

TOWN OF BEEKMAN, NEW YORK

Basic Financial Statements,
Supplementary Information and
Independent Auditors' Report

December 31, 2018

TOWN OF BEEKMAN, NEW YORK

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INDEPENDENT AUDITORS' REPORT

Town Board and Supervisor
Town of Beekman
Poughquag, 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 Beekman, New York (the Town), 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Other Matters

As discussed in note 12 to the financial statements, a correction of error made in prior periods was made during the year ended December 31, 2018. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 and the additional information on pages 37 through 43 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 Beekman's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of indebtedness are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of indebtedness 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 and the schedule of indebtedness are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report, dated December 16, 2019, on our consideration of the Town of Beekman's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York
December 16, 2019

TOWN OF BEEKMAN, NEW YORK
Management's Discussion and Analysis
December 31, 2018

The accompanying management discussion and analysis of the Town of Beekman's (the Town) financial performance has been prepared to provide an overview of the Town's financial activities for the fiscal year ended December 31, 2018. This discussion and analysis is only an introduction and should be read in conjunction with the Town's financial statements.

Financial Highlights

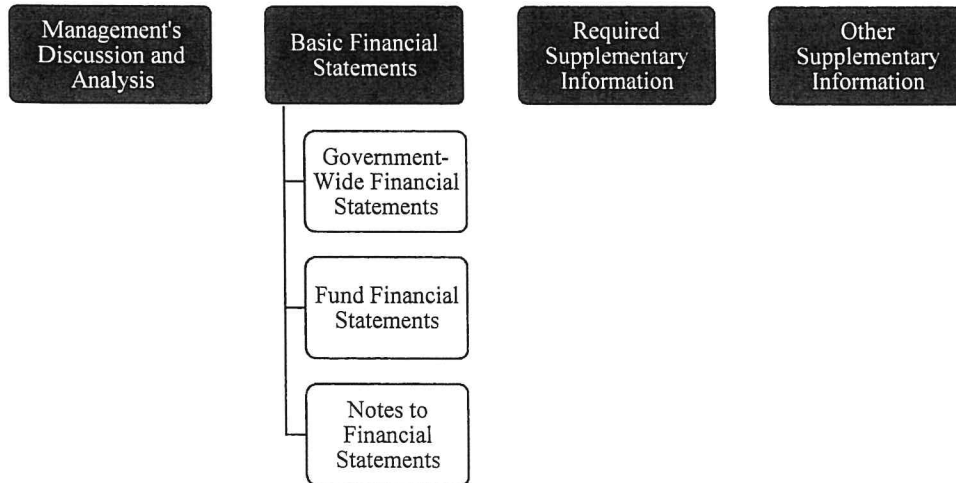
- The assets and deferred outflows of resources of the Town of Beekman exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$27,775,978.
- The government's total net position decreased by \$144,275 during 2018. The decrease was mainly generated by depreciation expense of \$862,982 in regards to the Town's long-term capital assets.
- As of the close of the current fiscal year, the Town of Beekman's governmental funds reported a combined ending fund balance of \$2,009,597, an increase of \$305,453 in comparison with the prior year. The increase was mainly generated by general fund sales tax and franchise fees revenues being \$291,369 greater than the final budgeted amounts.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,623,662.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of four components; 1) government-wide financial statements, 2) fund financial statements, 3) fiduciary fund statements and 4) notes to the financial statements. The basic financial statements present two different views of the Town's financial position through the use of government-wide statements and fund financial statements. Each view will be explained in more detail to follow in this narrative. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town.

TOWN OF BEEKMAN, NEW YORK
Management's Discussion and Analysis, Continued

Required Components of Annual Financial Report



The first two statements in the basic financial statements are the government-wide financial statements. They provide both short and long-term information about the Town's financial status.

The next statements are fund financial statements. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Town's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Town's financial status as a whole.

The two government-wide statements report the Town's net position and how they have changed. Net position is the difference between the Town's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the Town's financial condition.

TOWN OF BEEKMAN, NEW YORK
Management's Discussion and Analysis, Continued

The governmental activities include the Town's basic services such as public safety, water and sewer, road maintenance and administration. Property tax, sales tax, charges for services and State aid finance most of these activities.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Town's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like all other governmental entities in New York, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the General Statutes or the Town's budget ordinance. All of the funds of the Town are classified in two categories: governmental funds and fiduciary funds.

- Governmental Funds - Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. All of the Town's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using modified accrual accounting, which provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Town's programs. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in reconciliations that are a part of the fund financial statements.
- Fiduciary Funds - The Town acts in an agency capacity for assets that are ultimately transferred to others, such as guarantee and bid deposits. These funds are excluded from the government-wide financial statements because the Town cannot use these assets to finance operations.

The Town adopts an annual budget for certain funds as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the Town, the management of the Town, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the Town to obtain funds from identified sources to finance these current period activities. The budgetary schedules demonstrate how well the Town complied with the budget ordinance and whether or not the Town succeeded in providing the services as planned when the budget was adopted. The budgetary comparison schedules use the budgetary basis of accounting and are presented using the same format, language and classifications as the legal budget document. The schedules show four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual revenues, expenditures and ending balances; and 4) the variance between the final budget and actual revenues and expenditures.

TOWN OF BEEKMAN, NEW YORK
Management's Discussion and Analysis, Continued

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis
Town's Net Position

	<u>2018</u>	<u>2017</u>
Assets:		
Current assets	\$ 2,731,893	2,121,680
Capital assets	<u>30,545,529</u>	<u>30,836,097</u>
Total assets	<u>33,277,422</u>	<u>32,957,777</u>
Deferred outflows of resources	<u>545,282</u>	<u>394,872</u>
Liabilities:		
Current liabilities	1,133,429	717,511
Long-term liabilities	<u>4,398,355</u>	<u>4,608,077</u>
Total liabilities	<u>5,531,784</u>	<u>5,325,588</u>
Deferred inflows of resources	<u>514,942</u>	<u>91,808</u>
Net position:		
Net investment in capital assets	27,459,011	27,662,381
Restricted	-	3,161
Unrestricted	<u>316,967</u>	<u>269,711</u>
Total net position	\$ <u>27,775,978</u>	<u>27,935,253</u>

Government-wide Financial Analysis
Town's Change in Net Position

	<u>2018</u>	Percentage of	<u>2017</u>	Percentage of
		<u>total revenue</u>		<u>total revenue</u>
Revenue:				
Program revenue:				
Charges for services	\$ 715,805	14.2%	\$ 724,323	15.4%
Operating grants	548,728	10.9%	500,911	10.7%
Capital grants	9,548	0.2%	65,000	1.4%
General revenue:				
Real property taxes	2,397,300	47.6%	2,219,791	47.1%
Real property tax items	29,103	0.6%	26,223	0.6%
Non-property taxes	1,161,369	23.1%	1,033,251	21.9%
Use of money and property	6,377	0.1%	1,687	0.1%
Sale of property and compensation for loss	47,865	1.0%	11,915	0.3%
Miscellaneous	<u>117,247</u>	<u>2.3%</u>	<u>118,322</u>	<u>2.5%</u>
Total revenue	<u>5,033,342</u>	<u>100.0%</u>	<u>4,701,423</u>	<u>100.0%</u>

