

**TOWN OF PITTSFORD,
NEW YORK**

**Basic Financial Statements
for the Year Ended December 31, 2015
Together with
Independent Auditor's Report**

Bonadio & Co., LLP
Certified Public Accountants

TOWN OF PITTSFORD, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

May 17, 2016

To the Town Board of the
Town of Pittsford, 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 Pittsford, New York (the Town) as of and for the year ended December 31, 2015, 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 entity'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 entity'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, as of December 31, 2015, 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.

INDEPENDENT AUDITOR'S REPORT

(Continued)

Change in Accounting Principle

As discussed in Note 2 to the financial statements, in 2015 the Town adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules of funding progress-other post-employment benefits plan, contributions-pension plans, and proportionate share of the net pension liability (asset) 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's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining 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 nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Bonadio & Co., LLP

TOWN OF PITTSFORD, NEW YORK

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED DECEMBER 31, 2015

The management's discussion and analysis of the Town of Pittsford, New York's (the Town's) financial performance provides an overview of the Town's financial activities for the year ended December 31, 2015. Please read it in conjunction with the Town's basic financial statements.

FINANCIAL HIGHLIGHTS

- On the government-wide financial statements, the assets and deferred outflows of resources of the Town exceeded its liabilities by \$55,236,580. Of this amount, the unrestricted portion is \$9,933,133. The balance of net position is considered either restricted or constitutes the Town's net investment in capital assets.
- General revenues, which include real property tax, nonproperty tax items and mortgage tax, are \$13,655,699, or 79%, of all revenues. Program specific revenues in the form of Charges for Services and Capital Grants accounted for \$3,703,750, or 21%, of total revenues.
- The Town's governmental fund financial statements report a combined ending fund balance of \$19,825,690.
- At the end of the current year, the unassigned fund balance of the General Fund was \$5,107,899.

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 three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains individual fund statements and supplemental schedules in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

- The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.
- The *statement of activities* presents information showing how the Town's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.
- The *governmental* activities of the Town include highway maintenance, snow removal, general administrative support, community service, fire protection services, water services, and interest on long-term debt.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements

A *fund* is a self-balancing grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Town can be divided into two categories: Governmental Funds and Fiduciary Funds.

- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains five major individual governmental funds; General Fund, Highway Fund Part-Town, Highway Fund, Capital Projects Fund, and Consolidated Sewer District. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each fund.

The Town adopts an annual budget for the General Fund, Highway Fund Part-Town, Highway Fund, and Consolidated Water District. A budgetary comparison statement has been provided for each major fund with an annually adopted budget within the basic financial statements to demonstrate compliance with the budget.

- The *Fiduciary Funds* are used to account for assets held by the Town in an agency capacity on behalf of others. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of these funds are *not*, and never will be, available to support the Town's programs.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Major Features of the Town-Wide and Fund Financial Statements

<u>Features</u>	<u>Fund Financial Statements</u>		
	<u>Town-Wide Statements</u>	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire Town	The activities of the Town are not proprietary or fiduciary, such as General administration, Highway, and Library	Instances in which the Town administers resources on behalf of someone else
Required Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet, Statement of Revenues and Expenditures, and Changes in Fund Balance	Statement of Fiduciary Net Position, and Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resource focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resource focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets or long-term liabilities included	All assets and liabilities both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

Notes to Basic 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

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position.

Table 1 - Net Position

	<u>2015</u>	<u>2014</u>
Assets:		
Current assets	\$ 25,029,018	\$ 23,401,986
Capital assets, net	<u>50,722,270</u>	<u>51,080,259</u>
Total assets	<u>75,751,288</u>	<u>74,482,245</u>
Deferred outflows of resources:		
Deferred amount on refunding	210,638	221,724
Pension related	<u>914,492</u>	<u>-</u>
Total deferred outflows of resources	<u>1,125,130</u>	<u>221,724</u>
Liabilities:		
Current liabilities	6,004,922	489,672
Noncurrent liabilities	<u>15,634,916</u>	<u>15,687,483</u>
Total liabilities	<u>21,639,838</u>	<u>16,177,155</u>
Net position:		
Net investment in capital assets	35,129,750	39,321,693
Restricted	10,173,697	10,540,169
Unrestricted	<u>9,933,133</u>	<u>8,664,951</u>
Total net position	<u>\$ 55,236,580</u>	<u>\$ 58,526,813</u>

By far, the largest component of the Town's net position (64%) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to the residents and consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

There are restricted net position balances which constitute 18% of total net position at December 31, 2015 and 2014. The remaining balance is unrestricted net position, which was \$9,933,133 (18%) and \$8,664,951 (14%) in 2015 and 2014, respectively, and may be used to finance future operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Table 2 - Change in Net Position

	<u>2015</u>	<u>% of Total</u>	<u>2014</u>	<u>% of Total</u>
Revenues:				
Charges for services	\$ 3,374,595	19%	\$ 3,287,449	20%
Capital grants and contributions	329,155	2%	296,555	2%
Taxes	13,018,080	75%	12,076,395	75%
Other revenues	<u>637,619</u>	<u>4%</u>	<u>388,015</u>	<u>3%</u>
Total revenues	<u>17,359,449</u>	<u>100%</u>	<u>16,048,414</u>	<u>100%</u>
Expenses:				
General governmental support	3,873,106	19%	4,632,266	28%
Public safety	707,049	4%	708,895	4%
Public health	36,998	-	38,422	-
Transportation	4,838,329	24%	4,875,998	29%
Economic assistance and opportunity	408,718	2%	459,275	3%
Culture and recreation	8,075,046	39%	3,278,163	20%
Home and community services	2,147,189	10%	2,269,356	14%
Interest on long-term debt	<u>408,393</u>	<u>2%</u>	<u>396,140</u>	<u>2%</u>
Total expenses	<u>20,494,828</u>	<u>100%</u>	<u>16,658,515</u>	<u>100%</u>
Change in net position	<u>(3,135,379)</u>		<u>(610,101)</u>	
Net position - beg of year, as previously reported	58,526,813		59,136,914	
Cumulative effect of change in accounting principle	<u>(154,854)</u>		<u>-</u>	
Net position - beginning of year, as restated	<u>58,371,959</u>		<u>59,136,914</u>	
Net position - end of year	<u>\$ 55,236,580</u>		<u>\$ 58,526,813</u>	

The Town relies upon taxes, charges for services, and capital grants as its primary revenue sources. Expenses are distributed dependent on the Town's services.

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 spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. Amounts to be applied against next year's fund balance are reported as assigned resources.

As of the end of the current year, the Town's combined governmental fund balances were \$19,825,690, which is less than last year's ending fund balance of \$22,989,842.

The General Fund is the chief operating fund of the Town. At the end of the current year, the total fund balance of the General Fund was \$11,681,740, of which \$5,107,899 was unassigned. The fund balance for the Town's General Fund decreased by 4% in 2015, as a function of the Town's operating activities.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

Budgetary Highlights

The key budget variances for the major funds are listed below.

