrual basis of accounting and is reported as unavailable revenue-property taxes. The second item is 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 liability (ERS and PFRS Systems) 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.

**8. Accrued Liabilities and Long-Term Obligations**

Payables, accrued liabilities and long-term obligations are reported in the town-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Claims and judgments, other post-employment benefits payable and compensated absences that will be paid from governmental funds are reported as a liability in the funds financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Long-term obligations represent the Town's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the Statement of Net Position.

**a. Compensatory Absences**

The Town accrues accumulated unpaid vacation and compensatory time cost when earned (or estimated to be earned) by the employee. The non-current portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

( I. ) (Continued)

**1. Non-Represented Employees**

Full-time employees can earn up to twenty-five (25) days of vacation leave per year based on their number of years of service. An employee may not at any point during the year or at year end accrue more than thirty-five (35) vacation days. Compensatory time accrued in the calendar year must be used by March 31 of the following year.

**2. BPPA Represented Employees**

BPPA represented employees can earn up to thirty days (30) of vacation leave per year based on their number of years of service. A maximum of seven (7) vacation leave days may be carried over into the next calendar year.

**3. CSEA Represented Employees**

CSEA represented employees can earn up to thirty (30) days of vacation leave per year based on their number of years of service. A maximum of five (5) vacation leave days may be carried over into the next calendar year.

**4. Teamsters Represented Employees**

Teamsters represented employees can earn up to thirty days (30) of vacation leave per year based on their number of years of service. An employee may not at any point during the year or at year end accrue more than thirty-five (35) vacation days.

**5. Other Benefits**

Town employees participate in the New York State Employees' Retirement System.

In addition to providing pension benefits, the Town provides post-employment health coverage to retired employees in accordance with the provision of various employment contracts in effect at the time of retirement. The Town recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure.

**9. Encumbrances**

For financial reporting purposes encumbrances have been reclassified to assigned fund balance on the governmental funds for the general fund and the highway fund and assigned or restricted fund balance in the capital fund. Encumbrance accounting, under which purchase orders, contracts or other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the general, town-wide capital improvement project and nonmajor funds.

10. **Equity Classifications**

a. **Government-Wide Statements**

Equity is classified as net position and displayed in three components:

1. **Net investment in capital assets** - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. **Restricted net position** - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. **Unrestricted net position** - all other net position that do not meet the definition of “restricted” or “net investment in capital assets”.

b. **Financial Statements – Fund Balance**

The Town implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

1. **Nonspendable fund balance** – Amounts that are not in a spendable form (i.e. inventory or prepaids) or are legally or contractually required to be maintained intact.
2. **Restricted fund balance** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
3. **Assigned fund balance** – Amounts a government intends to use for a specific purpose; intent can be expressed by the Board or by an official or body to which the Board delegates the authority.
4. **Unassigned fund balance** – Amounts that are available for town purposes pursuant to any Law restrictions. Any positive amounts are reported only in the general fund.

c. The following policies relate to GASB No. 54:

1. **Assigned fund balance** – The department head is responsible for all of the purchasing activities of the Town and therefore, is designated as having the authority to assign amounts intended to be used for a specific purpose. (At year end, open purchase orders will therefore be designated as a component of the assigned fund balance.)

( I. ) (Continued)

The Board has the authority to assign fund balance for the purpose of tax reduction on an annual basis.

2. **Spending policy** – Resources will generally be spent from Budgetary Appropriations first. Utilization of reserve funds will be determined based on the legal appropriation of such funds which require either the Board and/or voter approval. Furthermore, assigned amounts will be considered expended when the transaction for which the assignment was made does occur.
3. **Order of fund balance** – The Town’s policy is to apply expenditures against nonspendable fund balance, restricted fund balance, assigned fund balance and unassigned fund balance at the end of the year.

For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts other than the General Fund are classified as restricted.

In the General Fund, assigned fund balance is determined before the remaining amounts which are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

It is possible for the funds to have negative unassigned fund balance when nonspendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance.

**E. Revenues, Expenditures/Expenses**

**1. Revenues**

*Real property taxes* are levied January 1 and collected by the Receiver of Taxes without interest through February 10, and through May 31 with interest and penalties. Taxes for county purposes are levied together with taxes for town and special district purposes on a single bill. The Town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. Uncollected taxes at June 1 are turned over to Monroe County for collection.

The County of Monroe currently imposes a *sales and use tax*. Based upon a complex formula, a portion of the total revenue collected is allocated annually to the Town in four quarterly installments.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and, 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

**2. Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for governmental activities.

( I. ) (Continued)

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:	Current (further classified by function)
	Debt Service
	Capital outlay

In the fund financial statements, governmental funds report expenditures of financial resources. Government-wide financial statements report expenses relating to use of economic resources.

**F. Internal and Interfund Balances and Activities**

In the process of aggregating the financial information for the government-wide Statement of Net Position and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

**1. Fund Financial Statements**

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

- a. **Interfund loan** – amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- b. **Interfund services** – sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- c. **Interfund reimbursements** – repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds
- d. **Interfund transfers** – flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

**2. Government-Wide Financial Statements**

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- a. **Internal balances** – amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental columns of the Statement of Net Position, except for the net residual amounts due between governmental funds.
- b. **Internal activities** – amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities.



( I. ) (Continued)

**G. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

**H. New Accounting Standards**

The Town has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At December 31, 2018, the Town implemented the following new standards issued by GASB:

The GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

GASB has issued Statement 85, *Omnibus 2018*.

GASB has issued Statement 86, *Certain Debt Extinguishment Issues*.

**I. Future Changes in Accounting Standards**

GASB has issued Statement 83, *Certain Asset Retirement Obligations*, which will be effective for reporting periods beginning after June 15, 2018.

GASB has issued Statement 84, *Fiduciary Activities*, which will effective for the periods beginning after December 15, 2018.

GASB has issued Statement 87, *Leases*, which will be effective for the periods beginning after December 15, 2019.

GASB has issued Statement 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, which will be effective for reporting periods beginning after December 15, 2019.

GASB has issued Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which will be effective for reporting periods beginning after December 15, 2019

GASB has issued Statement 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, which will be effective for reporting periods beginning after December 15, 2018.

**II. Restatement of Net Position**

For the year ended December 31, 2018, the Town implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The Town’s net position has been restated as follows:

	<b><u>Government-Wide</u></b> <b><u>Statements</u></b>	<b><u>Fire Protection</u></b> <b><u>District Fund</u></b>
Net position beginning of year, as previously stated	\$ 48,483,469	\$ 240,198
Adjustments -		
Net position from Trust previously reported in Agency Fund	833,879	833,879
LOSAP Liability	(1,237,250)	-
OPEB Liability	<u>(28,322,312)</u>	<u>-</u>
Net position beginning of year, as restated	<u>\$ 19,757,786</u>	<u>\$ 1,074,077</u>

**III. Changes in Accounting Principles**

For the year ended December 31, 2018, the Town implemented GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of the statements requires Towns to report Other Postemployment Benefits (OPEB) liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB. See Note II for the financial statement impact of implementation of the Statements.

**IV. Stewardship, Compliance and Accountability:**

By its nature as a local government unit, the Town is subject to various federal, state and local laws and contractual regulations. An analysis of the Town’s compliance with significant laws and regulations and demonstration of its stewardship over Town resources follows.

**A. Budgetary Data**

**1. Budget Policies - The budget policies are as follows:**

- a.** No later than September 30, the budget officer submits a tentative budget to the Town Clerk for submission to the Town Board for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing them.
- b.** After public hearings are conducted to obtain taxpayer comments, no later than December 20, the Town Board adopts the budget.
- c.** All modifications of the budget must be approved by the Town Board. (However, the Supervisor is authorized to transfer certain budgeted amounts within departments.)
- d.** Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects which remain in effect for the life of the project.

( IV. ) (Continued)

2. **Budget Basis of Accounting**

Budget(s) are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

3. **Revenue Restrictions**

The Town has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources are those revenues raised for the special district special revenue funds.

**B. Deposit and Investment Laws and Regulations**

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 the 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. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and Districts.

**C. Deficit Fund Balance – Capital Projects Fund**

The 2015 Farmers Market capital project had a deficit fund balance totaling \$16,009 at December 31, 2018, which is the result of the Town not obtaining permanent financing for the projects before year end. The Town borrowed funds from other funds in order to facilitate the cash flow for these purchases, and the permanent financing will occur at a later date. This results in the creation of a fund deficit which will remain until permanent financing (i.e., bonds, grants-in-aid, or redemption from current appropriations) is obtained.

**V. Detail Notes on All Funds and Account Groups:**

**A. Cash and Cash Equivalents**

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 investment policies, as discussed previously in these notes.

( V. ) (Continued)

The Town's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

Uncollateralized	\$	-
Collateralized with securities held by the pledging financial institution		1,375,567
Collateralized within Trust department or agent		8,687,082
<b>Total</b>	<b>\$</b>	<b><u>10,062,649</u></b>

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year end included \$5,501,093 within the governmental funds and \$621,552 in the expendable trust fund.