TOWN OF BEEKMAN, NEW YORK
Management's Discussion and Analysis, Continued

	<u>2018</u>	Percentage of <u>total expense</u>	<u>2017</u>	Percentage of <u>total expense</u>
Expenses:				
General government support	\$ 1,148,837	22.2%	\$ 1,321,398	27.0%
Public safety	341,483	6.6%	98,456	2.0%
Health	3,356	0.1%	1,671	0.1%
Transportation	2,528,582	48.8%	2,190,918	44.6%
Economic assistance and opportunity	55,450	1.1%	64,224	1.3%
Culture and recreation	827,533	16.0%	861,941	17.6%
Home and community services	166,710	3.2%	255,634	5.2%
Interest on long-term debt	<u>105,666</u>	<u>2.0%</u>	<u>107,897</u>	<u>2.2%</u>
Total expenses	<u>5,177,617</u>	<u>100.0%</u>	<u>4,902,139</u>	<u>100.0%</u>
Change in net position	<u>\$ (144,275)</u>		<u>\$ (200,716)</u>	

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Town's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$1,623,662. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. Unassigned fund balance represents 63.3% of total general fund expenditures.

The highway fund is used to account for financial resources necessary to repair and maintain the roads within the Town. At the end of the current fiscal year, the unassigned fund balance of the highway fund was a deficit \$69,600. The deficit was caused by current year expenditures exceeding final budgeted amounts by \$167,476. The Town adopted a 2019 highway fund budget that is \$61,887 higher than the 2018 budget to help account for this deficit.

At December 31, 2018, the governmental funds of the Town reported a combined fund balance of \$2,009,597, a 17.9% increase from 2017. Included in this change in fund balance are decreases in the highway and water funds and increases in the general, special recreation, and sewer funds.

TOWN OF BEEKMAN, NEW YORK
Management's Discussion and Analysis, Continued

General Fund Budgetary Highlights: During the fiscal year, the Town revised the General Fund budget. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

Capital Asset and Debt Administration

Capital Assets: The Town's investment in capital assets for its governmental activities as of December 31, 2018 totaled \$30,545,529 (net of accumulated depreciation). These assets include land, construction in progress, buildings, improvements, machinery and equipment, roads and infrastructure and vehicles.

Debt: As of December 31, 2018, the Town had serial bonds outstanding of \$2,659,292. The debt is backed by the full faith and credit of the Town. The Town's total debt decreased by \$190,794 during the 2018 fiscal year.

For more detailed information on capital assets and long-term liabilities, see notes 5 and 8 to the basic financial statements.

Economic Factors and Next Year's Budget and Rates

The Town's elected and appointed officials considered many factors when setting the fiscal year December 31, 2019 budgeted tax rates. The 2019 budget includes a property tax levy of \$2,452,794 which is 2.7% higher than the 2018 tax levy.

Requests For Information

This report is designed to provide an overview of the Town's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Town Supervisor's office at the Town of Beekman, 4 Main Street, Poughquag, New York.

TOWN OF BEEKMAN, NEW YORK
Statement of Net Position
Governmental Activities
December 31, 2018

	<u>Governmental Activities</u>
<u>Assets</u>	
Current assets:	
Cash - unrestricted	\$ 1,611,903
Accounts receivable	425,178
Due from other governments	673,802
Due from fiduciary funds	17,900
Prepaid expenses	3,110
Total current assets	2,731,893
Capital assets not being depreciated	2,040,621
Capital assets being depreciated, net	28,504,908
Total capital assets	30,545,529
Total assets	33,277,422
<u>Deferred Outflows of Resources</u>	
Pension	545,282
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	326,001
Accrued expenses	34,056
Due to other governments	179,803
Overpayments	142,230
Accrued interest	22,584
Bonds payable	200,794
Capital leases	227,961
Total current liabilities	1,133,429
Noncurrent liabilities:	
Bonds payable	2,458,498
Capital leases	199,265
Compensated absences	130,014
Net pension liability - proportionate share	147,419
Total OPEB liability	1,463,159
Total noncurrent liabilities	4,398,355
Total liabilities	5,531,784
<u>Deferred Inflows of Resources</u>	
Unearned revenue	40,206
Pension	474,736
Total deferred inflows of resources	514,942
<u>Net Position</u>	
Net investment in capital assets	27,459,011
Unrestricted	316,967
Total net position	\$ 27,775,978

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK
Statement of Activities
Governmental Activities
Year ended December 31, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense)</u>
		<u>Charges for</u>	<u>Operating</u>	<u>Capital</u>	<u>Revenue and</u>
		<u>Services</u>	<u>Grants</u>	<u>Grants</u>	<u>Change in</u>
					<u>Net Position</u>
					<u>Governmental</u>
					<u>Activities</u>
Primary government:					
Governmental activities:					
General government support	\$ 1,148,837	170,447	375,715	-	(602,675)
Public safety	341,483	12,907	-	-	(328,576)
Health	3,356	2,972	-	-	(384)
Transportation	2,528,582	-	165,013	9,548	(2,354,021)
Economic assistance and opportunity	55,450	14,195	-	-	(41,255)
Culture and recreation	827,533	345,791	8,000	-	(473,742)
Home and community services	166,710	169,493	-	-	2,783
Interest on long-term debt	105,666	-	-	-	(105,666)
Total governmental activities	<u>\$ 5,177,617</u>	<u>715,805</u>	<u>548,728</u>	<u>9,548</u>	<u>(3,903,536)</u>
General revenue:					
Property taxes					2,397,300
Real property tax items					29,103
Non-property tax items					1,161,369
Use of money and property					6,377
Sale of property and compensation for loss					47,865
Miscellaneous					117,247
Total general revenue					<u>3,759,261</u>
Change in net position					(144,275)
Net position at beginning of year, as previously stated					27,935,253
Prior period adjustment					(15,000)
Net position at beginning of year, as restated					<u>27,920,253</u>
Net position at end of year					<u>\$27,775,978</u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK
Balance Sheet - Governmental Funds
December 31, 2018