<u>Expenditure Items</u>	Budget Variance Original vs. Amended	<u>Explanation for Budget Variance</u>
General Fund – General governmental support	\$ 165,212	Authorized transfers for equipment and capital expenditures.
Highway Fund Part – Town – Transportation	\$ 401,633	Combination of prior year encumbrances, appropriations from Capital Reserves and additional revenue from NYS CHIPS put towards roadwork.
Highway Fund – General governmental support	\$ 417,983	The Town appropriated additional funds from the Capital Reserve to purchase equipment.
<u>Revenue Items</u>	Budget Variance Amended vs. Actual	<u>Explanation for Budget Variance</u>
General Fund – Sale of property and compensation for loss	\$ 286,626	The Town sold an unused building and property.
Highway Fund Part – Town – Nonproperty tax items	\$ 527,355	Higher than projected Sales Tax Receipts.
Highway Fund – Intergovernmental charges	\$ 129,469	Higher than projected reimbursements for snow and ice control.
<u>Expense Items</u>	Budget Variance Amended vs. Actual	<u>Explanation for Budget Variance</u>
General Fund – General governmental support	\$ 287,022	Lower than projected utility and insurance costs coupled with cost savings recognized during the year.
Highway Fund – Transportation	\$ 212,121	Lower than projected salary and benefit costs.
Consolidated Sewer District – Home and community services	\$ 152,418	Lower than projected salary costs due to vacant positions and attrition coupled with cost savings.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (Continued)

Capital Assets

Capital assets, net of accumulated depreciation, are reflected below:

<u>Class</u>	<u>2015</u>	<u>2014</u>
Land	\$ 6,114,066	\$ 6,056,366
Land development rights	11,513,343	11,513,343
Infrastructure	19,281,809	19,150,074
Buildings and improvements	10,700,356	11,084,791
Machinery and equipment	<u>3,112,696</u>	<u>3,275,685</u>
Total capital assets, net of accumulated depreciation	<u>\$ 50,722,270</u>	<u>\$ 51,080,259</u>

During 2015, there were \$1,969,969 of capital asset additions offset by \$2,298,529 of depreciation expense. More detailed information about the Town's capital assets is presented in the notes to the financial statements.

Long-Term Liabilities

The Town's general obligation and other long-term debt outstanding, was as follows at December 31:

	<u>2015</u>	<u>2014</u>
Serial and statutory bonds	\$ 10,349,524	\$ 10,986,340
Bond premium	286,708	301,798
Installment purchase debt	166,926	248,704
Other postemployment benefits	4,772,449	4,110,976
Compensated absences	<u>59,309</u>	<u>39,665</u>
Total	<u>\$ 15,634,916</u>	<u>\$ 15,687,483</u>

The amount of principal paid on outstanding debt was approximately \$637,000 in 2015 and \$712,000 in 2014. The Town refunded its 2004 serial bond by issuing the 2014 serial bond. The refunding will save the Town approximately \$531,100 over the life of the new bonds.

More detailed information about the Town's long-term liabilities is presented in the notes to the financial statements.

FACTORS BEARING ON THE TOWN'S FUTURE

There are several items which will have a bearing on the Town of Pittsford's future. First, the Town is in the early stages of planning for improvements to the Spiegel Community Center. Once a final plan and design have been reached, the Town will have a permissive referendum on the bonding to finance this project. Secondly, New York State has passed a law increasing the minimum wage. Salary and benefits are the largest costs the Town incurred in the operating budget in any fiscal year. The Town will be looking at various ways to control these increase salary and benefit costs. One way the Town has controlled future cost of benefits is by eliminating post-retirement benefits for employees hired after June 30, 2015. The Town will continue to provide post-retirement benefits to employees who were hired prior to this date and have worked 20 years and retire into the New York State Retirement System upon separation with the Town of Pittsford. Due to these factors and the 2% tax cap imposed by New York State, the Town of Pittsford will continue to use fund balances to offset taxes through FY2016 and beyond.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Pittsford
11 South Main Street
Pittsford, New York 14534
(585) 248-6225
Attn: Finance Director

TOWN OF PITTSFORD, NEW YORK

STATEMENT OF NET POSITION DECEMBER 31, 2015

ASSETS

Cash and cash equivalents	\$ 23,747,917
Investments	54,524
Receivables	14,808
Due from other governments	962,934
Prepaid expenses	248,835
Capital assets, net	<u>50,722,270</u>
Total assets	<u>75,751,288</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred amount on refunding	210,638
Pension related	<u>914,492</u>
Total deferred outflows of resources	<u>1,125,130</u>

LIABILITIES

Accounts payable	4,252
Accrued liabilities	190,636
Unearned revenue	106,905
Net pension liability	703,129
Bond anticipation note payable	5,000,000
Long-term obligations -	
Due within one year	769,629
Due in more than one year	<u>14,865,287</u>
Total liabilities	<u>21,639,838</u>

NET POSITION

Net investment in capital assets	35,129,750
Restricted	10,173,697
Unrestricted	<u>9,933,133</u>
Total net position	<u>\$ 55,236,580</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
PRIMARY GOVERNMENT:				
Governmental activities -				
General governmental support	\$ 3,873,106	\$ 268,212	\$ 131,794	\$ (3,473,100)
Public safety	707,049	376,154	-	(330,895)
Public health	36,998	-	-	(36,998)
Transportation	4,838,329	581,306	197,361	(4,059,662)
Economic assistance and opportunity	408,718	-	-	(408,718)
Culture and recreation	8,075,046	947,388	-	(7,127,658)
Home and community services	2,147,189	1,201,535	-	(945,654)
Interest on long-term debt	408,393	-	-	(408,393)
Total governmental activities	<u>\$ 20,494,828</u>	<u>\$ 3,374,595</u>	<u>\$ 329,155</u>	<u>(16,791,078)</u>
GENERAL REVENUES:				
				8,849,301
Real property taxes and real property tax items				3,245,998
Nonproperty tax items				922,781
Mortgage tax				156,533
Use of money and property				299,535
Sale of property and compensation for loss				181,551
Miscellaneous				<u>13,655,699</u>
Total general revenues				<u>13,655,699</u>
Change in net position				<u>(3,135,379)</u>
Net position - beginning of year, as previously reported				58,526,813
Cumulative effect of change in accounting principle (Note 2)				<u>(154,854)</u>
Net position - beginning of year, as restated				<u>58,371,959</u>
Net position - end of year				<u>\$ 55,236,580</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

**BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2015**

	General <u>Fund</u>	Highway <u>Fund</u>	Highway Fund <u>Part-Town</u>	Capital Projects <u>Fund</u>	Consolidated <u>Sewer District</u>	Total Nonmajor Governmental <u>Funds</u>	<u>Total</u>
ASSETS							
Cash and cash equivalents	\$ 11,700,384	\$ 2,363,562	\$ 2,858,761	\$ 1,813,953	\$ 2,577,716	\$ 2,433,541	\$ 23,747,917
Investments	-	-	54,524	-	-	-	54,524
Receivables	1,667	615	-	-	-	12,526	14,808
Due from other funds	-	-	-	-	-	63,200	63,200
Due from other governments	29,915	163,664	454,355	-	-	315,000	962,934
Prepaid expenditures	98,255	44,016	50,821	-	17,789	37,954	248,835
Total assets	\$ 11,830,221	\$ 2,571,857	\$ 3,418,461	\$ 1,813,953	\$ 2,595,505	\$ 2,862,221	\$ 25,092,218
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable	\$ 3,474	\$ 209	\$ 142	\$ -	\$ 83	\$ 344	\$ 4,252
Accrued liabilities	38,102	31,379	294	-	6,142	16,254	92,171
Due to other funds	-	-	-	63,200	-	-	63,200
Bond anticipation note payable	-	-	-	5,000,000	-	-	5,000,000
Unearned revenue	106,905	-	-	-	-	-	106,905
Total liabilities	148,481	31,588	436	5,063,200	6,225	16,598	5,266,528
FUND BALANCES:							
Nonspendable	98,255	44,016	50,821	-	17,789	37,954	248,835
Restricted	5,125,572	-	1,048,169	-	2,571,491	1,428,465	10,173,697
Assigned	1,350,014	2,496,253	2,319,035	-	-	1,379,204	7,544,506
Unassigned	5,107,899	-	-	(3,249,247)	-	-	1,858,652
Total fund balances	11,681,740	2,540,269	3,418,025	(3,249,247)	2,589,280	2,845,623	19,825,690
Total liabilities and fund balances	\$ 11,830,221	\$ 2,571,857	\$ 3,418,461	\$ 1,813,953	\$ 2,595,505	\$ 2,862,221	\$ 25,092,218