**B. Fair Value Measurements – Investments**

The Town categorizes its fair value measurements into the fair value hierarchy established by GASB Statement No. 72. Three levels of inputs used to measure fair value are as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Town has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term the Level 2 input must be observable for substantially the full term of the assets.

Level 3 – Inputs to the valuation methodology are unobservable inputs and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value.

Cash and Money Market, Held for Investment: The carrying amount approximates fair value because of the short maturity of the instruments.

Exchange Traded Funds and Mutual Funds: Reported at current quoted fair values.

Federal Agency Securities: Fixed income securities held by the Town, including bonds, are generally priced using pricing matrix models and quoted prices for identical or similar securities.

( III. ) (Continued)

Pooled Investment Securities (Guaranteed Interest Account): The Town is a participant in a pooled investment account whose underlying securities are generally composed of corporate bonds, mutual funds and individual equity securities that trade on public markets. The pooled investment account overall value is calculated using quoted market prices for the underlying investments. The pool administrator allocates investment income, and accounts for contributions and withdrawals of each individual participant. The Town is provided a summary account statement on a quarterly basis.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date.

The following table summarizes as of December 31, 2018, the Town's Fire Program Investments, and categorization with the fair value measurement hierarchy:

	<b><u>Level 3</u></b>	<b><u>Total</u></b>
General investment account	\$ 741,834	\$ 741,834

C. **Brighton Memorial Library Expendable Trust Gift Fund**

The Brighton Memorial Library Board of Trustees, pursuant to Education Law, exercise exclusive control and manage the gift Fund of the following expendable trust funds:

	<b><u>Carrying Amount</u></b>
JP Morgan Chase Savings Account	\$ 103,632
JP Morgan Chase Checking Account	14,283
Canandaigua National Bank Savings	133,215
Canandaigua National Bank CD	65,377
Key Bank Savings	232,595
<b>Total</b>	<b><u>\$ 549,102</u></b>

D. **Receivables**

Receivables at December 31, 2018 consisted of the following, which are stated at net realizable value. Town management has deemed the amounts to be fully collectible:

<b><u>Description</u></b>	<b><u>Amount</u></b>
Sales Tax	\$ 1,071,328
Mortgage Tax	466,644
Workers' Comp Reimbursements	155,819
PILOTS/Mitigation	119,984
Election Inspector Fees	2,656
Stop - DWI Fines	26,751
Court Fines and Fees	18,220
Property Cleanup	2,395
Other	32,873
<b>Total</b>	<b><u>\$ 1,896,670</u></b>

( V. ) (Continued)

**D. Tax Abatement**

The County of Monroe IDA, and the Town enter into various property tax and sales tax abatement programs for the purpose of Economic Development. As a result, the Town property tax revenue was reduced \$43,848. The Town received payment in lieu of tax (PILOT) payment totaling \$103,203 to help offset the property tax reduction.

**E. Interfund Receivables, Payables, Revenues and Expenditures**

Interfund receivables, payables, revenues and expenditures at December 31, 2018 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Interfund Transfers-In</u>	<u>Interfund Transfers-Out</u>
General	\$ -	\$ 4,646	\$ 16,770	\$ 312,514
Highway	195,725	-	5,875	-
Capital Fund	-	187,363	402,060	35,145
Debt Service Fund	-	-	35,144	43,979
Non major Special Revenue Funds	-	-	21,334	89,545
<b>Total</b>	<b>\$ 195,725</b>	<b>\$ 195,725</b>	<b>\$ 481,183</b>	<b>\$ 481,183</b>

Interfund receivables and payables between governmental activities are eliminated on the Statement of Net Position. The Town typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are not necessarily expected to be repaid within one year.

Transfers are used to support capital project expenditures and debt service expenditures.

**F. Changes In Capital Assets**

A summary of changes in capital assets follows:

<u>Type</u>	<u>Balance 01/01/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/18</u>
<b><u>Capital assets not being Depreciated:</u></b>				
Land	\$ 7,926,434	\$ 1,297,300	\$ -	\$ 9,223,734
Work in progress	661,583	149,196	(138,972)	671,807
<i>Total capital assets not being depreciated</i>	<u>\$ 8,588,017</u>	<u>\$ 1,446,496</u>	<u>\$ (138,972)</u>	<u>\$ 9,895,541</u>
<b><u>Other capital assets:</u></b>				
Buildings and improvements	\$ 21,238,442	\$ 228,674	\$ (9,155)	\$ 21,457,961
Machinery and equipment	11,974,719	939,375	(323,196)	12,590,898
Infrastructure	188,824,176	2,632,707	(563,715)	190,893,168
<i>Total other capital assets at historical cost</i>	<u>\$ 222,037,337</u>	<u>\$ 3,800,756</u>	<u>\$ (896,066)</u>	<u>\$ 224,942,027</u>
<b><u>Less accumulated depreciation for:</u></b>				
Buildings and improvements	\$ 16,181,763	\$ 941,831	\$ (9,155)	\$ 17,114,439
Machinery and equipment	8,166,408	704,596	(246,100)	8,624,904
Infrastructure	157,724,692	6,290,220	(563,715)	163,451,197
<i>Total accumulated depreciation</i>	<u>\$ 182,072,863</u>	<u>\$ 7,936,647</u>	<u>\$ (818,970)</u>	<u>\$ 189,190,540</u>
<i>Other capital assets, net</i>	<u>\$ 39,964,474</u>	<u>\$ (4,135,891)</u>	<u>\$ (77,096)</u>	<u>\$ 35,751,487</u>
<i>Governmental activities capital assets, net</i>	<u><b>\$ 48,552,491</b></u>	<u><b>\$ (2,689,395)</b></u>	<u><b>\$ (216,068)</b></u>	<u><b>\$ 45,647,028</b></u>

( V. ) (Continued)

Depreciation expense for the year totaled \$7,936,647 and was charged to the following functions:

General Government	\$	327,967
Public Safety		269,026
Transportation		5,294,325
Culture & Recreation		456,563
Home & Community Services		1,588,766
<b>Total</b>	<b>\$</b>	<b><u>7,936,647</u></b>

**G. Long-Term Debt**

At December 31, 2018 the total outstanding obligations of the Town aggregated \$40,687,111 as follows:

**1. Serial Bonds**

The Town, borrows money in order to acquire land, high cost equipment, to construct buildings and improvements, and for infrastructure development and maintenance. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are supported by the full faith and credit debt of the Town. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

**2. Interest Reconciliation**

A summary of the long-term interest expense as of December 31, 2018 is as follows:

Interest expense reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$	142,289
Prior year accrued interest		(34,055)
Current year accrued interest		39,394
<b>Interest expense - Statement of Activities</b>	<b>\$</b>	<b><u>147,628</u></b>

**3. Other Long-Term Obligations**

In addition to long-term bonded debt the Town had the following other obligations:

Compensated Absences - represents the value of earned and unused vacation leave and compensatory time.

OPEB Liability- represents health insurance benefits provided to employees upon retirement.

Net Pension Liability – represents long-term pension liability.

LOSAP Liability – represents the Town’s portion of the LOSAP obligation.

( V. ) (Continued)

4. Summary of Debt

The following is a summary of obligations outstanding at December 31, 2018:

	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>	<u>Classified As</u>	
	<u>1/1/2018</u>			<u>12/31/2018</u>	<u>Current</u>	<u>Non-Current</u>
Serial Bonds	\$ 6,588,681	\$ 1,495,000	\$ 1,009,463	\$ 7,074,218	\$ 1,007,712	\$ 6,066,506
<b>Other Long-Term Obligations</b>						
Compensated Absences	1,270,937	-	34,229	1,236,708	742,025	494,683
OPEB Liability	32,483,974	-	3,549,370	28,934,604	-	28,934,604
LOSAP Liability	1,237,250	108,918	-	1,346,168	-	1,346,168
Net Pension Liability	4,965,099	-	2,869,686	2,095,413	-	2,095,413
<b>Total Long-Term Obligations</b>	<b>\$ 46,545,941</b>	<b>\$ 1,603,918</b>	<b>\$ 7,462,748</b>	<b>\$ 40,687,111</b>	<b>\$ 1,749,737</b>	<b>\$ 38,937,374</b>

Additions and deletions to compensated absences are shown net since it is impractical to determine these amounts separately.