	<u>General</u>	<u>Highway</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash - unrestricted	\$ 964,005	215,675	432,223	1,611,903
Accounts receivable	411,913	-	13,265	425,178
Due from other governments	621,424	-	52,378	673,802
Due from other funds	188,288	27,647	-	215,935
Prepaid expenditures	<u>3,110</u>	<u>-</u>	<u>-</u>	<u>3,110</u>
Total assets	<u>\$2,188,740</u>	<u>243,322</u>	<u>497,866</u>	<u>2,929,928</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>				
<u>Liabilities:</u>				
Accounts payable	247,826	57,734	20,441	326,001
Accrued expenses	17,886	16,170	-	34,056
Due to other governments	179,803	-	-	179,803
Overpayments	16,500	125,730	-	142,230
Due to other funds	<u>9,747</u>	<u>113,288</u>	<u>75,000</u>	<u>198,035</u>
Total liabilities	<u>471,762</u>	<u>312,922</u>	<u>95,441</u>	<u>880,125</u>
Deferred inflows of resources - unearned revenue	<u>40,206</u>	<u>-</u>	<u>-</u>	<u>40,206</u>
Fund balances:				
Nonspendable	3,110	-	-	3,110
Assigned	50,000	-	404,867	454,867
Unassigned	<u>1,623,662</u>	<u>(69,600)</u>	<u>(2,442)</u>	<u>1,551,620</u>
Total fund balances	<u>1,676,772</u>	<u>(69,600)</u>	<u>402,425</u>	<u>2,009,597</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$2,188,740</u>	<u>243,322</u>	<u>497,866</u>	<u>2,929,928</u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK
 Reconciliation of the Governmental Funds Balance Sheet
 to the Statement of Net Position
 December 31, 2018

Total governmental fund balances		\$ 2,009,597
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.		
Land	\$1,963,630	
Construction in progress	76,991	
Depreciable capital assets, net of accumulated depreciation	<u>28,504,908</u>	30,545,529
Some deferred inflows or resources and outflows of resources are not reported in the governmental funds. These consist of the following:		
Deferred outflows of resources - pensions		545,282
Deferred inflows of resources - pensions		(474,736)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Bonds payable	(2,644,292)	
Capital leases	(427,226)	
Accrued interest	(22,584)	
Total OPEB liability	(1,463,159)	
Compensated absences	(130,014)	
Net pension liability - proportionate share	<u>(147,419)</u>	<u>(4,834,694)</u>
Net position of governmental activities		<u>\$27,790,978</u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK

Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds
Year ended December 31, 2018

	<u>General</u>	<u>Highway</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenue:				
Real property taxes	\$ 678,693	1,692,813	25,794	2,397,300
Real property tax items	29,103	-	-	29,103
Non-property tax items	1,161,369	-	-	1,161,369
Departmental income	335,586	-	200,818	536,404
Use of money and property	251	4,356	1,770	6,377
Licenses and permits	166,494	-	-	166,494
Fines and forfeitures	12,907	-	-	12,907
Sale of property and compensation for loss	3,896	99,498	-	103,394
Miscellaneous	92,580	24,667	-	117,247
State aid	383,715	165,013	9,548	558,276
Total revenue	<u>2,864,594</u>	<u>1,986,347</u>	<u>237,930</u>	<u>5,088,871</u>
Expenditures:				
General government support	895,898	-	-	895,898
Public safety	283,510	-	-	283,510
Health	1,962	-	-	1,962
Transportation	121,218	1,499,601	252,797	1,873,616
Economic assistance and opportunity	42,109	-	-	42,109
Culture and recreation	451,023	-	-	451,023
Home and community services	37,508	-	128,422	165,930
Employee benefits	544,549	317,589	-	862,138
Debt service - principal	111,819	207,834	25,794	345,447
Debt service - interest	74,111	30,923	-	105,034
Total expenditures	<u>2,563,707</u>	<u>2,055,947</u>	<u>407,013</u>	<u>5,026,667</u>
Excess (deficiency) of revenue over expenditures	300,887	(69,600)	(169,083)	62,204
Other financing sources - issuance of capital lease	-	-	243,249	243,249
Changes in fund balances	300,887	(69,600)	74,166	305,453
Fund balances at beginning of year	1,375,885	-	328,259	1,704,144
Fund balances (deficit) at end of year	<u>\$1,676,772</u>	<u>(69,600)</u>	<u>402,425</u>	<u>2,009,597</u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK
 Reconciliation of the Statement of Revenue, Expenditures and
 Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 Year ended December 31, 2018

Net change in fund balances - total governmental funds		\$ 305,453
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	\$627,943	
Disposal of capital assets	(55,529)	
Depreciation expense	<u>(862,982)</u>	(290,568)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bonds payable	190,794	
Capital leases	<u>154,653</u>	345,447
Issuance of capital leases are reported as an other financing source in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.		
		(243,249)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in:		
Total OPEB liability	(240,985)	
Accrued interest	(632)	
Net pension liability - proportionate share	260,102	
Compensated absences	<u>(31,741)</u>	(13,256)
Certain items related to changes in long-term liabilities are reflected in the statement of net position.		
Deferred outflows of resources - pensions	150,410	
Deferred inflows of resources - pensions	<u>(398,512)</u>	(248,102)
Change in net position of governmental activities		<u><u>\$(144,275)</u></u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2018

	<u>Agency</u>
Assets:	
Cash - unrestricted	\$ 215,720
Accounts receivable	<u>56,845</u>
Total assets	<u>\$ 272,565</u>
Liabilities:	
Accounts payable	\$ 254,665
Due to other funds	<u>17,900</u>
Total liabilities	<u>\$ 272,565</u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK

Notes to Financial Statements

December 31, 2018

(1) Summary of Significant Accounting Policies

(a) Financial Reporting Entity

The Town of Beekman (the Town), established in 1855, is governed by the Code of the Town and other general laws of the State of New York (the State) and various local laws. The Town Board is the legislative body responsible for overall operations; the Town Supervisor serves as chief executive officer and chief fiscal officer.

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The notes to the financial statements are an integral part of the statements and are intended to be read with them. As of December 31, 2018, the Town has no component units.

(b) Government-Wide Financial Statements

The government-wide financial statements (the statements of net position and activities) report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenue.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

(c) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(c) Measurement Focus, Basis of Accounting and Financial Statement Presentation, Continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Highway Fund is used to account for financial resources necessary to repair and maintain the roads within the Town.

Additionally, the Town reports the following nonmajor funds:

- The Special Recreation Fund is used to account for funds received from developers that will be used for special community projects within the Town.
- The Capital Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.
- The Water Fund is used to account for financial resources to be used for operation and upkeep of the water district within the Town.
- The Sewer Fund is used to account for financial resources to be used for operation and upkeep of the sewer district within the Town.

Fiduciary Funds are used to report assets which are held in a trust or agency capacity for others and are, therefore, not available to support Town programs.

(d) Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and disclosure of contingencies. Estimates also affect the reported amounts of revenue and expenditures/ expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) Property Taxes

Town real property taxes are levied annually on January 1 and become a lien on that date.

Taxes are collected during the period January 1 to March 31. Uncollected real property taxes are subsequently enforced by the County of Dutchess, New York (the County), in which the Town is located. The County pays an amount representing uncollected real property taxes, transmitted to the County for enforcement, to the Town no later than the following April 1.