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2015

Total fund balance - governmental funds			\$ 19,825,690
Total net position reported for governmental activities in the statement of net position is different because:			
Capital assets used in governmental activities are not current financial resources and; therefore, are not reported in the funds.			
	Cost of capital assets	104,630,120	
	Accumulated depreciation	<u>(53,907,850)</u>	
			50,722,270
Deferred outflows of resources related to pensions are applicable to future periods and; therefore, are not reported in the funds.			
	Deferred outflows - ERS		914,492
Net pension obligations are not due and payable in the current period and; therefore, are not reported in the funds.			
	Net pension liability - ERS		(703,129)
Accrued interest on long-term debt is an expense in the funds when paid, but a liability in the statement of net position when incurred.			
			(98,465)
Bonds payable and other noncurrent liabilities are not due and payable in the current period and; therefore, are not reported in the funds.			
	Serial and statutory bonds	(10,349,524)	
	Installment purchase debt	(166,926)	
	Bond premium	(286,708)	
	Deferred amount on refunding	210,638	
	Compensated absences	(59,309)	
	Other postemployment benefits	<u>(4,772,449)</u>	
			<u>(15,424,278)</u>
Total net position of governmental activities			<u>\$ 55,236,580</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General Fund	Highway Fund	Highway Fund Part-Town	Capital Projects Fund	Consolidated Sewer District	Total Nonmajor Governmental Funds	Total
REVENUES:							
Real property taxes and tax items	\$ 5,047,326	\$ 1,697,012	\$ 909,178	\$ -	\$ 1,167,547	\$ 1,436,783	\$ 10,257,846
Nonproperty tax items	421,079	-	1,854,355	-	-	970,564	3,245,998
Departmental income	815,176	-	-	-	6,097	236,955	1,058,228
Intergovernmental charges	84,399	525,804	3,535	-	-	7,800	621,538
Interfund revenues	26,601	-	-	-	-	-	26,601
Use of money and property	145,776	2,100	4,335	802	2,377	1,945	157,335
Licenses and permits	33,004	-	-	-	2,160	101,308	136,472
Fines and forfeitures	149,812	-	-	-	-	-	149,812
Sale of property and compensation for loss	288,126	1,356	-	-	55	9,998	299,535
Miscellaneous	48,359	1,041	3,296	-	51,957	1,198	105,851
State aid	1,054,575	-	197,361	-	-	-	1,251,936
Total revenues	8,114,233	2,227,313	2,972,060	802	1,230,193	2,766,551	17,311,152
EXPENDITURES:							
General governmental support	2,784,932	139,750	-	2,738	50,812	42,096	3,020,328
Public safety	194,941	825	-	-	675	320,176	516,617
Public health	35,298	-	-	-	-	200	35,498
Transportation	153,827	1,323,471	2,192,748	64,897	-	57,093	3,792,036
Economic assistance and opportunity	348,547	-	-	-	-	-	348,547
Culture and recreation	1,469,733	-	-	4,531,407	-	1,018,213	7,019,353
Home and community services	154,953	-	2,380	-	562,316	614,454	1,334,103
Employee benefits	1,273,494	582,488	802,050	-	271,869	448,570	3,378,471
Debt service -							
Principal	81,778	-	-	-	-	636,816	718,594
Interest	3,400	-	-	-	-	384,057	387,457
Total expenditures	6,500,903	2,046,534	2,997,178	4,599,042	885,672	3,521,675	20,551,004
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,613,330	180,779	(25,118)	(4,598,240)	344,521	(755,124)	(3,239,852)
OTHER FINANCING SOURCES (USES):							
Operating transfers - in	2,409	466,797	45,000	1,147,920	-	952,838	2,614,964
Premium on bond anticipation note	-	-	-	-	-	75,700	75,700
Operating transfers - out	(2,090,305)	(1,264)	-	(1,145)	-	(522,250)	(2,614,964)
Total other financing sources and uses	(2,087,896)	465,533	45,000	1,146,775	-	506,288	75,700
CHANGE IN FUND BALANCE	(474,566)	646,312	19,882	(3,451,465)	344,521	(248,836)	(3,164,152)
FUND BALANCE - beginning of year	12,156,306	1,893,957	3,398,143	202,218	2,244,759	3,094,459	22,989,842
FUND BALANCE - end of year	\$ 11,681,740	\$ 2,540,269	\$ 3,418,025	\$ (3,249,247)	\$ 2,589,280	\$ 2,845,623	\$ 19,825,690

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Net change in fund balances - governmental funds \$ (3,164,152)

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

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the statement of activities reports only a portion of the outlay as expense. Also, depreciation is recorded in the statement of activities, but not as a change in fund balance of the governmental funds. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

Capital additions	1,969,969	
Depreciation	(2,298,529)	
Loss on sale of capital assets	<u>(29,429)</u>	
		(357,989)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employer contributions is reported as pension expense.

Town pension contributions	746,502
Cost of benefits earned net of employee contributions	(380,285)

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 governmental funds.

Bond and installment purchase debt principal	636,816	
Bond premium	15,090	
Installment purchase repayment	81,778	
Deferred amount on refunding	(11,086)	
Change in accrued interest	(20,936)	
Compensated absences	(19,644)	
Other postemployment benefits	<u>(661,473)</u>	
		<u>20,545</u>

Change in net position of governmental activities \$ (3,135,379)

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2015**

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 15,345
Total assets	<u>15,345</u>
LIABILITIES	
Other liabilities	<u>3,894</u>
Total liabilities	<u>3,894</u>
NET POSITION	<u>\$ 11,451</u>

The accompanying notes are an integral part of these statements.

TOWN OF PITTSFORD, NEW YORK

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Pittsford, New York (the Town) are prepared in conformity with accounting principles generally accepted in the United States. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

Financial Reporting Entity

The Town is governed by its charter, Town Law, other general laws of the State of New York and various local laws. The Town Council, 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 Town provides the following basic services to all or some residents of the Town: highway maintenance, recreation facilities and programs, environmental services, and library services.

The financial reporting entity consists of (a) the primary government which is the Town, (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 as set forth in generally accepted accounting principles.

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 decision to include a potential component unit in the Town's reporting entity is based on several criteria set forth by the GASB including legal standing, fiscal dependency, and financial accountability. A component unit is included in the Town's reporting entity if it is both fiscally dependent on the Town and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Based on the application of these criteria, the Town has determined there are no other organizations that meet criteria for inclusion in the reporting entity of the Town.