5. Debt Maturity Schedule

The following is a statement of bonds with corresponding maturity schedules:

<u>Purpose</u>	<u>Issue Date</u>	<u>Original Amount</u>	<u>Interest</u>	<u>Amount Outstanding 12/31/18</u>	<u>Maturity</u>
<b><u>Sewer District Fund Serial Bonds -</u></b>					
Brighton-Henrietta Town Line Road Sewer	1999	\$ 318,562	5.077%	\$ 20,000	2019
Western Dr. Area Sewer	2005	\$ 236,800	0%	94,218	2025
Enviormental Facilites Corporation	2010	\$ 730,000	0.286%-4.245%	410,000	2029
<b><u>General Public Improvements -</u></b>					
Consolidated Public Improvement Bond	2015	\$ 763,900	1.5%-2.5%	430,000	2025
Consolidated Public Improvement Bond	2015	\$ 872,460	2.25%-3.75%	540,000	2030
Consolidated Public Improvement Bond	2016	\$ 780,450	1.375%-1.750%	595,000	2025
Consolidated Public Improvement Bond	2016	\$ 803,000	0.50%-4.85%	645,000	2026
Refunded Bond	2016	\$ 2,065,000	1%-4%	1,725,000	2023
Consolidated Public Improvement Bond	2017	\$ 565,000	2.625%-3.500%	530,000	2037
Consolidated Public Improvement Bond	2017	\$ 677,000	000%-2.375%	590,000	2027
Consolidated Public Improvement Bond	2018	\$ 500,000	2.50%-3.00%	500,000	2028
Consolidated Public Improvement Bond	2018	\$ 995,000	2.00%-4.25%	995,000	2038
<b>Total Serial Bonds</b>				<b>\$ 7,074,218</b>	



( V. ) (Continued)

Of the total outstanding indebtedness, \$94,218 was issued for water and sewer purposes exempt from the constitutional debt limit.

6. The following table summarizes the Town's future debt service requirements as of December 31, 2018:

<u>Year</u>	<u>Bonds</u>	<u>Interest</u>
2019	\$ 1,007,712	\$ 175,837
2020	962,961	153,787
2021	958,210	131,074
2022	918,460	111,514
2023	833,709	91,819
2024-28	1,593,166	281,793
2029-33	445,000	117,601
2034-38	355,000	42,888
<b>Total</b>	<b>\$ 7,074,218</b>	<b>\$ 1,106,313</b>

In prior years, the Town defeased general obligation library bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. \$1,095,000 of bonds outstanding are considered defeased.

**H. Deferred Inflows/Outflows of Resources**

The following is a summary of the deferred inflows/outflows of resources:

	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>
ERS/PFRS Pension	\$ 5,215,757	\$ 6,243,700
OPEB	2,647,619	258,708
LOSAP	-	59,967
<b>Total</b>	<b>\$ 7,863,376</b>	<b>\$ 6,562,375</b>

**I. Fund Balances/Net Position**

**1. Fund Balances**

**a. Nonspendable**

The Town has the following nonspendable funds:

**Nonspendable Prepaid Items** - The Town has prepaid various items and the cash is no longer available therefore those funds are nonspendable.

( V. ) (Continued)

b. **Restricted**

Currently, New York State laws still use the terminology reserves. The Town currently utilizes the following reserves which are classified as restricted funds:

1. **Capital Reserves**

As provided in the General Municipal Law Section 6, the Town has established the following “Type Capital” Reserves:

a. **General Fund**

**Quality of Life** - to finance future capital projects that will improve the “Quality of Life” in the Town. The Town Board appropriated \$51,790 from the reserve. The balance in this reserve at December 31, 2018 is \$182.

**Assessment** - to finance the cost of updating, on a Town basis, the assessed value of each parcel of real property. The balance in this reserve at December 31, 2018 is \$16,519.

**Streetscape** - to finance streetscape improvements as determined by the Town. The Town Board appropriated \$10,000 from the reserve. The balance in this reserve at December 31, 2018 is \$100,384.

**Town Sidewalk** - to finance the cost of construction of new Town wide sidewalks as proposed for construction by the Town. The balance in this reserve at December 31, 2018 is \$200,624.

**Parks** - to finance the purchase and development of open space for park purposes. The Town Board appropriated \$209,225 from the reserve. The balance in this reserve at December 31, 2018 is \$34.

b. **Consolidated Sewer Fund**

**Sewer Equipment** - to finance future planned replacement of high cost sewer equipment items. The balance in this reserve at December 31, 2018 is \$218,866.

c. **Water Fund**

**Consolidated Water District** - to finance future capital improvements to be made in the consolidated water district. The balance in this reserve at December 31, 2018 is \$134,775.

d. **Highway Fund**

**Highway Equipment** - to finance all or part of the cost of future Town expenditures for capital assets which have a period of probable usefulness of at least five years. The balance of the reserve at December 31, 2018 is \$172,132.

**2. Reserve For Debt**

In accordance with General Municipal Law, Section 6-1, the Town has established a reserve to provide funding for the outstanding balance due on serial bonds and bond anticipation notes which were issued for various building and reconstruction projects. This reserve is recorded in the Debt Service Fund and may be reduced each year until the serial bonds and bond anticipation notes are paid in full. The balance at December 31, 2018 is \$259,873 and \$33,905 has been appropriated for the ensuing year's budget.

**3. General Reserve**

The Brighton Memorial Library Board of Trustees initially established a reserve fund in 1987 in accordance with New York State Education Law 259 and Opinion No. 80-260 of the State Comptroller. The purpose of the reserve is to provide for upgrades and improvements to library automation, capital and/or services which are not operating expenses. This reserve may be carried over from year to year for the above purpose stated. Moneys from this reserve may be expended only upon the direction and written demand of the Library Trustees. The Board transferred \$17,925 into the reserve. This reserve fund is recorded in the Library Fund and the balance is \$206,855 at December 31, 2018.

**4. Insurance Reserve**

The Town Board has established such a reserve in accordance with General Municipal Law, Section 6(n). The purpose of this reserve fund is to pay for property loss, claims against the Town, and other liabilities incurred for which the Town has no insurance coverage. This reserve is recorded in the General Fund. The Town Board appropriated \$30,000 from the reserve. The balance at December 31, 2018 is \$113,442.

**5. Workers' Compensation Reserve**

The Town Board established a workers' compensation reserve in accordance with General Municipal Law, Section 6(j). This reserve is recorded in the General Fund. The Town Board appropriated \$75,000 from the reserve. The balance at December 31, 2018 is \$179,297.

**6. Reserve for Forfeiture of the Proceeds of Crime**

To conform with financial reporting requirements as promulgated by the Office of the State Comptroller the Town has recorded the unspent balance of the forfeiture of the proceeds of crime in the General Fund as a general reserve. The Town Board appropriated \$29,098 from the reserve and received \$30,219 in seized property revenues. The balance of this reserve at December 31, 2018 is \$204,440.

**7. Repair Reserve**

To be used for repair or replacement of major mechanical systems and roofs in and on major Town facilities. The balance in this reserve at December 31, 2018 is \$107,308.

**8. Reserve for LOSAP**

In accordance with Article 11A of the General Municipal Law of the State of New York the Town sponsors a Length of Service Award Program (LOSAP). In accordance with these provisions, the grantor/rabbi trust accounts established to hold LOSAP plan assets are considered restricted. The balance totaled \$741,834.

**9. Special Districts**

Town special districts fund balance is considered restricted as the revenues are raised by a specific taxing jurisdiction and can only be expended for that purpose. The Town has the following special districts:

Public Library Fund	Consolidated Water District Fund
Neighborhood Improvement District Fund	Park Land Deposits Fund
Lighting Districts Fund	Consolidated Sewer Fund
Drainage Districts Fund	Fire Protection District Fund
Business Improvement Districts Fund	Park Special District Fund
Refuse Disposal Districts Fund	Ambulance Service District Fund
Sidewalk Snow Removal District Fund	Consolidated Sidewalk District Fund

**c. Assigned**

The Town has the following assigned funds:

General Fund –	1. Appropriated for Taxes	2. Encumbrances
Highway Fund -	1. Year End Equity	2. Appropriated for Taxes
Capital Projects –	1. Year End Equity	

Encumbrances represent purchase commitments made by the Town’s purchasing agent through their authorization of a purchase order prior to year end. The Town assignment is based on the functional level of expenditures.

Significant encumbrances management has determined that amounts in excess of \$26,000 for general fund, \$5,000 for sewer fund, \$6,000 for capital fund, and \$10,000 for highway fund are considered significant and are summarized below:

- General Fund - \$51,710 for Public Safety, \$52,666 for Home and Community Services, and \$26,173 for Transportation
- Sewer Fund - \$6,588 for Home and Community Services
- Capital Fund - \$370,525 for Transportation, \$12,642 for Culture and Recreation, and \$91,560 for Home and Community Services
- Highway Fund - \$15,575 for Transportation

**d. Unassigned**

Unassigned funds include the residual classification for the Town’s general fund and all spendable amounts not contained in other classifications.