(f) Budgetary Data

The Town's budget policies are as follows:

- (1) No later than October 5th, the budget officer submits a tentative budget to the Town Board for the calendar year commencing the following January 1. The tentative budget includes proposed expenditures and estimated revenue as the means of financing for all funds.
 - (a) After public hearings are conducted to obtain taxpayers' comments, the governing body adopts the budget no later than November 20th.
 - (b) All modifications of the budget must be approved by the Town Board; however, the Town Supervisor is authorized to transfer certain budgeted amounts within the departments.
- (2) Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in all funds. Encumbrances are reported as assignments of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

(g) Cash

The Town's investment policies are governed by State statutes. In addition, the Town has its own written investment policy. The Town's monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The Supervisor is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit 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 school districts.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal Government and New York State. Underlying securities must have market value of at least the cost of the repurchase agreement.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(h) Accounts Receivable

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. All receivables are expected to be collected within the subsequent fiscal year.

(i) Internal Balances

Amounts due to and due from within the same fund type have been eliminated in the government-wide statements.

(j) Inventories and Prepaid Items

Purchases of inventorable items are recorded as expenditures in the governmental funds at the time of purchase. Inventory-type items are considered immaterial and, consequently, are not provided in the government-wide statements.

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

(k) Capital Assets

Capital assets are reported at historical costs. The Town depreciates capital assets using the straight line method over the estimated useful lives of the assets. Capitalization thresholds and estimated lives of assets reported in the government-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Land Improvements	\$ 5,000	50 years
Buildings	5,000	50 years
Machinery, Furniture and Equipment	5,000	5 - 20 years
Vehicles	5,000	5 - 10 years
Water and Sewer Systems	5,000	20 - 50 years
Road Systems	5,000	15 - 20 years
Sidewalks	5,000	15 - 20 years

The Town includes long-lived improvements to roads, water and sewer systems as capital assets in the government-wide statements. Infrastructure is reported at historical costs and is depreciated using the straight-line method over the estimated useful lives.

(l) Vested Employee Benefits

Employees accrue vacation leave based on the number of years employed and the contract they are employed under, up to a maximum of 25 days per year. Upon separation from service, employees are paid for accumulated vacation time.

Employees accrue sick leave based on the contract they are employed under, at the rate of 5 or 10 days per year and may accumulate such credits up to a total of 10 days for non-union employees. Union employees are not eligible to accumulate sick leave credits. Employees who retire are not paid for unused sick time.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(l) Vested Employee Benefits Continued

In addition to providing pension benefits, the Town provides health insurance coverage for retired employees. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town. Health care benefits are provided through an insurance company whose premiums are based on the benefits paid during the year for the Town. The Town recognizes the cost of providing benefits by recording its share of insurance premiums as a governmental fund expenditure in the year paid.

(m) Deferred Compensation

The Town, through the New York State Employees' Retirement System, offers their employees a Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, which is available to all eligible participants, permits participants to defer a portion of their salary (up to the IRS limits) until future years. Amounts deferred under the Plan are not available to the employee until termination, retirement, death or unforeseeable emergency. The Town does not administer the Plan.

(n) Postemployment Benefits

In addition to providing pension benefits, the Town provides health insurance coverage and survivor benefits for 4 retired employees. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town after 20 years of service. The health care benefits and survivors benefits are provided through an insurance company whose premiums are based on the benefits paid during the year.

(o) Deferred Outflows of Resources and Deferred Inflows of Resources

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 (expense/expenditure) until then. The Town has two items that qualify for reporting in this category. The first item is related to pensions reported in the government-wide statement of net position. This represents the effect of the net change in the Town's proportion of the collective net pension liability and difference during the measurement period between the Town's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The second item is the Town's contributions to the pension system subsequent to the measurement date.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(o) Deferred Outflows of Resources and Deferred Inflows of Resources, Continued

Deferred inflows of resources reflects an increase in net position that applies to future periods. The Town will not recognize the related revenues until a future event occurs. The Town has two types of items that qualify for reporting in this category. The first item is related to pensions reported in the Town's statement of net position, and represents the change in the proportion between the Town's contributions and its proportionate share of contributions. The second item is advances which is related to funds received by the Town that will be earned in a future period.

(p) Equity Classification

(1) Government-wide Statements

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

- 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, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- 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.
- Unrestricted Net Position - consists of all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

(2) Fund Financial Statements

The Town has implemented GASB Statement No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions." The purpose of this accounting standard is to provide fund balance categories and classification that will be more easily understood by users of financial statements and consistently applied in fund balance reporting.

This standard sets forth hierarchical fund balance classifications that are based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The following is a brief description of the five fund balance classifications:

- Nonspendable - Amounts that cannot be spent in the current period either because of their form or because they must be maintained intact. Prepaid expenses are nonspendable assets because, by definition, the money has already been spent.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(p) Equity Classification, Continued

(2) Fund Financial Statements, Continued

- Restricted - Amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments or through constitutional provisions or enabling legislation.

Various New York State statutes allow local governments to establish reserve funds for various purposes. Since the State regulates the establishment, funding and use of these reserves.

- Committed - Amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision making authority (the Town Board) before the end of the fiscal year. The same level of formal action is required to remove the constraint.
- Assigned - Amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision making authority or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund and, in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.
- Unassigned - Represents the residual amount of fund balance in the general fund. In funds other than the general fund, this should only be used to report a deficit balance. The capital projects fund and the highway fund both have a deficit fund balance as of December 31, 2018.

(q) Expenditures in Excess of Budget

Certain individual budgetary expenditures exceeded their budgetary authorizations in the general, highway and water funds. Additionally, the general, highway, and water funds overspent their respective budgets in the aggregate.

(r) Subsequent Events

Management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(2) Explanation of Certain Differences Between Governmental Fund Statements and Government-wide Statements

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the government-wide statements, certain financial transactions are treated differently. The differences result primarily from the economic focus of the government-wide statements, compared with the current financial resources focus of the governmental funds.

(a) Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities

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

(b) Explanation of Differences between Governmental Funds Statement of Revenue, Expenditures and Changes in Fund Balances and the Statement of Activities

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

- Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the statement of activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the statement of activities.
- Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the statement of activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the statement of activities.
- Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements when paid, whereas interest payments are recorded in the statement of activities as incurred and principal payments are recorded as a reduction of liabilities in the statement of net position.

(3) Cash

The Town's investment policies are governed by State statutes, as previously described in these notes. The depository bank places approved pledged securities for safekeeping and trust with the Town's agent bank in an amount sufficient to protect Town funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) Insurance.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(3) Cash, Continued

At December 31, 2018, the carrying amount of the Town's deposits was \$1,827,623 and the bank balance was \$1,856,579. The Town's deposits at December 31, 2018, were entirely covered by FDIC Insurance or by pledged collateral held by the Town's agent bank in the Town's name.