A. Included in the Reporting Entity

A separate Board has been established pursuant to Education Law to manage the operations of the public library. Such Board is administratively and financially dependent on the Town and, accordingly, the related financial activity is included within the accompanying financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. 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:

1. The Pittsford 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 this Fire District. The Board of Fire Commissioners has complete responsibility for management of this Fire District and its fiscal affairs. The Town Council exercises no oversight over this Fire District's operations. Their audit reports may be obtained by contacting the Pittsford Fire District.
2. The Brighton Fire District overlaps the Town and 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 this Fire District. The Board of Fire Commissioners has complete responsibility for management of this Fire District and its fiscal affairs. The Town Council exercises no oversight over this Fire District's operations. Their audit reports may be obtained by contacting the Brighton Fire District.

Basis of Presentation

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. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants, if applicable.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Government-Wide Statements (Continued)

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.

Fund Financial Statements

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. Generally accepted accounting principles set forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, 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 one 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:

Major Governmental Funds:

- **General Fund** - the primary operating fund of the Town and includes all revenues and expenditures not required by law to be accounted for in other funds.
- **Highway Fund and Highway Fund Part-Town** - special revenue funds used to account for taxes, user fees, or other revenues which are raised or received to provide highway services to areas throughout the Town.
- **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.
- **Consolidated Sewer District** – special revenue fund used to account for taxes, user fees, or other revenues which are raised or received to provide sewer services to areas throughout the Town.

Non-Major Governmental Funds

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

- **General Fund Part-Town** - includes all general fund operations taking place outside the Village.
- **Debt Service Fund** - used to account for financial resources accumulated for payment of future principal and interest on long-term indebtedness.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

a. Governmental Funds (Continued)

Non-Major Governmental Funds (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
 - Parks Fund
 - Park Land Deposits Fund
 - Consolidated Lighting District
 - Fire Protection Fund
 - Ambulance District Fund

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 a 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.

Basis of Accounting/Measurement Focus

The government-wide and fiduciary fund 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 at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the Town gives or receives value without directly receiving or giving equal value in exchange, include grants and donations. On an accrual basis, revenue from grants and donations are recognized in the year in which all eligibility requirements have been satisfied.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within one year of the balance sheet date.

Material revenues that are accrued include real property taxes, state and federal aid, distributed sales taxes, certain user charges, and some departmental fees. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting/Measurement Focus (Continued)

Expenditures are recorded when incurred except that:

- Expenditures for prepaid expenses and inventory-type items are recognized at the time of the disbursement.
- Principal and interest on indebtedness is not recognized as an expenditure until due and paid.
- Compensated absences, such as vacation and compensatory time which vests or accumulates, are charged as an expenditure when paid.

Real Property Taxes

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. At year-end, all Town and special district taxes had been collected; and, therefore, no reserve was necessary.

Estimates

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

Cash and Cash Equivalents and Investments

The Town's cash and cash equivalents consist of cash on hand and demand deposits. Investments are stated at cost, which approximates market value.

Receivables

Receivables are shown gross, with uncollectible amounts recognized under the direct write-off method. Generally accepted accounting principles require the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Due To/From Other Funds

The amounts reported on the Governmental Funds Balance Sheet for due to and from other funds represents amounts due between different fund types (i.e., general, highway, and non-major funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year end is provided subsequently in these notes.

Prepaid Items

Prepaid items represent payments made by the Town for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as assets on the statement of net position using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.

Capital Assets - Property, Plant and Equipment

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded at fair market value at the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is recorded on the straight-line basis over the following useful lives:

<u>Class</u>	<u>Life in Years</u>
Buildings	20 - 50 years
Improvements: parking lots	5 - 30 years
Machinery and equipment	5 - 25 years
Infrastructure:	
Bridges	30 years
Roads, sidewalks, curbing, light systems, gutters	15 years
Sewer systems	60 years

Compensated Absences

Town employees are granted vacation leave and earn compensated absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and unused compensated absences at various rates subject to certain maximum limitations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Postemployment Benefits

The Town provides postemployment health insurance coverage to its retired employees and their survivors. Substantially all employees may become eligible for these benefits when they reach eligible retirement age and have worked 20 years for the Town. The Town made no provision for recognizing the cost of postemployment benefits which may eventually be paid to employees who have not yet retired, on the governmental funds statements. On the government-wide statements, these amounts attributable to past service have been recorded as a liability. On June 16, 2015 the Town Board passed a resolution stating that any person commencing employment with the Town, or re-commencing employment having been employed by the Town previously, on or after July 1, 2015 shall no longer be paid medical benefits in retirement.

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 under the modified accrual method of accounting. 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.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Balance Sheet and Statement of Net Position will sometimes report a separate section for deferred outflows/inflows of resources. The 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 separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

Accrued Liabilities and Long-Term Obligations

Payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full from current financial resources. Compensated absences that will be paid from governmental funds, are reported as a liability in the fund 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.

Encumbrances

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 the funds. Encumbrances are reported in the restricted, committed, or assigned fund balance category from which their spending authorization has been recorded since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transactions

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

Equity Classifications

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, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Additionally, deferred outflows or inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- **Restricted net position** - consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of an other government; or (2) law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, and then unrestricted resources as they are needed.

Fund Statements

Generally accepted accounting principles provide more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- **Nonspendable Fund Balances**
These are amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- **Restricted Fund Balances**
These are amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classifications (Continued)

Fund Statements (Continued)

- **Committed Fund Balances**

These are amounts that can be used only for specific purposes determined by a formal action of the Town Board prior to year-end. The Town Board is the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through resolutions approved by the Town Board.

- **Assigned Fund Balances**

These are amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The Town Board authorizes or the Board's designee can make a determination of the assigned amounts of fund balance.

- **Unassigned Fund Balances**

These are all other spendable amounts.

Absent a Town-wide policy, when an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town Board has provided otherwise in its commitment or assignment actions.

2. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE

The Town adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 and GASB Statement No. 71*. Statement No. 68 and Statement No. 71 establishes accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are covered by the scope of Statement No. 68 and Statement No. 71, as well as for non-employer governments that have a legal obligation to contribute to those plans. Accordingly, Beginning Net Position and Net Pension Liability (Asset) on the Statement of Net Position was adjusted as noted in the following table:

	Town-Wide Statement of Net Position		
	Net Pension Liability	Deferred Outflows	Net Position
Balance at January 1, 2015, as previously reported	\$ -	\$ -	\$ 58,526,813
Restatement of beginning balance - Adoption of GASB Statements No. 68 and No. 71			
Contributions subsequent to measurement date	-	785,676	785,676
NYS Employees' Retirement System Plan	(940,530)	-	(940,530)
	<u>(940,530)</u>	<u>785,676</u>	<u>(154,854)</u>
Balance at January 1, 2015, as restated	<u>\$ (940,530)</u>	<u>\$ 785,676</u>	<u>\$ 58,371,959</u>

3. STEWARDSHIP

Budget Policies - The budget policies are as follows:

- a. No later than October 30, the budget officer submits a tentative budget to the Town Clerk for submission to the Town Board for the 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.

Budget Basis of Accounting

Budgets 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. Budgetary comparison schedules are presented as required supplementary information in the basic financial statements.