( V. ) ( Continued )

The following table summarizes the Town's fund balance according to the descriptions above:

<b>FUND BALANCE:</b>	<b>General Fund</b>	<b>Highway Fund</b>	<b>Capital Projects Fund</b>	<b>Debt Service Fund</b>	<b>Special Revenue Funds</b>	<b>Total</b>
<u>Nonspendable -</u>						
Prepaid items	\$ 404,976	\$ 73,349	\$ -	\$ -	\$ 58,596	\$ 536,921
<u>Restricted -</u>						
Capital Reserves -						
Quality of life	\$ 182	\$ -	\$ -	\$ -	\$ -	\$ 182
Assessment	16,519	-	-	-	-	16,519
Streetscape	100,384	-	-	-	-	100,384
Town sidewalk	200,624	-	-	-	-	200,624
Parks	34	-	-	-	-	34
Sewer equipment	-	-	-	-	218,866	218,866
Consolidated water district	-	-	-	-	134,775	134,775
Highway equipment	-	172,132	-	-	-	172,132
Reserve for debt	-	-	-	259,873	-	259,873
Reserve for LOSAP	-	-	-	-	741,834	741,834
General reserve	-	-	-	-	206,855	206,855
Insurance reserve	113,442	-	-	-	-	113,442
Workers' compensation reserve	179,298	-	-	-	-	179,298
Reserve for forfeiture of the proceeds of crime	204,439	-	-	-	-	204,439
Repair reserve	107,308	-	-	-	-	107,308
Capital improvements	-	-	914,860	-	-	914,860
Special Districts -						
Public library	-	-	-	-	188,630	188,630
Consolidated water	-	-	-	-	332,711	332,711
Neighborhood improvement	-	-	-	-	6,005	6,005
Park land deposits	-	-	-	-	279,981	279,981
Lighting	-	-	-	-	137,509	137,509
Consolidated sewer	-	-	-	-	446,884	446,884
Drainage	-	-	-	-	21,591	21,591
Fire protection	-	-	-	-	220,952	220,952
Business improvement	-	-	-	-	2,668	2,668
Refuse disposal	-	-	-	-	43,876	43,876
Ambulance service	-	-	-	-	165,387	165,387
Park special	-	-	-	-	4,557	4,557
Sidewalk snow removal	-	-	-	-	7,610	7,610
Consolidated sidewalk	-	-	-	-	71,307	71,307
<b>Total Restricted</b>	<b>\$ 922,230</b>	<b>\$ 172,132</b>	<b>\$ 914,860</b>	<b>\$ 259,873</b>	<b>\$ 3,231,998</b>	<b>\$ 5,501,093</b>
<u>Assigned -</u>						
Appropriated for taxes	\$ 800,000	\$ 350,000	\$ -	\$ -	\$ -	\$ 1,150,000
Retirement benefits	512,154	-	-	-	-	512,154
General government support	9,800	-	-	-	-	9,800
Public safety	51,710	-	-	-	-	51,710
Transportation	26,173	1,496,308	-	-	-	1,522,481
Culture and recreation	1,290	-	-	-	-	1,290
Home and community service	52,666	-	-	-	-	52,666
<b>Total Assigned</b>	<b>\$ 1,453,793</b>	<b>\$ 1,846,308</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,300,101</b>
<b>Unassigned</b>	<b>\$ 2,989,698</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,989,698</b>
<b>TOTAL FUND BALANCE</b>	<b>\$ 5,770,697</b>	<b>\$ 2,091,789</b>	<b>\$ 914,860</b>	<b>\$ 259,873</b>	<b>\$ 3,290,594</b>	<b>\$ 12,327,813</b>

( V. ) ( Continued )

The following restricted fund balances have monies appropriated for 2019 taxes:

	<b><u>Total</u></b>
Public Library	\$ 45,000
Lighting	20,550
Consolidated Sewer	61,000
Refuse	40
Ambulance Service	12,000
Business Improvement	150
Fire Protection	100,000
Park Special	960
Neighborhood Improvement	1,000
Sidewalk Snow Removal	885
Consolidated Sidewalk	10,000
<b>Total Special District's Appropriated for Taxes</b>	<b><u><u>\$ 251,585</u></u></b>

2. **Net Position – Capital Reserves**

Represents those amounts which have been restricted for capital reserves.

	<b><u>Total</u></b>
<b><u>General Fund -</u></b>	
Quality of life	\$ 182
Assessment	16,519
Streetscape	100,384
Town sidewalk	200,624
Parks	34
<b><u>Consolidated Sewer Fund -</u></b>	
Sewer equipment	218,866
<b><u>Water Fund -</u></b>	
Consolidated water district	134,775
<b><u>Highway Fund -</u></b>	
Highway equipment	172,132
<b>Total Net Position - Capital Reserves</b>	<b><u><u>\$ 843,516</u></u></b>

3. **Net Position - Restricted for Other Purposes**

Represents those amounts which have been restricted by enabling legislation or Board Resolutions.

( V. ) (Continued)

	<u>Total</u>
Reserve for debt	\$ 259,873
Library general reserve	206,855
Insurance reserve	113,442
Workers' compensation	179,298
Forfeiture of the proceeds of crime	204,439
Repair reserve	107,308
Capital improvements	295,850
Public library	224,883
Consolidated water	332,711
Neighborhood improvement	6,005
Park land deposits	279,981
Lighting	137,509
Consolidated sewer	469,035
Drainage	21,591
Fire protection	221,144
Business improvement	2,668
Refuse disposal	43,876
Ambulance service	165,387
Park special	4,557
Sidewalk snow removal	7,610
Consolidated sidewalk	71,307
<b>Total Net Position - Restricted for Other Purposes</b>	<b><u><u>\$ 3,355,329</u></u></b>

VI. **General Information and Pension Plans:**

A. **General Information About Pension Plan**

1. **Plan Description**

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

( VI. ) (Continued)

2. **Benefits Provided**

The System provides retirement benefits as well as death and disability benefits.

*Tier 1 and 2*

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

*Tier 3, 4, 5*

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4, and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of wages earned in the three highest consecutive years. For Tier 3, 4, and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.



**( VI. ) (Continued)**

*Tier 6*

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age of Tier 6 is 63 and ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

*Special Plans*

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

*Ordinary Disability Benefits*

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

*Accidental Disability Benefits*

For all eligible Tier 1 and Tier 2 ERS and PFRS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5, and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

*Ordinary Death Benefits*

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

( VI. ) (Continued)

*Post-Retirement Benefit Increases*

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

**3. Contributions**

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly, used in computing the employers' contributions based on salaries paid during the Systems' financial year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

<b>Prepayment</b>		
<b><u>Due Date</u></b>	<b><u>ERS</u></b>	<b><u>PFRS</u></b>
12/15/2018	\$ 1,112,489	\$ 917,558
12/15/2017	\$ 1,144,768	\$ 983,049
12/15/2016	\$ 1,103,289	\$ 926,552

**B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions**

At December 31, 2018, the Town reported a liability of \$2,095,413 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2018, the Town's proportion was 0.03 percent for ERS and 0.12 percent for PFRS.

For the year ended December 31, 2018 the Town recognized pension expense of \$2,258,782. At December 31, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

( VI. ) (Continued)

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between expected and actual experience	\$ 811,484	\$ 583,723
Changes of assumptions	1,499,869	-
Net difference between projected and actual earnings on pension plan investments	2,292,717	4,563,432
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	117,095	68,602
<b>Subtotal</b>	<b>\$ 4,721,165</b>	<b>\$ 5,215,757</b>
Town's contributions subsequent to the measurement date	1,522,535	-
<b>Grand Total</b>	<b>\$ 6,243,700</b>	<b>\$ 5,215,757</b>

The Town reported \$1,522,535 as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

<b><u>Year</u></b>	<b><u>Amount</u></b>
2019	459,400
2020	376,550
2021	(902,488)
2022	(477,155)
2023	49,101
<b>Total</b>	<b>\$ (494,592)</b>

**1. 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:

	<b><u>ERS</u></b>	<b><u>PFRS</u></b>
Measurement date	March 31, 2018	March 31, 2018
Actuarial valuation date	April 1, 2018	April 1, 2017
Interest rate	7.00%	7.00%
Salary scale	3.80%	4.50%
Decrement tables	April 1, 2010- March 31, 2015 System's Experience	April 1, 2010- March 31, 2015 System's Experience
Inflation rate	2.50%	2.50%

Annuitant mortality rates are based on Society of Actuaries Scale MP-2014 System's experience with adjustments for mortality improvements based on MP-2018.

( VI. ) (Continued)

The long term 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 returns net of investment expense 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 each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

<b>Long Term Expected Rate of Return</b>	
	<b><u>ERS</u></b>
Measurement date	March 31, 2018
<b><u>Asset Type -</u></b>	
Domestic equity	4.55%
International equity	6.35%
Private equity	7.50%
Real estate	5.55%
Absolute return strategies *	3.75%
Opportunistic portfolios	5.68%
Real assets	5.29%
Bonds and mortgages	1.31%
Cash	-0.25%
Inflation-indexed bonds	1.25%
Alternative investments	0.00%
Domestic fixed income securities	0.00%
Global fixed income securities	0.00%
Short-term	0.00%

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

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

**2. Discount Rate**

The discount rate used to calculate the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' 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.