(4) Interfund Activity

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

<u>Funds</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General	\$ 188,288	9,747
Highway	27,647	113,288
Capital	-	75,000
Agency	-	<u>17,900</u>
Total	\$ <u>215,935</u>	<u>215,935</u>

(5) Capital Assets

Capital asset balances and activity for the year ended December 31, 2018 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Ending</u>
Capital assets, not being depreciated:				
Land	\$ 1,963,630	-	-	1,963,630
Construction in progress	<u>67,444</u>	<u>9,547</u>	-	<u>76,991</u>
Total capital assets, not being depreciated	<u>2,031,074</u>	<u>9,547</u>	-	<u>2,040,621</u>
Capital assets, being depreciated:				
Buildings and building improvements	3,443,366	-	(94,251)	3,349,115
Machinery and equipment	2,774,825	266,650	(57,240)	2,984,235
Roads and infrastructure	<u>40,171,803</u>	<u>351,746</u>	-	<u>40,523,549</u>
Total capital assets being depreciated	<u>46,389,994</u>	<u>618,396</u>	<u>(151,491)</u>	<u>46,856,899</u>
Accumulated depreciation:				
Buildings and building improvements	(1,935,382)	(105,888)	38,722	(2,002,548)
Machinery and equipment	(2,010,345)	(96,574)	57,240	(2,049,679)
Roads and infrastructure	<u>(13,639,244)</u>	<u>(660,520)</u>	-	<u>(14,299,764)</u>
Total accumulated depreciation	<u>(17,584,971)</u>	<u>(862,982)</u>	<u>95,962</u>	<u>(18,351,991)</u>
Total capital assets, being depreciated, net	<u>28,805,023</u>	<u>(244,586)</u>	<u>(55,529)</u>	<u>28,504,908</u>
Governmental activities capital assets, net	\$ <u>30,836,097</u>	<u>(235,039)</u>	<u>(55,529)</u>	<u>30,545,529</u>

Depreciation expense was charged to functions/programs of the Town as follows:

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(5) Capital Assets, Continued

Governmental activities:	
General governmental support	\$ 6,304
Transportation	756,846
Culture and recreation	99,052
Home and community services	<u>780</u>
Total depreciation expense	\$ <u>862,982</u>

(6) Short-Term Debt

Liabilities for bond anticipation notes (BANs) are generally accounted for in the Capital Projects Fund. The notes, or renewal thereof, may not extend more than five years beyond the original date of issue unless a portion is redeemed within five years and within each 12 month period thereafter.

State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made. At December 31, 2018, the Town had no BANs outstanding.

(7) Pensions

(a) Plan Description and Benefits Provided

The Town participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan 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. 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 State statute. The Town also participated 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, including information with regard to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.ghp or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(7) Pension Plans, Continued

(a) Plan Description and Benefits Provided, Continued

The System is noncontributory except for employees who joined 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 who generally contribute 3.0 to 3.5 percent of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. For ERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

Contributions for the current and two preceding years were equal to 100% of the contributions required, and were as follows:

2018	\$ 194,304
2017	188,544
2016	199,855

(b) Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2018 the Town reported the following liability for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The Town's proportion of the net pension liability was based on a projection of the Town's long term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS in reports provided to the Town.

Actuarial valuation date	4/1/2017
Measurement date	3/31/2018
Net pension liability	\$ 147,419
Town's proportion of the Plan's net pension liability	0.0045677%
Increase from prior year	0.0002306

For the year ended December 31, 2018, the Town's recognized pension expense of \$182,304 for ERS in the statement of activities. At December 31, 2018 the Town's reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 52,580	43,450
Changes of assumptions	97,751	-
Net difference between projected and actual investment earnings on pension plan investments	214,114	422,640
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	32,726	8,646
Town's contributions subsequent to the measurement date	<u>148,111</u>	-
Total	\$ <u>545,282</u>	<u>474,736</u>

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(7) Pension Plans, Continued

(b) Pension Liability, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions, Continued

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

<u>Year ending</u>	<u>ERS</u>
2019	\$ 35,640
2020	30,448
2021	(97,458)
2022	(46,195)
2023	-
Thereafter	-
Total	<u>\$ (77,565)</u>

(c) 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:

Significant actuarial assumptions used in the valuations were as follows:

Measurement date	March 31, 2018
Actuarial valuation date	April 1, 2017
Investment rate of return, net of investment expenses, including inflation	7.0%
Salary scale	3.8% Average
Inflation rate	2.5%
Cost of living adjustment	1.3%

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System experience with adjustments for mortality improvements based on Society of Actuaries (SOA) Scale MP-2014.

The actuarial assumptions used in the April 1, 2017 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(7) Pension Plans, Continued

(c) Actuarial Assumptions, Continued

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected 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 the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized below:

Asset type:	Long-term expected real rate of return*	Target allocation
Domestic equity	4.55%	36.00%
International equity	6.35%	14.00%
Private equity	7.50%	10.00%
Real estate	5.55%	10.00%
Absolute return strategies	3.75%	2.00%
Opportunistic portfolio	5.68%	3.00%
Real assets	5.29%	3.00%
Bonds and mortgages	1.31%	17.00%
Cash	(0.25%)	1.00%
Inflation - indexed bonds	1.25%	4.00%

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

(d) Discount Rate

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(7) Pension Plans, Continued

(e) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the net pension asset (liability)	\$ <u>(1,115,412)</u>	(147,419)	<u>671,464</u>

(f) Pension Plan Fiduciary Net Position

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

	(Dollars in Millions)
Measurement date	3/31/2018
Employer's total pension liability	\$ (183,400)
Plan fiduciary net position	<u>180,173</u>
Employer's net pension liability	\$ <u>(3,227)</u>
Ratio of the plan fiduciary net position to the Employer's total pension liability	98.24%

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Retirement contributions as of December 31, 2018 represent the projected employer contribution for the period of April 1, 2018 through March 31, 2019, based on paid employee wages multiplied by the employer's contribution rate, by tier. This amount has been recorded as deferred outflows of resources in the accompanying financial statements.

(8) Long-Term Liabilities

The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(8) Long-Term Liabilities, Continued

Long-term liability balances and activity for the year are summarized below:

	Balance at January 1, <u>2018</u>	<u>Issued</u>	<u>Redeemed</u>	Balance at December 31, <u>2018</u>	Amounts due within <u>one year</u>
Governmental Activities:					
Serial bonds	\$ 2,850,086	-	190,794	2,659,292	200,794
Capital leases	338,630	243,249	154,653	427,226	227,961
Compensated absences	98,273	31,741	-	130,014	-
Net pension liability - proportionate share - ERS	407,521	-	260,102	147,419	-
Total OPEB liability	<u>1,222,174</u>	<u>240,985</u>	<u>-</u>	<u>1,463,159</u>	<u>-</u>
Total long-term liabilities	<u>\$ 4,916,684</u>	<u>515,975</u>	<u>605,549</u>	<u>4,827,110</u>	<u>428,755</u>

Activity for compensated absences is shown at net due to the impracticality of determining these amounts separately. Payments of compensated absences are dependent upon future factors and, therefore, the timing of such payments cannot be determined. Compensated absences are reflected as a long-term liability in the statement of net position.