Budget/GAAP Reconciliation

The Town reports its budgetary status with the actual data, including outstanding encumbrances as charges against budget appropriations. This results in the following reconciliation of the fund balances computed on GAAP basis and budgetary basis:

General Fund:	
GAAP basis fund balance at December 31, 2015	\$ 11,681,740
Less: Outstanding encumbrances	<u>(188,984)</u>
Budgetary basis fund balance at December 31, 2015	<u>\$ 11,492,756</u>
Highway Fund:	
GAAP basis fund balance at December 31, 2015	\$ 2,540,269
Less: Outstanding encumbrances	<u>(602,549)</u>
Budgetary basis fund balance at December 31, 2015	<u>\$ 1,937,720</u>
Highway Fund Part-Town:	
GAAP basis fund balance at December 31, 2015	\$ 3,418,025
Less: Outstanding encumbrances	<u>(130,991)</u>
Budgetary basis fund balance at December 31, 2015	<u>\$ 3,287,034</u>
Consolidated Sewer District:	
GAAP basis fund balance at December 31, 2015	\$ 2,589,280
Less: Outstanding encumbrances	<u>(44,808)</u>
Budgetary basis fund balance at December 31, 2015	<u>\$ 2,544,472</u>

3. STEWARDSHIP (Continued)

Fund Balance Deficit

The deficit of the Capital Projects Fund was \$3,249,247 at December 31, 2015. This deficit results from short-term financing that has yet to be converted into permanent financing. It is expected that the deficit will be eliminated when the Town receives the funding and converts its BAN into a bond.

4. DEPOSITS

Primary Government, Including Fiduciary Funds

State statutes govern the Town's investment policies. The Town has its own written deposit and investment policy, which is compliant with Section 39 of the General Municipal Law. Town monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within New York State. The Town is authorized to invest in special time deposit accounts, certificates of deposit, obligations of the United States and obligations of the State of New York.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. All deposits of the Town in excess of the amount insured by the Federal Deposit Insurance Act must be secured by the following:

- A pledge of eligible securities with an aggregated market value equal to the amount of deposits. Eligible securities include: obligations issued by the United States; obligations issued or fully guaranteed by the State of New York, obligations issued by states rated in one of the three highest rating categories; commercial paper and bankers' acceptances issued by a bank rated in the highest short term category; zero coupon obligations of the United States government marketed as "treasury strips"; obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization; obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, and the African Development Bank; obligations of counties, cities, and other governmental entities of a State other than New York State having the power to levy taxes that are backed by the full faith and credit of such governmental entity; obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization; and mortgage rated securities which may be purchased by banks under the limitations established by bank regulatory agencies.
- An eligible surety bond payable to the government executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.
- An irrevocable letter of credit issued by a federal home loan bank whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization.

Collateral is required for demand and time 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 New York State and its municipalities. At year-end, demand deposits and certificates of deposit for the Town were entirely covered by FDIC insurance or collateral held by trust companies located within the State.

4. DEPOSITS (Continued)

The Town's aggregate bank balances were insured and collateralized as follows:

<u>Description</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Primary government	\$ 24,099,640	\$ 23,720,057
Fiduciary funds	<u>41,141</u>	<u>15,345</u>
Cash and cash equivalents	<u>\$ 24,140,781</u>	<u>\$ 23,735,402</u>
Category 1: Covered by FDIC insurance	\$ 1,094,997	
Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name	<u>24,439,345</u>	
	<u>\$ 25,534,342</u>	

5. RECEIVABLES

Receivables at December 31, 2015 for individual major and non-major funds consisted of the following which are stated at net realizable value. Town management has deemed the amounts to be fully collectible:

<u>Description</u>	<u>General Fund</u>	<u>Highway Fund</u>	<u>Highway Fund Part-Town</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Receivables: Fees	<u>\$ 1,667</u>	<u>\$ 615</u>	<u>\$ -</u>	<u>\$ 12,526</u>	<u>\$ 14,808</u>
Due from other governments	<u>\$ 29,915</u>	<u>\$ 163,664</u>	<u>\$ 454,355</u>	<u>\$ 315,000</u>	<u>\$ 962,934</u>

6. CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance January 1, <u>2015</u>	<u>Additions</u>	<u>Transfers</u>	<u>Disposals</u>	Balance December 31, <u>2015</u>
Capital assets not being depreciated					
Land	\$ 6,056,366	\$ 57,700	\$ -	\$ -	\$ 6,114,066
Land development rights	<u>11,513,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,513,343</u>
Total non-depreciable assets	<u>17,569,709</u>	<u>57,700</u>	<u>-</u>	<u>-</u>	<u>17,627,409</u>
Capital assets being depreciated:					
Buildings and improvements	18,169,729	52,509	-	-	18,222,238
Machinery and equipment	7,344,787	381,931	-	(313,297)	7,413,421
Infrastructure	<u>60,604,122</u>	<u>1,477,829</u>	<u>-</u>	<u>(714,899)</u>	<u>61,367,052</u>
Total at cost	<u>86,118,638</u>	<u>1,912,269</u>	<u>-</u>	<u>(1,028,196)</u>	<u>87,002,711</u>
Less: Accumulated depreciation for:					
Buildings and improvements	(7,084,938)	(436,944)	-	-	(7,521,882)
Machinery and equipment	(4,069,102)	(515,490)	-	283,868	(4,300,724)
Infrastructure	<u>(41,454,048)</u>	<u>(1,346,095)</u>	<u>-</u>	<u>714,899</u>	<u>(42,085,244)</u>
Total accumulated depreciation	<u>(52,608,088)</u>	<u>(2,298,529)</u>	<u>-</u>	<u>998,767</u>	<u>(53,907,850)</u>
Total depreciable assets - net	<u>33,510,550</u>	<u>(386,260)</u>	<u>-</u>	<u>(29,429)</u>	<u>33,094,861</u>
Total capital assets - net	<u>\$ 51,080,259</u>	<u>\$ (328,560)</u>	<u>\$ -</u>	<u>\$ (29,429)</u>	<u>\$ 50,722,270</u>

7. INTERFUND TRANSACTIONS - GOVERNMENTAL FUNDS

Interfund receivables and payables at December 31, 2015 were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Interfund Revenue Transfers</u>	<u>Interfund Expenditure Transfers</u>
General Fund	\$ -	\$ -	\$ 2,409	\$ 2,090,305
Highway Fund	-	-	466,797	1,264
Highway Fund Part Town	-	-	45,000	-
Capital Projects Fund	-	63,200	1,147,920	1,145
Nonmajor Funds	<u>63,200</u>	<u>-</u>	<u>952,838</u>	<u>522,250</u>
Total	<u>\$ 63,200</u>	<u>\$ 63,200</u>	<u>\$ 2,614,964</u>	<u>\$ 2,614,964</u>

Interfund transactions 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.

8. PENSION PLAN

New York State Employees' Retirement System (NYSERS)

The Town participates in the New York State and Local Employees' Retirement System (ERS) also referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system, providing 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), established to hold all net position and record changes in plan net position allocated to the System. The System benefits are established under the provisions of the New York State Retirement and Social Security Law (NYS RSSL). Once an 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, including information with regard to benefits provided, may be found at 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, NY 12244.