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7%, as well as what the Town's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentagepoint lower (6%) or 1-percentagepoint higher (8%) than the current rate:

( VI. ) (Continued)

	<b>1% Decrease (6%)</b>	<b>Current Assumption (7%)</b>	<b>1% Increase (8%)</b>
Employer's proportionate share of the net pension asset (liability)	\$ (12,739,746)	\$ (2,095,413)	\$ 6,876,524

**4. Pension Plan Fiduciary Net Position**

The components of the current year net pension asset/(liability) of the employers as of the respective valuation dates, were as follows:

	<b>(In Thousands)</b>	
	<b><u>ERS</u></b>	<b><u>PFRS</u></b>
Measurement date	March 31, 2018	March 31, 2018
Employers' total pension liability	\$ 183,400,590	\$ 32,914,423
Plan net position	180,173,145	31,903,666
Employers' net pension asset/(liability)	<u>\$ (3,227,445)</u>	<u>\$ (1,010,757)</u>
Ratio of plan net position to the employers' total pension asset/(liability)	98.24%	96.93%

**VII. West Brighton Fire Protection District Service Award Program**

The information contained in this note is based on information for the Length of Service Awards Program for the plan year ending on December 31, 2018, which is the most recent plan year for which complete information is available.

**A. General Information About the Pension Plan**

**1. Plan Description**

The Town of Brighton established a defined benefit Service Award Program (referred to as a "LOSAP" – Length of Service Award Program – under Section 457(e)(11) of the Internal Revenue Code) effective in 1994 for the active volunteer firefighter members of the West Brighton Fire Protection District Service. The Program was established pursuant to Article 11-A of the New York State General Municipal Law. The program provides municipally-funded pension like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Town of Brighton is the Sponsor for the Program and the Program administrator.

Active volunteer firefighters who have reached the age of 18 and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with 5 years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age 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 sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for 5 years of firefighting service rendered prior to the establishment of the program.

( VII. ) (Continued)

**2. Benefits Provided**

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to \$20 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed forty. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandated death and disability benefits.

**3. Fiduciary Investment and Control**

Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the governing board.

The governing board of the sponsor has retained and designated PENFLEX, Inc. to assist in the administration of the program. The designated program administrator's functions include preparing annual individual participant statements, preparing annual service award program reports such as annual program costs, asset changes, including fact sheets and special commentaries, reports relating to changes in defined benefits, historical data comparisons, cash flow projections, actuarial related documentation and related participant forms, and also prepares and files all related IRS documents and audit statements relating to GASB #25. Disbursements of program assets for the payment of benefits or administrative expenses must be approved by the Town Supervisor and administered by Comerica Bank as of December 31, 2018. Administrative expenses for PENFLEX, Inc. are approved by the Town Board via a contractual agreement and approved by the Audit Committee and ultimately the Town Board.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or the purpose of defraying the reasonable expenses of the operation and administration of the program. The trust agreement is dated October 18, 2013, and the trustee is Comerica Bank.

Authority to invest program assets is vested in RBC Wealth Management. While there are no investment restrictions, RBC Wealth Management follows the investment objectives of the program which are to invest in balanced funds. This offers the potential for both capital appreciation and current income through a 40% to 60% allocation to fixed income securities with a corresponding allocation to equity investments.

The sponsor is required to retain an actuary to determine the amount of the sponsor's contributions to the plan. The actuary retained by the sponsor for this purpose is PENFLEX, Inc. Portions of the following information are derived from a report prepared by the actuary dated January 1, 2018.

**4. Participants Covered By the Benefit Term**

At the December 31, 2017 measurement date, the following participants were covered by the benefit terms:

( VII. ) (Continued)

	<b>West Brighton Fire</b>
Inactive participants currently receiving benefit payments	12
Inactive participants entitled to but not yet receiving benefit payments	38
Total	<u>50</u>

**5. Contributions**

New York State General Municipal Law §219(d) requires the Town Board to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Town Board. The Town of Brighton ceased contracting with the West Brighton Fire Department and subsequently froze the Service Award Program in 2013. The Town has not made contributions in 2016, 2017, and 2018. As a result the funded status of the program continues to decline.

**6. Trust Assets**

Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Town. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73.

**B. Measurement of Total Pension Liability**

The total pension liability at the December 31, 2017 measurement date was determined using an actuarial valuation as of that date.

**1. Actuarial Assumptions**

The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement;

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	None assumed

Mortality rates were based on the RP-2014 Male Mortality Table without projection for mortality improvement.

**2. Discount Rate**

The discount rate used to measure the total pension liability was 3.16%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2017. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Services, AA by Fitch, or AA by Standards & Poor's Rating Services.

( VII. ) (Continued)

C. Changes in the Total Pension Liability

	<b>West Brighton Fire</b>
Balance as of 12/31/16 measurement date	\$ 1,237,250
Interest	45,020
Changes of assumptions or other inputs	96,579
Differences between expected and actual experiences	14,873
Benefit payment	(47,554)
Net changes	<u>\$ 108,918</u>
<b>Balance as of 12/31/17 measurement date</b>	<b><u><u>\$ 1,346,168</u></u></b>

1. Sensitivity of the Total Pension Liability To Changes in the Discount Rate

The following presents the total pension liability of the Town as of the December 31, 2017 measurement date, calculated using the discount rate of 3.16 percent, as well as what the Town's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.16 percent) or 1-percentage point higher (4.16 percent) than the current rate:

<u>West Brighton Fire Protection District</u>			
	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b><u>(2.16%)</u></b>	<b><u>(3.16%)</u></b>	<b><u>(4.16%)</u></b>
Total pension liability	\$ 1,560,961	\$ 1,346,168	\$ 1,179,800

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

For the year ended December 31, 2018, the Town recognized pension expense of \$163,845 for the West Brighton Fire Protection District.

	<b>West Brighton Fire</b>
Interest on total pension liability	\$ 45,020
Changes of assumptions or other inputs	96,579
Differences between expected and actual experiences	14,873
Pension plan administrative expenses	7,373
<b>Total Pension Expense</b>	<b><u><u>\$ 163,845</u></u></b>



( VII. ) (Continued)

As December 31, 2018, the Town reported deferred inflows of resources related to pensions from the following sources:

	<u>West Brighton Fire</u>	
	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experiences	\$ -	\$ -
Changes of assumptions or other inputs	-	-
Benefit payments & administrative expenses subsequent to the measurement date	59,967	-
<b>Total</b>	<b>\$ 59,967</b>	<b>\$ -</b>

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expenses as follows:

<u>Year</u>		
2019	\$	-
2020		-
2021		-
2022		-
Thereafter		-
<b>Total</b>	<b>\$</b>	<b>-</b>

**VIII. Deferred Compensation Plan**

The Town maintains a deferred compensation plan in accordance with Section 457 of the Internal Revenue Code for which Town employees have the option to participate.

**IX. Postemployment Benefits**

**A. General Information About the OPEB Plan**

*Plan Description* – The Town’s defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the Town. The plan is a single-employer defined benefit OPEB plan administered by the Town. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Town Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided* – The Town provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the Town offices and are available upon request.

( IX. ) (Continued)

*Employees Covered by Benefit Terms* – At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	170
Active Employees	150
<b>Total</b>	<b>320</b>

**B. Total OPEB Liability**

The Town's total OPEB liability of \$28,934,604 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

*Actuarial Assumptions and Other Inputs* – The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25 percent
Salary Increases	3.36 percent, average, including inflation
Discount Rate	3.83 percent
Healthcare Cost Trend Rates	5.20 percent for 2018, decreasing to an ultimate rate of 4.32 percent for 2070 and later years
Retirees' Share of Benefit-Related Costs	various percent of projected health insurance premiums for retirees

The discount rate was based on Fidelity General Obligation AA-20 Year Municipal Bond rate.

Mortality rates were based on the Adjusted RPH-2014 combined mortality, fully generational using Scale MP-2018.

**C. Changes in the Total OPEB Liability**

Balance at December 31, 2017	\$ 32,483,974
<u>Changes for the Year -</u>	
Service cost	\$ 569,838
Interest	1,120,664
Differences between expected and actual experience	(2,609,305)
Changes in assumptions or other inputs	(1,595,737)
Benefit payments	(1,034,830)
Net Changes	\$ (3,549,370)
<b>Balance at December 31, 2018</b>	<b>\$ 28,934,604</b>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.00 percent to 3.50 percent effective January 1, 2018, and 3.83 percent effective December 31, 2018.