The following is a summary of the maturity of serial bond indebtedness:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 200,794	86,921	287,715
2020	200,794	79,409	280,203
2021	210,794	71,813	283,607
2022	220,794	64,849	285,643
2023	225,794	57,601	283,395
2024-2028	1,243,970	163,866	1,407,836
2029-2033	278,970	6,750	285,720
2034-2036	<u>77,382</u>	<u>-</u>	<u>77,382</u>
Total	<u>\$ 2,659,292</u>	<u>531,209</u>	<u>3,190,501</u>

The following is a summary of the maturity of capital lease indebtedness:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 227,961	20,339	248,300
2020	63,901	7,761	71,662
2021	66,388	5,274	71,662
2022	<u>68,976</u>	<u>2,686</u>	<u>71,662</u>
Total	<u>\$ 427,226</u>	<u>36,060</u>	<u>463,286</u>

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(8) Long-Term Liabilities, Continued

Interest on long-term debt for the year ended December 31, 2018 was:

Interest paid	\$ 105,034
Less: Interest accrued - prior year	(21,952)
Plus: Interest accrued - current year	<u>22,584</u>
Interest expense	\$ <u>105,666</u>

(9) Other Postemployment Benefits

(a) Plan Description

The Town provides postemployment health insurance coverage to retired employees through a self-administered single employer plan in accordance with the provisions of various employment contracts. The benefit levels, employee contributions and employer contributions are governed by the Town's contractual agreements.

The contribution requirements of OPEB Plan members and the Town are established and may be amended by the Town Board. The Town Board has negotiated several collective bargaining agreements, which include obligations of participants and the Town. The required contribution is based on projected pay-as-you-go financing requirements.

The Town assigns the authority to establish and amend benefit provisions to the Town Board for non-bargaining unit employees. The OPEB Plan does not issue a stand-alone financial report.

(b) Employees covered by benefit terms

At December 31, 2018, the following employees were covered by the benefit terms:

Current retirees	4
Active employees	18
Spouses	<u>17</u>
	<u>39</u>

(c) Total OPEB Liability

The Town's total OPEB liability of \$1,463,159 at December 31, 2018 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that same date using the alternative measurement method.

(d) 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:

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(9) Other Postemployment Benefits, Continued

(d) Actuarial Assumptions and Other Inputs, Continued

Salary scale	2.00%
Discount rate	2.97%
Healthcare cost trend rates	8.60%, increasing to an ultimate rate of 8.70%

Mortality rates were based on the RP2000 Mortality Table for Males and Females Projected 18 years.

(e) Changes in the Total OPEB Liability

Total OPEB liability as of January 1, 2018	\$ <u>1,222,174</u>
Changes for the year:	
Service cost	119,901
Interest on total OPEB liability	127,531
Changes in assumptions or inputs	26,753
Benefit payments	<u>(33,200)</u>
Total changes	<u>240,985</u>
Total OPEB liability as of December 31, 2018	\$ <u>1,463,159</u>

(f) Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.97%) or 1-percentage-point higher (3.97%) than the current discount rate:

	1% Decrease (1.97%)	Current Discount Rate (2.97%)	1% Increase (3.97%)
Total OPEB liability	\$ <u>(1,660,736)</u>	<u>(1,463,159)</u>	<u>(1,296,542)</u>

(g) Sensitivity of the total OPEB liability to changes in the healthcare costs trend rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB liability	\$ <u>(1,286,229)</u>	<u>(1,463,159)</u>	<u>(1,672,968)</u>

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(9) Other Postemployment Benefits, Continued

(h) 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 \$240,985. At December 31, 2018, the Town did not report deferred outflows of resources or deferred inflows of resources related to OPEB due to the alternative method. Additionally, since the measurement date was the same as the Town's fiscal year, there are no contributions subsequent to the measurement date to report.

(10) Contingencies

(a) Grant Funding

The Town has received grants which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowances and a request for a return of funds to the Federal and State governments. Based on past audits, the Town administration believes disallowances, if any, will be immaterial.

(b) Certiorari Proceedings

Open tax certiorari cases, which claim excessive assessed values, exist with several taxpayers. Claims allowed, if any, will result in a refund of Town taxes previously collected by the Town. Any such refunds resulting from adverse settlements will be provided for when determinable.

(c) Judgments and Claims

There are claims against the Town are presently pending for other matters. Although final outcome of these matters is not known at this time, management of the Town does not believe that the final settlement of these matters will have a materially adverse effect on the financial condition of the Town. In addition there are also cases where the Town is the plaintiff. If any amounts are awarded as a result it will be recorded at that time.

(11) Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 83 - In November 2016, GASB issued Statement No. 83 - "Certain Asset Retirement Obligations." GASB No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, which is the fiscal year beginning January 1, 2019 for the Town. This Statement is not expected to have a material impact on the Town.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(11) Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 84 - "Fiduciary Activities." This Statement, issued in January 2017, established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This Statement is effective for reporting periods beginning after December 15, 2018, which is the fiscal year beginning January 1, 2019 for the Town. This Statement will impact the Town and be evaluated for future financial statements.

GASB Statement No. 87 - "Leases." This Statement, issued in June 2017, requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2019, which is the fiscal year beginning January 1, 2020 for the Town. This Statement will impact the Town and be evaluated for future financial statements.

GASB Statement No. 88 - "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements." This Statement, issued in April of 2018, requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The provisions of this Statement are effective for reporting periods beginning after June 15, 2018, which is the fiscal year beginning January 1, 2019 for the Town. This Statement is not expected to have a material impact on the Town.

GASB Statement No. 89 - "Accounting for Interest Cost Incurred before the End of a Construction Period." This Statement, issued in June 2018, establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62 - "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" which are superseded by this Statement. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, which is the fiscal year beginning January 1, 2020 for the Town. This Statement is not expected to have a material impact on the Town.

TOWN OF BEEKMAN, NEW YORK
Notes to Financial Statements, Continued

(11) Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 90 - "Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61." This Statement, issued in August 2018, seeks to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and sets parameters as to whether a majority equity interest is to be reported as an investment or component unit. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018, which is the fiscal year beginning January 1, 2019 for the Town. This Statement is not expected to have a material impact on the Town.

GASB Statement No. 91 - "Conduit Debt Obligations." This Statement, issued in May of 2019, requires a single method be used for the reporting of conduit debt obligations. The focus of the Statement is to improve financial reporting by eliminating diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020 for the Town. This Statement is not expected to have a material impact on the Town.