Contributions

The System is noncontributory except for employees who joined after July 27th, 1976, who contribute 3.0% 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% percent of their salary for their entire length 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 System's fiscal 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:

2015	\$ 995,336
2014	\$ 1,047,568
2013	\$ 1,104,323

8. PENSION PLAN (Continued)

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

At December 31, 2015, the Town reported a net pension liability of \$703,129 for its proportionate share of the System's net pension liability. The net pension liability was measured as of March 31, 2015, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Town's proportionate share 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, 2015, the Town's proportionate share was .0208134%, which did not change from its proportionate share measured at December 31, 2014.

For the year ended December 31, 2015, the Town recognized pension expense of \$629,119. At December 31, 2015, the Town reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
	<u> </u>
Differences between expected and actual experience	\$ 22,508
Net difference between projected and actual earnings on pension plan investments	122,125
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	23,357
Contributions subsequent to the measurement date	<u>746,502</u>
Total	<u><u>\$ 914,492</u></u>

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

Plan's Year Ended March 31:

2016	\$	41,997
2017		41,997
2018		41,997
2019		41,999
2020		-
Thereafter		-
		<u>\$ 167,990</u>

The Town recognized \$746,502 as deferred outflow of resources related to pensions resulting from contributions made subsequent to the measurement date of March 31, 2015 which will be recognized a reduction of the net pension liability in the year ended December 31, 2016.

Actuarial Assumptions

The total pension liability at March 31, 2015 was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The total pension liability for the March 31, 2014 measurement date was determined by using an actuarial valuation as of April 1, 2014.

8. PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

The actuarial valuation used the following actuarial assumptions:

Actuarial cost method	Entry age normal
Inflation	2.70%
Salary scale	4.9% indexed by service
Projected COLAs	1.4% compounded annually
Decrements	Developed from the Plan's 2010 experience study of the period April 1, 2005 through March 31, 2010
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.5% compounded annually, net of investment expenses

Long-term Rate of Return

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 are summarized below:

Long-term Expected Rate of Return

Asset Type	Target Allocations in %	Long-Term expected real rate of return in %
Domestic Equity	38	7.30
International Equity	13	8.55
Private Equity	10	11.00
Real Estate	8	8.25
Absolute Return	3	6.75
Opportunistic Portfolio	3	8.60
Real Asset	3	8.65
Bonds & Mortgages	18	4.00
Cash	2	2.25
Inflation-Indexed Bonds	2	4.00
	<u>100%</u>	

Discount Rate

The discount rate used to calculate the total pension liability was 7.5%. 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 Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

8. PENSION PLAN (Continued)

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 7.5%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.5%) or 1% higher (8.5%) than the current rate:

	1% Decrease <u>6.50%</u>	Current Discount <u>7.50%</u>	1% Increase <u>8.00%</u>
Proportionate Share of Net Pension liability (asset)	\$ 4,686,656	\$ 703,129	\$ (2,659,956)

Pension Plan Fiduciary Net Position (000's)

The components of the current-year net pension liability of the employers as of March 31, 2015 were as follows:

Total pension liability	\$ 164,591,504
Net position	<u>(161,213,259)</u>
Net pension liability (asset)	<u>\$ 3,378,245</u>
ERS net position as a percentage of total pension liability	97.90%

9. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description

The Town provides certain health care benefits for retired employees. The Town administers the Retirement Benefits Plan (the "Retirement Plan") as a single-employer defined benefit Other Postemployment Benefit Plan (OPEB).

In general, the Town provides medical and dental benefits for retirees. There were approximately 77 retired employees receiving benefits at December 31, 2015. Eligible employees must have had 20 years of service with the Town and be eligible for retirement pursuant to the System. The Retirement Plan does not issue a stand alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Funding Policy

The obligations of the Retirement Plan are established by action of the Town. The Town will pay 85% of the cost of coverage for pre-Medicare medical coverage and will pay 100% of coverage for the Medicare Supplemental plan. Coverage is provided to surviving spouses for their lifetime. The costs of administering the Retirement Plan are paid by the Town. The Town currently contributes enough money to the Retirement Plan to satisfy current obligations on a pay-as-you-go basis to cover annual premiums. The amount paid during 2015 was approximately \$447,000.

9. OTHER POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

The Town's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with generally accepted accounting principles. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year plus the amortization of the unfunded actuarial accrued liability over a period not to exceed 30 years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the Retirement Plan, and the changes in the Town's net OPEB obligation:

Annual required contribution	\$ 1,167,003
Interest on net OPEB obligation	131,013
Adjustment to ARC	<u>(189,413)</u>
Annual OPEB cost	1,108,603
Contributions made	<u>(447,130)</u>
Increase in net OPEB obligation	661,473
Net OPEB obligation - beginning of year	<u>4,110,976</u>
Net OPEB obligation - end of year	<u>\$ 4,772,449</u>

Trend Information

The following table provides trend information for the Retirement Plan:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Actual Employer Contribution</u>	<u>Percent Contributed</u>	<u>Net OPEB Obligation</u>
2015	\$ 1,108,603	\$ 447,130	40.3%	\$ 4,772,449
2014	\$ 1,108,603	\$ 409,407	36.9%	\$ 4,110,976
2013	\$ 943,356	\$ 285,476	30.3%	\$ 3,411,780

Funded Status and Funding Progress

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Retirement Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Retirement Plan is currently not funded.

The schedule of funding progress presents information on the actuarial value of plan assets relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the employer and plan members and include the types of benefits provided at the time of the valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

9. POSTEMPLOYMENT HEALTH BENEFITS (Continued)

Actuarial Methods and Assumptions (Continued)

In the January 1, 2014 actuarial valuation, the following methods and assumptions were used:

Actuarial cost method	Projected Unit Credit
Discount rate*	4.0%
Inflation rate	3.0%
Salary scale	4.0%
Medical care cost trend rate	9.0% initially. The rate changes each year to an ultimate rate of 4.75% in 2022.
Dental care cost trend rate	Dental care costs are assumed to be 5.0% each year.
Unfunded actuarial accrued liability:	
Amortization period	30 years
Amortization method	Level Percent of Pay
Amortization basis	Open

* As the plan is unfunded, the assumed discount rate considers that the Town's investment assets are low risk in nature, such as money market funds or certificates of deposit.

10. SHORT-TERM DEBT

The Town has a short-term debt in the form of a bond anticipation note (BAN) to finance capital projects within the Town that was issued on September 9, 2015. A summary of the Town's short-term debt activity is as follows for the year ended December 31, 2015:

<u>Description</u>	<u>Outstanding 1/1/2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding 12/31/15</u>
Governmental Activities				
Bond anticipation note	<u>\$ -</u>	<u>\$5,000,000</u>	<u>\$ -</u>	<u>\$ 5,000,000</u>

11. LONG-TERM DEBT OBLIGATIONS

Serial Bonds

The Town borrows money in order to acquire land, high cost equipment, or construct buildings and improvements. 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 serial bonds are 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 liquidations of the long-term liabilities.

Other Long-Term Debt

In addition to the above long-term debt the Town had the following other non-current liabilities:

- **Compensated absences** - represents the value earned and unused portion of the earned vacation leave and compensatory time.
- **Postemployment benefits** - represents the cost of health care benefits provided to retirees.