( IX. ) (Continued)

*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 (2.83 percent) or 1-percentage-point higher (4.83 percent) than the current discount rate:

	<b>1% Decrease</b> <b>(2.83%)</b>	<b>Discount</b> <b>Rate</b> <b>(3.83%)</b>	<b>1% Increase</b> <b>(4.83%)</b>
Total OPEB Liability	\$ 33,649,046	\$ 28,934,604	\$ 25,185,546

*Sensitivity of the Total OPEB Liability to Changes 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 (5.20 percent) or 1-percentage-point higher (6.20 percent) than the current healthcare cost trend rate:

	<b>1% Decrease</b> <b>(4.20%</b> <b>Decreasing</b> <b>to 3.32%)</b>	<b>Healthcare</b> <b>Cost Trend Rates</b> <b>(5.20%</b> <b>Decreasing</b> <b>to 4.32%)</b>	<b>1% Increase</b> <b>(6.20%</b> <b>Decreasing</b> <b>to 5.32%)</b>
Total OPEB Liability	\$ 24,668,587	\$ 28,934,604	\$ 34,939,241

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

For the year ended December 31, 2018, the Town recognized OPEB expense of \$133,079. At December 31, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b><u>Deferred Inflows</u></b> <b><u>of Resources</u></b>
Differences between expended and actual experience	\$ 1,642,896
Changes of assumptions	1,004,723
<b>Total</b>	<b>\$ 2,647,619</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b><u>Year</u></b>	
2019	\$ (1,557,423)
2020	(1,090,196)
Thereafter	-
<b>Total</b>	<b>\$ (2,647,619)</b>

**X. Risk Management**

**A. General Information**

The Town is exposed to various risks of loss related to injuries to employees, theft, damages, natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

**B. Insurance Reserve**

The Town is exposed to various risks of loss related to torts; theft or damage to, or destruction of assets; and natural disasters. Under the Town’s self insurance plan, self-insurance coverage is provided for deductibles and for uninsured claims. The Town purchases commercial insurance for claims in excess of the self-insurance coverage and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past four years.

There were no estimated accrued claims for the years ended December 31, 2018 and 2017 as defined by GASB Statement #10, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. However, as referred to in Note III, the Town has established and maintains an insurance reserve having a balance of \$113,442 at December 31, 2018.

**C. Workers’ Compensation**

The Town currently purchase workers’ compensation insurance from a third party. The Town also entered into a separate agreement with Wright Risk Management to administer the claims which had occurred prior to January 1, 2010. There is no longer an estimated liability for those claims, as the Town had reached their maximum exposure in 2015.

No claims were settled during 2018 by purchasing annuity contracts.

In addition, as referred to in Note V, the Town has established and maintains a Workers’ Compensation reserve in the amount of \$179,298. In the Town’s judgment, the Town believes the reserve fund is adequate.

In accordance with GASB Statement #10 the following statistical information is presented.

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contribution Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62,525	\$ -	\$ 5,000	\$ 54,434	\$ 70,843
Actual Claims Expense	\$ -	\$ -	\$ -	\$ 32,908	\$ 43,879	\$ 52,267	\$ 50,261	\$ 58,965	\$ 52,928	\$ 61,784

( X. ) (Continued)

**D. Dental Plan**

The Town self-insures for dental coverage for its employees. The Town contracts with a third party administrator who is responsible for processing claims and estimating liabilities. The Town does not carry excess insurance coverage relative to this Plan. The Town records expenditures as claims are presented for payment with a cap of \$1,000 a year per member. Based upon the requirements of GASB Statement #10, liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount of claims that have been incurred but not reported (IBNR's). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors.

A reconciliation of the claims recorded for 2018 and 2017 is as follows:

	<u>2018</u>	<u>2017</u>
Beginning liabilities	\$ 15,655	\$ 17,804
Incurred claims	137,089	128,838
Claims payments	(136,353)	(130,987)
<b>Ending liabilities</b>	<b><u>\$ 16,391</u></b>	<b><u>\$ 15,655</u></b>

In accordance with GASB Statement #10, the following statistical information is presented:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Contribution Revenue	\$ 137,089	\$ 128,838	\$ 173,226	\$ 133,245	\$ 134,812	\$ 130,550	\$ 133,195	\$ 139,504	\$ 132,305	\$ 118,111
Actual Claims Expense	\$ 136,353	\$ 130,987	\$ 168,622	\$ 130,449	\$ 133,372	\$ 126,944	\$ 127,840	\$ 139,535	\$ 135,760	\$ 127,535

**XI. Commitments and Contingencies**

**A. Litigation**

The Town has several claims and notice of claims filed against it as of the date of this report which management believes will be covered under the Town's insurance policy. In addition, there are pending tax certiorari claims requesting reduction of assessments in which the financial impact cannot be determined at this time.

**( XI. ) (Continued)**

**B. Grants**

The Town participates in a number of Federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**XIV. Rental of Real Property**

The Town has entered into agreements to lease Town property for cellular tower usage. The total rental income received for the year ended December 31, 2018 totaled \$122,737 which is reported in the General Fund and Water Special Revenue Fund.

**XV. CSEA Contract**

The CSEA contract expired on December 31, 2016 and as of the date of this report, the Town continues in negotiations to settle this contract.

**Required Supplemental Information**  
**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Schedule of Changes in Town's Total OPEB Liability and Related Ratio**  
**(Unaudited)**  
**For the Year Ended December 31, 2018**

<b>TOTAL OPEB LIABILITY</b>	
	<b><u>2018</u></b>
Service cost	\$ 569,838
Interest	1,120,664
Differences between expected and actual experiences	(2,609,305)
Changes of assumptions or other inputs	(1,595,737)
Benefit payments	<u>(1,034,830)</u>
<b>Net Change in Total OPEB Liability</b>	<b>\$ (3,549,370)</b>
 <b>Total OPEB Liability - Beginning (restated)</b>	 <b><u>\$ 32,483,974</u></b>
 <b>Total OPEB Liability - Ending</b>	 <b><u><u>\$ 28,934,604</u></u></b>
 Covered Employee Payroll	 \$ 10,131,294
 Total OPEB Liability as a Percentage of Covered Employee Payroll	  285.60%

10 years of historical information is not available and will be reported each year going forward

**Required Supplemental Information**  
**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Schedule of the Town's Proportionate Share of the Net Pension Liability**  
**(Unaudited)**  
**For the Year Ended December 31, 2018**

<b>NYSERS Pension Plan</b>				
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Proportion of the net pension liability (assets)	0.03%	0.03%	0.03%	0.03%
Proportionate share of the net pension liability (assets)	\$ 927,978	\$ 2,675,202	\$ 4,531,165	\$ 1,287,919
Covered-employee payroll	\$ 7,674,311	\$ 7,665,569	\$ 7,280,476	\$ 6,831,602
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	12.092%	34.899%	62.237%	18.852%
Plan fiduciary net position as a percentage of the total pension liability	98.24%	94.70%	90.70%	97.90%
<b>NYSPPRS Pension Plan</b>				
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Proportion of the net pension liability (assets)	0.12%	0.11%	0.11%	0.11%
Proportionate share of the net pension liability (assets)	\$ 1,167,435	\$ 2,289,897	\$ 3,385,065	\$ 444,259
Covered-employee payroll	\$ 4,084,910	\$ 4,214,966	\$ 3,987,537	\$ 3,909,082
Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll	28.579%	54.328%	84.891%	11.365%
Plan fiduciary net position as a percentage of the total pension liability	96.93%	93.50%	90.20%	99.00%

10 years of historical information is not available and will be reported each year going forward



**Required Supplemental Information**  
**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Schedule of Town Contributions**  
**(Unaudited)**  
**For the Year Ended December 31, 2018**

<b>NYSERS Pension Plan</b>				
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Contractually required contributions	\$ 1,144,768	\$ 1,103,289	\$ 1,226,468	\$ 1,425,590
Contributions in relation to the contractually required contribution	<u>(1,144,768)</u>	<u>(1,103,289)</u>	<u>(1,226,468)</u>	<u>(1,425,590)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 7,674,311	\$ 7,665,569	\$ 7,280,476	\$ 6,831,602
Contributions as a percentage of covered-employee payroll	14.92%	14.39%	16.85%	20.87%

<b>NYSPFRS Pension Plan</b>				
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Contractually required contributions	\$ 983,049	\$ 926,552	\$ 994,156	\$ 906,625
Contributions in relation to the contractually required contribution	<u>(983,049)</u>	<u>(926,552)</u>	<u>(994,156)</u>	<u>(906,625)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 4,084,910	\$ 4,214,966	\$ 3,987,537	\$ 3,909,082
Contributions as a percentage of covered-employee payroll	24.07%	21.98%	24.93%	23.19%

10 years of historical information is not available and will be reported each year going forward

**Required Supplemental Information**  
**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget (Non GAAP Basis) and Actual - General and Major Special Revenue Fund Types**  
**(Unaudited)**  
**For the Year Ended December 31, 2018**