(12) Correction of Error

The Town made a correction for the balance of serial bonds outstanding. An inaccurate balance of the 2013 buildings and roads bond was provided by the Town's bond advisor.

The District's net position at December 31, 2017 has been restated as follows:

Net position at beginning of year, as previously stated	\$ 27,935,253
Correction of error	<u>(15,000)</u>
Net position at beginning of year, as restated	\$ <u>27,920,253</u>

TOWN OF BEEKMAN, NEW YORK
Required Supplementary Information
Statement of Revenue, Expenditures and Changes in Fund Balances -
Budget to Actual - General Fund
Year ended December 31, 2018

	<u>Budget Amounts</u>		<u>Actual</u> <u>Amounts</u>	Variance
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
Revenue:				
Real property taxes	\$ 678,693	678,693	678,693	-
Real property tax items	30,325	30,325	29,103	(1,222)
Non-property tax items	885,000	870,000	1,161,369	291,369
Departmental income	334,300	334,300	335,586	1,286
Intergovernmental charges	8,500	8,500	-	(8,500)
Use of money and property	435	435	251	(184)
Licenses and permits	170,000	170,000	166,494	(3,506)
Fines and forfeitures	12,000	12,000	12,907	907
Sale of property and compensation for loss	-	-	3,896	3,896
Miscellaneous	5,850	40,850	92,580	51,730
State aid	300,000	280,000	383,715	103,715
Total revenue	<u>2,425,103</u>	<u>2,425,103</u>	<u>2,864,594</u>	<u>439,491</u>
Expenditures:				
General government support	974,338	974,338	895,898	78,440
Public safety	85,083	85,083	283,510	(198,427)
Health	2,000	2,000	1,962	38
Transportation	111,618	111,618	121,218	(9,600)
Economic assistance and opportunity	56,404	56,404	42,109	14,295
Culture and recreation	580,366	580,366	451,023	129,343
Home and community services	35,600	35,600	37,508	(1,908)
Employee benefits	402,164	402,164	544,549	(142,385)
Debt service - principal	101,487	101,487	111,819	(10,332)
Debt service - interest	66,043	66,043	74,111	(8,068)
Total expenditures	<u>2,415,103</u>	<u>2,415,103</u>	<u>2,563,707</u>	<u>(148,604)</u>
Revenue in excess of expenditures	10,000	10,000	300,887	290,887
Other financing uses - transfers out	<u>(10,000)</u>	<u>(10,000)</u>	-	<u>10,000</u>
Change in fund balance	<u>-</u>	<u>-</u>	300,887	<u>300,887</u>
Fund balance at beginning of year			<u>1,375,885</u>	
Fund balance at end of year			<u>\$1,676,772</u>	

TOWN OF BEEKMAN, NEW YORK
 Required Supplementary Information
 Statement of Revenue, Expenditures and Changes in Fund Balances -
 Budget to Actual - Highway Fund
 Year ended December 31, 2018

	<u>Budget Amounts</u>		Actual Amounts	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
Revenue:				
Real property taxes	\$ 1,692,813	1,692,813	1,692,813	-
Use of money and property	300	300	4,356	4,056
Sale of property and compensation for loss	-	81,511	99,498	17,987
Miscellaneous	5,000	13,278	24,667	11,389
State aid	<u>180,000</u>	<u>165,013</u>	<u>165,013</u>	<u>-</u>
Total revenue	<u>1,878,113</u>	<u>1,952,915</u>	<u>1,986,347</u>	<u>33,432</u>
Expenditures:				
General government support	10,000	10,000	-	10,000
Transportation	1,280,313	1,343,226	1,499,601	(156,375)
Employee benefits	284,599	296,488	317,589	(21,101)
Debt service - principal	248,370	202,211	207,834	(5,623)
Debt service - interest	<u>54,831</u>	<u>36,546</u>	<u>30,923</u>	<u>5,623</u>
Total expenditures	<u>1,878,113</u>	<u>1,888,471</u>	<u>2,055,947</u>	<u>(167,476)</u>
Revenue in excess of expenditures	-	64,444	(69,600)	(134,044)
Other financing uses - transfers out	<u>-</u>	<u>(64,444)</u>	<u>-</u>	<u>(64,444)</u>
Change in fund balance	<u>\$ -</u>	<u>-</u>	(69,600)	<u>(69,600)</u>
Fund balance at beginning of year			<u>-</u>	
Fund balance (deficit) at end of year			<u>\$ (69,600)</u>	

TOWN OF BEEKMAN, NEW YORK
 Required Supplementary Information
 Statement of Revenue, Expenditures and Changes in Fund Balances -
 Budget to Actual - Water Fund
 Year ended December 31, 2018

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>
Revenue:				
Departmental income	\$54,600	54,600	55,216	616
Use of money and property	<u>150</u>	<u>150</u>	<u>113</u>	<u>(37)</u>
Total revenue	<u>54,750</u>	<u>54,750</u>	<u>55,329</u>	<u>579</u>
Expenditures - home and community services	<u>54,750</u>	<u>54,750</u>	<u>72,068</u>	<u>(17,318)</u>
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>(16,739)</u>	<u>(16,739)</u>
Fund balance at beginning of year			<u>56,149</u>	
Fund balance at end of year			<u>\$39,410</u>	

TOWN OF BEEKMAN, NEW YORK
 Required Supplementary Information
 Statement of Revenue, Expenditures and Changes in Fund Balances -
 Budget to Actual - Sewer Fund
 Year ended December 31, 2018

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
Revenue:				
Real property taxes	\$ 25,794	25,794	25,794	-
Departmental income	84,580	84,580	85,602	1,022
Use of money and property	<u>100</u>	<u>100</u>	<u>1,027</u>	<u>927</u>
Total revenue	<u>110,474</u>	<u>110,474</u>	<u>112,423</u>	<u>1,949</u>
Expenditures:				
Home and community services	84,680	84,680	56,354	28,326
Debt service - principal	<u>25,794</u>	<u>25,794</u>	<u>25,794</u>	<u>-</u>
Total expenditures	<u>110,474</u>	<u>110,474</u>	<u>82,148</u>	<u>28,326</u>
Change in fund balance	<u>-</u>	<u>-</u>	30,275	<u>30,275</u>
Fund balance at beginning of year			<u>167,039</u>	
Fund balance at end of year			<u>\$ 197,314</u>	

TOWN OF BEEKMAN, NEW YORK
 Required Supplementary Information
 Schedule of Changes in the Town's
 Total OPEB Liability and Related Ratios
 Year ended December 31, 2018

	<u>2018</u>	<u>2017*</u>
Total OPEB liability:		
Service cost	\$ 119,901	-
Interest on total OPEB liability	127,531	-
Changes in assumptions or inputs	26,753	-
Benefit payments	<u>(33,200)</u>	<u>-</u>
Net change in total OPEB liability	240,985	-
Total OPEB liability - beginning	<u>1,222,174</u>	<u>1,222,174</u>
Total OPEB liability- ending	<u><u>\$ 1,463,159</u></u>	<u><u>1,222,174</u></u>
Covered payroll	Not available	Not available
Total OPEB liability as a percentage of covered payroll	Not available	Not available

Notes to required supplementary information:

Changes of assumptions or other inputs - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used as of each measurement date:

2017	3.96%
2018	2.97%

This schedule is presented to illustrate the requirement to show information for 10 years. However, information is presented for those years that are available.