11. LONG-TERM DEBT OBLIGATIONS (Continued)

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

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Due After One Year
Serial and statutory bonds	\$10,986,340	\$ -	\$ (636,816)	\$10,349,524	\$ 656,816	\$ 9,692,708
Bond premium	301,798	-	(15,090)	286,708	15,090	271,618
Installment purchase debt	248,704	-	(81,778)	166,926	82,896	84,030
Other postemployment benefits	4,110,976	1,108,603	(447,130)	4,772,449	-	4,772,449
Compensated absences	<u>39,665</u>	<u>19,644</u>	<u>-</u>	<u>59,309</u>	<u>14,827</u>	<u>44,482</u>
Total	<u>\$15,687,483</u>	<u>\$ 1,128,247</u>	<u>\$ (1,180,814)</u>	<u>\$15,634,916</u>	<u>\$ 769,629</u>	<u>\$14,865,287</u>

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

The following is a statement of long-term debt with corresponding maturity schedules:

Purpose	Issue Date	Interest Rate	Amount Outstanding 12/31/15	Final Maturity
Serial Bonds:				
Pittsford Hill Sewer	8/1998	5.05%	\$ 20,000	8/2017
Purchase of development rights	9/2009	4.75%	3,295,000	9/2023
Public improvement	4/2014	4.17%	6,980,000	4/2034
Statutory Bonds:				
Pittsford Sewer District - 29 & 29a	6/2004	4.00%	54,524	6/2023
Installment purchase:				
Tub grinder wood composter	6/2004	4.00%	<u>166,926</u>	6/2017
Total			<u>\$ 10,516,450</u>	

Interest on long-term debt for the year was composed of:

Interest paid	\$ 387,457
Plus: Interest accrued in the current year	98,465
Less: Interest accrued in the prior year	<u>(77,529)</u>
Total interest expense	<u>\$ 408,393</u>

11. LONG-TERM DEBT OBLIGATIONS (Continued)

Other Long-Term Debt (Continued)

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

	<u>Bond Principal</u>	<u>Bonds Interest</u>	<u>Installment Principal</u>	<u>Installment Interest</u>	<u>Total Debt</u>
2016	\$ 656,816	\$ 364,129	\$ 82,896	\$ 2,292	\$ 1,106,133
2017	676,816	341,751	84,030	1,149	1,103,746
2018	686,816	316,774	-	-	1,003,590
2019	711,816	291,451	-	-	1,003,267
2020	736,816	265,028	-	-	1,001,844
2021 - 2025	3,075,444	945,429	-	-	4,020,873
2026 - 2030	1,950,000	554,525	-	-	2,504,525
2031 - 2034	<u>1,855,000</u>	<u>152,300</u>	<u>-</u>	<u>-</u>	<u>2,007,300</u>
Total	<u>\$ 10,349,524</u>	<u>\$ 3,231,387</u>	<u>\$ 166,926</u>	<u>\$ 3,441</u>	<u>\$ 13,751,278</u>

In 2014, the Town issued one 2014 serial bond for \$7,265,000 which refunded the 2004 serial bond of \$7,245,000. The bond refunding resulted in an economic gain on refunding of approximately \$531,100. The excess of the reacquisition price over the net carrying amount of the refunded bonds in the amount of \$221,724 has been deferred and will be amortized using the straight-line method through 2034. The balance of the deferred amount on refunding as of December 31, 2015 is \$210,638 and is reflected as a deferred outflow of resources on the Statement of Net Position.

In prior years, the Town defeased certain obligations and other 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. \$3,430,000 of bonds outstanding was considered defeased at December 31, 2015.

12. FUND BALANCES

The Town has the following capital reserves, which are classified as restricted funds:

General Fund Capital Reserves:

Equipment - To finance future planned replacement of equipment items for the Town.

Office Equipment - To finance future planned replacement of office equipment items for the Town.

Building Maintenance - To finance the costs associated with building repairs and improvements.

General Fund Part-Town Capital Reserves:

Equipment - To finance future planned replacement of equipment items for the Town.

Office Equipment - To finance future planned replacement of office equipment items for the Town.

12. FUND BALANCES (Continued)

Highway Fund Part-Town Capital Reserves:

Town Improvement - To finance capital projects for the construction or improvement of roads within the Town.

Consolidated Sewer Fund Capital Reserves:

Sewer Equipment - To finance future planned replacement of high cost sewer equipment items.

PSD Office Equipment - To finance future planned replacement of office equipment for the PSD.

Sewer Repair - To finance future planned repair to sewer districts within the Town.

The Town has the following general reserves, which are classified as restricted funds:

General Fund - General Reserves:

General Reserves - To finance all, or part of, the cost of an object or purpose which has a period of probable usefulness of at least five years (other than objects or purposes for which reserve funds may be established under Town Law). Expenditures may only be made for a specific object or purpose and are subject to permissive referendum.

Pittsford 2000 Reserve - The Town Board has reserved certain surplus funds as a measure to implement the recommendations of the Pittsford 2000 committee regarding conservation measures, environmental protection initiatives and related land acquisitions. Expenditures may only be made for a specific object or purpose and are subject to permissive referendum.

12. FUND BALANCES (Continued)

	General Fund	Highway Town-wide Fund	Highway Part-Town Fund	Capital Projects Fund	Consolidated Sewer District	Nonmajor Governmental Funds	Total
<u>Fund balance</u>							
Nonspendable -							
Prepaid expenditures	\$ 98,255	\$ 44,016	\$ 50,821	\$ -	\$ 17,789	\$ 37,954	\$ 248,835
Restricted -							
General reserve	2,555,848	-	-	-	-	-	2,555,848
Pittsford 2000	771,345	-	-	-	-	-	771,345
Equipment	436,625	-	-	-	-	-	436,625
Office equipment	417,082	-	-	-	-	-	417,082
Building maintenance	944,672	-	-	-	-	-	944,672
Road improvements	-	-	1,048,169	-	-	-	1,048,169
Sewer equipment	-	-	-	-	268,593	-	268,593
Sewer office equipment	-	-	-	-	43,296	-	43,296
Sewer repair	-	-	-	-	1,123,915	-	1,123,915
Debt service	-	-	-	-	-	699,548	699,548
Part-Town equipment	-	-	-	-	-	118,684	118,684
Part-Town office equipment	-	-	-	-	-	34,320	34,320
Library	-	-	-	-	-	326,367	326,367
Parks	-	-	-	-	-	121,674	121,674
Street Lighting District	-	-	-	-	-	40,446	40,446
Consolidated Sewer District	-	-	-	-	1,135,687	-	1,135,687
Parkland Deposits/incentive zoning	-	-	-	-	-	87,426	87,426
Total restricted	5,125,572	-	1,048,169	-	2,571,491	1,428,465	10,173,697
Assigned -							
Appropriations	1,161,031	320,000	500,000	-	-	451,000	2,432,031
Other spendable amounts	-	1,573,703	1,733,044	-	-	843,794	4,150,541
General government support	169,113	580,374	-	-	-	-	749,487
Public safety	647	22,176	-	-	-	56,188	79,011
Transportation	190	-	85,991	-	-	-	86,181
Economic assistance and development	6,777	-	-	-	-	-	6,777
Culture and recreation	183	-	-	-	-	28,222	28,405
Home and community service	7,090	-	-	-	-	-	7,090
Employee benefits	4,983	-	-	-	-	-	4,983
Total assigned	1,350,014	2,496,253	2,319,035	-	-	1,379,204	7,544,506
Unassigned	5,107,899	-	-	(3,249,247)	-	-	1,858,652
Total fund balance	\$ 11,681,740	\$ 2,540,269	\$ 3,418,025	\$ (3,249,247)	\$ 2,589,280	\$ 2,845,623	\$ 19,825,690

12. FUND BALANCES (Continued)

A. Net Position - Restricted

The following table shows the net position restricted within the funds as shown on the Statement of Net Position:

General reserves	\$ 3,327,193
Capital reserves	4,435,356
Debt service	699,548
Special districts	1,624,174
Park Land deposits/incentive zoning	87,426
Total	<u>\$ 10,173,697</u>

13. DEFERRED COMPENSATION PLAN

Employees of the Town may elect to participate in the Public Employees Benefits Services Corporation Deferred Compensation Plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement. As of December 31, 2015, the market value of the assets of the Plan totaled \$7,120,396.