	<b>GENERAL FUND</b>				
	<b>Original Budget (Incl. Carryover Encumbrances)</b>	<b>Budget (Amended)</b>	<b>Actual</b>	<b>Encumbrances</b>	<b>Variance</b>
<b>Revenues:</b>					
Real property and tax items	\$ 9,385,075	\$ 9,385,075	\$ 9,247,240	\$ -	\$ (137,835)
Non-property taxes	4,260,000	4,260,000	4,555,015	-	295,015
Departmental income	660,840	663,927	690,603	-	26,676
Intergovernmental charges	51,000	66,837	67,987	-	1,150
Use of money and property	110,985	110,985	170,357	-	59,372
Licenses and permits	249,700	278,430	249,262	-	(29,168)
Fines and forfeitures	269,650	269,650	240,981	-	(28,669)
Sale of property and compensation for loss	16,300	28,753	55,806	-	27,053
Miscellaneous	13,050	14,500	31,613	-	17,113
Interfund revenues	347,310	347,310	344,380	-	(2,930)
State and county aid	1,186,585	1,195,691	1,134,827	-	(60,864)
Federal aid	1,500	34,500	-	-	(34,500)
<b>Total Revenues</b>	<b>\$ 16,551,995</b>	<b>\$ 16,655,658</b>	<b>\$ 16,788,071</b>	<b>\$ -</b>	<b>\$ 132,413</b>
<b>Expenditures:</b>					
<b>Current:</b>					
General government support	\$ 3,022,720	\$ 3,255,673	\$ 3,080,293	\$ 9,800	\$ 165,580
Public safety	5,723,566	5,857,105	5,664,091	51,710	141,304
Transportation	477,394	498,636	452,861	26,173	19,602
Economic assistance and development	138,575	139,870	119,173	-	20,697
Culture and recreation	1,559,320	1,623,846	1,542,297	1,290	80,259
Home and community services	1,256,292	1,293,071	1,212,317	52,666	28,088
Employee benefits	4,818,075	4,695,819	4,573,091	-	122,728
<b>Debt Service:</b>					
Debt service - principal	470,915	470,915	470,915	-	-
Debt service - interest and other charges	70,025	70,025	70,009	-	16
<b>Total Expenditures</b>	<b>\$ 17,536,882</b>	<b>\$ 17,904,960</b>	<b>\$ 17,185,047</b>	<b>\$ 141,639</b>	<b>\$ 578,274</b>
Excess (deficiency) of revenue over expenditures	\$ (984,887)	\$ (1,249,302)	\$ (396,976)	\$ (141,639)	\$ 710,687
<b>Other Financing Sources and Uses:</b>					
Transfers - in	\$ 25,770	\$ 25,770	\$ 16,770	\$ -	\$ (9,000)
Transfers - out	(70,000)	(326,015)	(312,514)	-	13,501
<b>Total Other Financing Sources and Uses</b>	<b>\$ (44,230)</b>	<b>\$ (300,245)</b>	<b>\$ (295,744)</b>	<b>\$ -</b>	<b>\$ 4,501</b>
Net change in fund balances	\$ (1,029,117)	\$ (1,549,547)	\$ (692,720)	\$ (141,639)	\$ 715,188
<b>Fund Balance - Beginning</b>	<b>6,463,417</b>	<b>6,463,417</b>	<b>6,463,417</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 5,434,300</b>	<b>\$ 4,913,870</b>	<b>\$ 5,770,697</b>	<b>\$ (141,639)</b>	<b>\$ 715,188</b>

**Notes to Required Supplemental Information:**

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

**Required Supplemental Information**  
**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances -**  
**Budget (Non GAAP Basis) and Actual - General and Major Special Revenue Fund Types**  
**(Unaudited)**  
**For the Year Ended December 31, 2018**

<b>HIGHWAY FUND</b>					
	<b>Original Budget</b>		<b>Actual</b>	<b>Encumbrances</b>	<b>Variance</b>
	<b>(Incl. Carryover</b>	<b>Budget</b>			
	<b>Encumbrances)</b>	<b>(Amended)</b>			
<b>Revenues:</b>					
Real property and tax items	\$ 4,090,100	\$ 4,090,100	\$ 4,090,100	\$ -	\$ -
Departmental income	4,385	4,385	2,567	-	(1,818)
Intergovernmental charges	575,240	617,231	574,207	-	(43,024)
Use of money and property	3,000	3,000	34,630	-	31,630
Licenses and permits	16,405	16,405	16,800	-	395
Sale of property and compensation for loss	81,510	81,510	129,134	-	47,624
Miscellaneous	-	-	90	-	90
Interfund revenues	247,570	247,570	339,377	-	91,807
State and county aid	252,105	252,105	291,361	-	39,256
<b>Total Revenues</b>	<b>\$ 5,270,315</b>	<b>\$ 5,312,306</b>	<b>\$ 5,478,266</b>	<b>\$ -</b>	<b>\$ 165,960</b>
<b>Expenditures:</b>					
<b>Current:</b>					
Transportation	\$ 3,890,403	\$ 4,184,209	\$ 3,978,474	\$ 15,575	\$ 190,160
Employee benefits	1,345,360	1,343,335	1,238,797	-	104,538
<b>Debt Service:</b>					
Debt service - principal	271,725	271,725	271,725	-	-
Debt service - interest and other charges	35,925	35,925	35,924	-	1
<b>Total Expenditures</b>	<b>\$ 5,543,413</b>	<b>\$ 5,835,194</b>	<b>\$ 5,524,920</b>	<b>\$ 15,575</b>	<b>\$ 294,699</b>
Excess (deficiency) of revenue over expenditures	\$ (273,098)	\$ (522,888)	\$ (46,654)	\$ (15,575)	\$ 460,659
<b>Other Financing Sources and Uses:</b>					
Transfers - in	\$ 5,875	\$ 5,875	\$ 5,875	\$ -	\$ -
<b>Total Other Financing Sources and Uses</b>	<b>\$ 5,875</b>	<b>\$ 5,875</b>	<b>\$ 5,875</b>	<b>\$ -</b>	<b>\$ -</b>
Net change in fund balances	\$ (267,223)	\$ (517,013)	\$ (40,779)	\$ (15,575)	\$ 460,659
<b>Fund Balance - Beginning</b>	<b>2,132,568</b>	<b>2,132,568</b>	<b>2,132,568</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ 1,865,345</b>	<b>\$ 1,615,555</b>	<b>\$ 2,091,789</b>	<b>\$ (15,575)</b>	<b>\$ 460,659</b>

Notes to Required Supplemental Information:

A reconciliation is not necessary since encumbrances are presented in a separate column on this schedule.

TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK

Combining Balance Sheet

Nonmajor Governmental Funds

December 31, 2018

	<u>Capital Projects</u>	<u>Debt Service Fund</u>	<u>Public Library Fund</u>	<u>Consolidated Water District Fund</u>	<u>Neighborhood Improvement District Fund</u>	<u>Park Land Deposits Fund</u>	<u>Lighting Districts Fund</u>	<u>Consolidated Sewer Fund</u>
<b>Assets</b>								
Cash and cash equivalents	\$ 894,944	\$ 259,873	\$ 450,652	\$ 467,486	\$ 6,005	\$ 279,981	\$ 165,351	\$ 711,853
Investments	-	-	-	-	-	-	-	-
Receivables, net	-	-	-	-	-	-	-	2,573
Due from other governments, net	678	-	2,421	-	-	-	-	6,214
State and federal aid receivable	229,389	-	-	-	-	-	-	63,750
Prepaid items	-	-	36,253	-	-	-	-	22,151
<b>Total Assets</b>	<u>\$ 1,125,011</u>	<u>\$ 259,873</u>	<u>\$ 489,326</u>	<u>\$ 467,486</u>	<u>\$ 6,005</u>	<u>\$ 279,981</u>	<u>\$ 165,351</u>	<u>\$ 806,541</u>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
Accounts payable and other current liabilities	\$ 22,788	\$ -	\$ 23,836	\$ -	\$ -	\$ -	\$ 27,842	\$ 100,458
Accrued liabilities	-	-	23,752	-	-	-	-	14,904
Due to other funds	187,363	-	-	-	-	-	-	3,278
Unearned revenue	-	-	10,000	-	-	-	-	-
<b>Total Liabilities</b>	<u>\$ 210,151</u>	<u>\$ -</u>	<u>\$ 57,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,842</u>	<u>\$ 118,640</u>
<b>Fund Balances:</b>								
Nonspendable	\$ -	\$ -	\$ 36,253	\$ -	\$ -	\$ -	\$ -	\$ 22,151
Restricted	914,860	259,873	395,485	467,486	6,005	279,981	137,509	665,750
<b>Total Fund Balances</b>	<u>\$ 914,860</u>	<u>\$ 259,873</u>	<u>\$ 431,738</u>	<u>\$ 467,486</u>	<u>\$ 6,005</u>	<u>\$ 279,981</u>	<u>\$ 137,509</u>	<u>\$ 687,901</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,125,011</u>	<u>\$ 259,873</u>	<u>\$ 489,326</u>	<u>\$ 467,486</u>	<u>\$ 6,005</u>	<u>\$ 279,981</u>	<u>\$ 165,351</u>	<u>\$ 806,541</u>