* There was no actuarial valuation performed for December 31, 2017. Therefore, opening liability from the December 31, 2018 valuation is presented above.

TOWN OF BEEKMAN, NEW YORK
 Required Supplementary Information
 Schedule of the Town's Proportionate Share of the Net Pension Liability
 December 31, 2018

ERS	2018	2017	2016	2015
Town's proportion of the net pension liability	0.0045677%	0.0043371%	0.0042567%	0.0044826%
Town's proportionate share of the net pension liability	\$ 147,419	407,521	683,220	151,432
Town's covered payroll	\$ 1,731,063	1,302,470	1,199,898	1,214,893
Town's proportionate share of the net pension liability as a percentage of its covered payroll	8.52%	31.29%	56.94%	12.46%
Plan fiduciary net position as a percentage of the total pension liability	98.24%	94.70%	90.70%	97.95%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, information is presented for those years that are available.

TOWN OF BEEKMAN, NEW YORK
 Required Supplementary Information
 Schedule of the Town's Pension Contributions
 December 31, 2018

	<u>NYSERS Pension Plan</u>			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 194,304	188,544	199,855	176,368
Contributions in relation to the contractually required contribution	<u>194,304</u>	<u>188,544</u>	<u>199,855</u>	<u>176,368</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Town's covered payroll	\$1,731,063	1,302,470	1,199,898	1,214,893
Contributions as a percentage of covered payroll	11.22%	14.48%	16.66%	14.52%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, information is presented for those years that are available.

TOWN OF BEEKMAN, NEW YORK
 Other Supplementary Information
 Combining Balance Sheet - Nonmajor Governmental Funds
 December 31, 2018

	<u>Capital</u>	<u>Special Recreation</u>	<u>Sewer</u>	<u>Water</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Assets</u>					
Cash - unrestricted	\$63,187	168,143	171,669	29,224	432,223
Accounts receivable	-	-	8,035	5,230	13,265
Due from other governments	<u>9,548</u>	<u>-</u>	<u>26,026</u>	<u>16,804</u>	<u>52,378</u>
Total assets	<u>\$72,735</u>	<u>168,143</u>	<u>205,730</u>	<u>51,258</u>	<u>497,866</u>
 <u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	177	-	8,416	11,848	20,441
Due to other funds	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>
Total liabilities	<u>75,177</u>	<u>-</u>	<u>8,416</u>	<u>11,848</u>	<u>95,441</u>
Fund balances:					
Assigned	-	168,143	197,314	39,410	404,867
Unassigned	<u>(2,442)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,442)</u>
Total fund balance (deficit)	<u>(2,442)</u>	<u>168,143</u>	<u>197,314</u>	<u>39,410</u>	<u>402,425</u>
Total liabilities and fund balances (deficit)	<u>\$72,735</u>	<u>168,143</u>	<u>205,730</u>	<u>51,258</u>	<u>497,866</u>

See accompanying notes to financial statements.

TOWN OF BEEKMAN, NEW YORK
 Other Supplementary Information
 Combining Statement of Revenue, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds
 Year ended December 31, 2018

	<u>Capital</u>	<u>Special Recreation</u>	<u>Sewer</u>	<u>Water</u>	<u>Total Nonmajor Governmental Funds</u>
Revenue:					
Real property taxes	-	-	25,794	-	25,794
Departmental income	-	60,000	85,602	55,216	200,818
Use of money and property	-	630	1,027	113	1,770
State aid	9,548	-	-	-	9,548
Total revenue	<u>9,548</u>	<u>60,630</u>	<u>112,423</u>	<u>55,329</u>	<u>237,930</u>
Expenditures:					
Transportation	252,797	-	-	-	252,797
Home and community services	-	-	56,354	72,068	128,422
Debt service - principal	-	-	25,794	-	25,794
Total expenditures	<u>252,797</u>	<u>-</u>	<u>82,148</u>	<u>72,068</u>	<u>407,013</u>
Excess (deficiency) of revenue over expenditures	(243,249)	60,630	30,275	(16,739)	(169,083)
Other financing sources - issuance of capital lease	<u>243,249</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,249</u>
Change in fund balances	-	60,630	30,275	(16,739)	74,166
Fund balances (deficit) at beginning of year	(2,442)	107,513	167,039	56,149	328,259
Fund balances (deficit) at end of year	<u>(2,442)</u>	<u>168,143</u>	<u>197,314</u>	<u>39,410</u>	<u>402,425</u>

TOWN OF BEEKMAN, NEW YORK
 Other Supplementary Information
 Schedule of Indebtedness
 Year ended December 31, 2018

	Original Date of Issue	Date of Final Maturity	Interest Rate	Outstanding Beginning of Fiscal Year	Issued During Fiscal Year	Paid During Fiscal Year	Outstanding End of Fiscal Year	Amount of Interest Paid During Fiscal Year	Amount of Interest Accrued at 12/31/2018	Due Within the Next Year
Serial bonds:										
2006 Dover Ridge Sewer	6/8/2006	4/25/2036	0.00%	\$ 490,086	-	25,794	464,292	-	-	25,794
2008 Open Space	2/1/2009	8/1/2029	Varies	1,420,000	-	90,000	1,330,000	62,350	4,933	100,000
2013 Buildings and Roads	6/26/2013	6/15/2028	3.35%	940,000	-	75,000	865,000	30,234	13,885	75,000
Total serial bonds				2,850,086	-	190,794	2,659,292	92,584	18,818	200,794
Other debt:										
2014 2 Pickups and Backhoe	1/8/2014	2/1/2021	5.07%	17,359	-	17,359	-	697	-	-
2014 2 Dodge 5000 Dump Trucks	2/20/2013	4/1/2018	4.06%	78,163	-	18,227	59,936	3,642	233	59,936
2016 Mack Truck	11/19/2015	4/1/2020	2.78%	157,600	-	51,082	106,518	4,434	749	106,518
2017 2 Dodge 3500 Trucks	1/12/2017	1/12/2022	2.88%	85,508	-	16,145	69,363	2,461	66	16,607
2018 Mack Truck	3/19/2018	5/1/2022	4.18%	-	243,249	51,840	191,409	1,216	2,718	44,900
Total other debt				338,630	243,249	154,653	427,226	12,450	3,766	227,961
Total indebtedness				\$ 3,188,716	243,249	345,447	3,086,518	105,034	22,584	428,755