<b>Drainage Districts Fund</b>	<b>Fire Protection District Fund</b>	<b>Business Improvement Districts Fund</b>	<b>Park Special District Fund</b>	<b>Refuse Disposal Districts Fund</b>	<b>Ambulance Service District Fund</b>	<b>Sidewalk Snow Removal District Fund</b>	<b>Consolidated Sidewalk District Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 21,741	\$ 106,705	\$ 2,668	\$ 4,557	\$ 113,808	\$ 165,387	\$ 7,610	\$ 71,307	\$ 3,729,928
-	741,834	-	-	-	-	-	-	741,834
-	119,984	-	-	-	-	-	-	122,557
-	-	-	-	-	-	-	-	9,313
-	-	-	-	-	-	-	-	293,139
-	192	-	-	-	-	-	-	58,596
<u>\$ 21,741</u>	<u>\$ 968,715</u>	<u>\$ 2,668</u>	<u>\$ 4,557</u>	<u>\$ 113,808</u>	<u>\$ 165,387</u>	<u>\$ 7,610</u>	<u>\$ 71,307</u>	<u>\$ 4,955,367</u>
\$ -	\$ 5,299	\$ -	\$ -	\$ 69,932	\$ -	\$ -	\$ -	\$ 250,155
-	-	-	-	-	-	-	-	38,656
-	438	-	-	-	-	-	-	191,079
150	-	-	-	-	-	-	-	10,150
<u>\$ 150</u>	<u>\$ 5,737</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,932</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,040</u>
\$ -	\$ 192	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,596
21,591	962,786	2,668	4,557	43,876	165,387	7,610	71,307	4,406,731
<u>\$ 21,591</u>	<u>\$ 962,978</u>	<u>\$ 2,668</u>	<u>\$ 4,557</u>	<u>\$ 43,876</u>	<u>\$ 165,387</u>	<u>\$ 7,610</u>	<u>\$ 71,307</u>	<u>\$ 4,465,327</u>
<u>\$ 21,741</u>	<u>\$ 968,715</u>	<u>\$ 2,668</u>	<u>\$ 4,557</u>	<u>\$ 113,808</u>	<u>\$ 165,387</u>	<u>\$ 7,610</u>	<u>\$ 71,307</u>	<u>\$ 4,955,367</u>

**TOWN OF BRIGHTON, MONROE COUNTY, NEW YORK**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2018**

	<u>Capital Projects</u>	<u>Debt Service Fund</u>	<u>Public Library Fund</u>	<u>Consolidated Water District Fund</u>	<u>Neighborhood Improvement District Fund</u>	<u>Park Land Deposits Fund</u>	<u>Lighting Districts Fund</u>	<u>Consolidated Sewer Fund</u>
<b>Revenues:</b>								
Real property and tax items	\$ -	\$ -	\$ 2,033,640	\$ -	\$ 1,200	\$ -	\$ 289,113	\$ 1,792,400
Departmental income	-	-	97,499	-	-	86,595	-	34,030
Intergovernmental charges	678	-	-	-	-	-	-	-
Use of money and property	1,733	7,310	16,980	31,172	31	1,274	1,323	12,540
Sale of property and compensation for loss	-	-	1,990	-	-	-	-	96,087
Miscellaneous	-	22,614	1,176	-	-	-	-	-
Interfund revenues	-	-	-	-	-	-	-	7,877
State and county aid	443,612	-	15,424	-	-	-	-	-
Federal aid	4,284	-	-	-	-	-	-	63,750
<b>Total Revenues</b>	<u>\$ 450,307</u>	<u>\$ 29,924</u>	<u>\$ 2,166,709</u>	<u>\$ 31,172</u>	<u>\$ 1,231</u>	<u>\$ 87,869</u>	<u>\$ 290,436</u>	<u>\$ 2,006,684</u>
<b>Expenditures:</b>								
<b>Current:</b>								
General government support	\$ 152,181	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	-	-	-	-	-	-
Transportation	403,884	-	-	-	205	-	347,626	-
Culture and recreation	1,628,449	-	1,623,967	-	-	-	-	-
Home and community services	490,179	-	-	293,130	-	-	-	1,405,011
Employee benefits	-	-	415,565	-	-	-	-	365,115
<b>Debt Service:</b>								
Debt service - principal	-	-	117,000	-	-	-	-	137,823
Debt service - interest and other charges	-	-	2,758	-	-	-	-	32,788
<b>Total Expenditures</b>	<u>\$ 2,674,693</u>	<u>\$ -</u>	<u>\$ 2,159,290</u>	<u>\$ 293,130</u>	<u>\$ 205</u>	<u>\$ -</u>	<u>\$ 347,626</u>	<u>\$ 1,940,737</u>
Excess (deficiency) of revenue over expenditures	\$ (2,224,386)	\$ 29,924	\$ 7,419	\$ (261,958)	\$ 1,026	\$ 87,869	\$ (57,190)	\$ 65,947
<b>Other Financing Sources and Uses:</b>								
Transfers - in	\$ 402,060	\$ 35,144	\$ 13,609	\$ -	\$ -	\$ -	\$ -	\$ 7,725
Transfers - out	(35,145)	(43,979)	-	-	-	-	-	(89,545)
Serial bonds	1,495,000	-	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<u>\$ 1,861,915</u>	<u>\$ (8,835)</u>	<u>\$ 13,609</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (81,820)</u>
Net change in fund balances	\$ (362,471)	\$ 21,089	\$ 21,028	\$ (261,958)	\$ 1,026	\$ 87,869	\$ (57,190)	\$ (15,873)
<b>Fund Balance - Beginning (restated)</b>	<u>1,277,331</u>	<u>238,784</u>	<u>410,710</u>	<u>729,444</u>	<u>4,979</u>	<u>192,112</u>	<u>194,699</u>	<u>703,774</u>
<b>Fund Balance - Ending</b>	<u>\$ 914,860</u>	<u>\$ 259,873</u>	<u>\$ 431,738</u>	<u>\$ 467,486</u>	<u>\$ 6,005</u>	<u>\$ 279,981</u>	<u>\$ 137,509</u>	<u>\$ 687,901</u>

<b>Drainage Districts Fund</b>	<b>Fire Protection District Fund</b>	<b>Business Improvement Districts Fund</b>	<b>Park Special District Fund</b>	<b>Refuse Disposal Districts Fund</b>	<b>Ambulance Service District Fund</b>	<b>Sidewalk Snow Removal District Fund</b>	<b>Consolidated Sidewalk District Fund</b>	<b>Total Nonmajor Governmental Funds</b>
\$ 5,495	\$ 1,225,475	\$ 1,840	\$ 3,500	\$ 866,150	\$ 359,481	\$ 31,870	\$ 178,265	\$ 6,788,429
-	-	-	-	-	-	-	-	218,124
-	-	-	-	-	-	-	-	678
121	31,039	17	31	1,593	893	99	617	106,773
-	-	-	-	-	-	-	-	98,077
-	-	-	-	-	-	-	-	23,790
-	-	-	-	-	-	-	-	7,877
-	25,361	-	-	-	-	-	-	484,397
-	-	-	-	-	-	-	-	68,034
<u>\$ 5,616</u>	<u>\$ 1,281,875</u>	<u>\$ 1,857</u>	<u>\$ 3,531</u>	<u>\$ 867,743</u>	<u>\$ 360,374</u>	<u>\$ 31,969</u>	<u>\$ 178,882</u>	<u>\$ 7,796,179</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,181
-	1,391,859	-	-	-	283,382	-	-	1,675,241
-	-	-	-	-	-	43,177	180,498	975,390
-	-	-	4,475	-	-	-	-	3,256,891
2,338	-	1,924	-	865,847	-	-	-	3,058,429
-	1,115	-	-	-	-	-	-	781,795
1,000	-	-	-	-	11,000	-	-	266,823
686	-	-	-	-	124	-	-	36,356
<u>\$ 4,024</u>	<u>\$ 1,392,974</u>	<u>\$ 1,924</u>	<u>\$ 4,475</u>	<u>\$ 865,847</u>	<u>\$ 294,506</u>	<u>\$ 43,177</u>	<u>\$ 180,498</u>	<u>\$ 10,203,106</u>
\$ 1,592	\$ (111,099)	\$ (67)	\$ (944)	\$ 1,896	\$ 65,868	\$ (11,208)	\$ (1,616)	\$ (2,406,927)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 458,538
-	-	-	-	-	-	-	-	(168,669)
-	-	-	-	-	-	-	-	1,495,000
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,784,869
\$ 1,592	\$ (111,099)	\$ (67)	\$ (944)	\$ 1,896	\$ 65,868	\$ (11,208)	\$ (1,616)	\$ (622,058)
19,999	1,074,077	2,735	5,501	41,980	99,519	18,818	72,923	5,087,385
<u>\$ 21,591</u>	<u>\$ 962,978</u>	<u>\$ 2,668</u>	<u>\$ 4,557</u>	<u>\$ 43,876</u>	<u>\$ 165,387</u>	<u>\$ 7,610</u>	<u>\$ 71,307</u>	<u>\$ 4,465,327</u>