Employees contribute to the Plan through voluntary salary deductions. Participation in the Plan is voluntary and the deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Plan is administered by an independent third-party which is responsible for administering the fund's investments and record keeping.

14. OTHER INFORMATION

A. Risk Management

1. 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.

2. Dental Plan

The Town self-insures for dental coverage for its employees (the Plan). 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 per year per member. The Town records expenditures in the governmental funds each year based on the current costs of dental coverage. The total claims incurred and paid in 2015 was \$88,968.

14. OTHER INFORMATION (Continued)

B. Commitments and Contingencies

1. Commitments

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.

2. Litigation

There are tax certiorari claims requesting reduction of assessments pending. The outcome of the tax certiorari claims is undeterminable at this time; as such no allowance has been recorded.

15. OPERATING LEASES

The Town leases property and equipment under operating leases. Total rental expenditures on such leases for the year ended December 31, 2015 were approximately \$119,000.

The maximum future non-cancelable operating lease payments are as follows:

2016	\$	119,417
2017		119,417
2018		119,417
2019		85,676
2020		74,429
2021 - 2024		<u>248,098</u>
	\$	<u>766,454</u>

16. IMPACT OF FUTURE GASB PRONOUNCEMENTS

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application*. The objective of this Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The Town is required to adopt the provisions of this Statement for the year ending December 31, 2016.

16. IMPACT OF FUTURE GASB PRONOUNCEMENTS (Continued)

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* which supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* and amends Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, paragraphs 64, 74, and 82. Statement No. 76 reduces the number of categories of authoritative generally accepted accounting principles (GAAP) hierarchy and the framework for selecting those principles to two categories. The primary category "Category A" will consist of officially established GASB Statements and GASB Interpretations heretofore issued and currently in effect. The second category "Category B" will consist of GASB Technical Bulletins, GASB Implementation Guides when presented in the form of a *Comprehensive Implementation Guide*, and literature of the AICPA cleared by the GASB. The goal of Statement No. 76 is to help governments apply financial reporting guidance with less variability, therefore improving usefulness and comparability of financial statement information among state and local governments. The Town is required to adopt the provisions of Statement No. 76 for the year ending December 31, 2016, and should be adopted retroactively, with early adoption permitted.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

	GENERAL FUND			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 5,034,558	\$ 5,034,558	\$ 5,047,326	\$ 12,768
Nonproperty tax items	401,112	401,112	421,079	19,967
Departmental income	747,075	747,075	815,176	68,101
Intergovernmental charges	117,495	117,495	84,399	(33,096)
Interfund revenues	16,000	16,000	26,601	10,601
Use of money and property	149,857	149,857	145,776	(4,081)
Licenses and permits	34,150	34,150	33,004	(1,146)
Fines and forfeitures	140,000	140,000	149,812	9,812
Sale of property and compensation for loss	1,500	1,500	288,126	286,626
Miscellaneous	40,225	40,225	48,359	8,134
State aid	915,000	915,000	1,054,575	139,575
	<u>7,596,972</u>	<u>7,596,972</u>	<u>8,114,233</u>	<u>517,261</u>
Total revenues				
EXPENDITURES:				
General governmental support	3,075,856	3,241,068	2,954,046	287,022
Public safety	201,987	211,016	195,588	15,428
Public health	36,098	36,098	35,298	800
Transportation	149,685	186,465	154,017	32,448
Economic assistance and opportunity	403,025	405,803	355,324	50,479
Culture and recreation	1,572,450	1,634,952	1,477,006	157,946
Home and community services	282,731	314,045	159,936	154,109
Employee benefits	1,595,251	1,451,881	1,273,494	178,387
Debt service	-	-	85,178	(85,178)
	<u>7,317,083</u>	<u>7,481,328</u>	<u>6,689,887</u>	<u>791,441</u>
Total expenditures				
EXCESS OF REVENUES OVER EXPENDITURES	<u>279,889</u>	<u>115,644</u>	<u>1,424,346</u>	<u>1,308,702</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	200,000	200,000	2,409	(197,591)
Operating transfers - out	(1,702,998)	(1,950,399)	(2,090,305)	(139,906)
	<u>(1,502,998)</u>	<u>(1,750,399)</u>	<u>(2,087,896)</u>	<u>(337,497)</u>
Total other financing sources and uses				
CHANGE IN FUND BALANCE	(1,223,109)	(1,634,755)	(663,550)	971,205
FUND BALANCE - beginning of year	<u>12,156,306</u>	<u>12,156,306</u>	<u>12,156,306</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 10,933,197</u>	<u>\$ 10,521,551</u>	<u>\$ 11,492,756</u>	<u>\$ 971,205</u>

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HIGHWAY FUND
FOR THE YEAR ENDED DECEMBER 31, 2015**

	HIGHWAY FUND			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 1,697,012	\$ 1,697,012	\$ 1,697,012	\$ -
Intergovernmental charges	396,335	396,335	525,804	129,469
Use of money and property	10,500	10,500	2,100	(8,400)
Sale of property and compensation for loss	-	-	1,356	1,356
Miscellaneous	-	-	1,041	1,041
Total revenues	<u>2,103,847</u>	<u>2,103,847</u>	<u>2,227,313</u>	<u>123,466</u>
EXPENDITURES:				
General government	302,141	720,124	720,124	-
Public safety	2,000	2,000	825	1,175
Transportation	1,467,684	1,557,767	1,345,646	212,121
Employee benefits	652,022	652,022	582,488	69,534
Total expenditures	<u>2,423,847</u>	<u>2,931,913</u>	<u>2,649,083</u>	<u>282,830</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(320,000)</u>	<u>(828,066)</u>	<u>(421,770)</u>	<u>406,296</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers - in	-	-	466,797	466,797
Operating transfers - out	-	(1,264)	(1,264)	-
Total other financing sources and uses	<u>-</u>	<u>(1,264)</u>	<u>465,533</u>	<u>466,797</u>
CHANGE IN FUND BALANCE	(320,000)	(829,330)	43,763	873,093
FUND BALANCE - beginning of year	<u>1,893,957</u>	<u>1,893,957</u>	<u>1,893,957</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 1,573,957</u>	<u>\$ 1,064,627</u>	<u>\$ 1,937,720</u>	<u>\$ 873,093</u>

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - HIGHWAY FUND PART-TOWN
FOR THE YEAR ENDED DECEMBER 31, 2015**

	HIGHWAY FUND PART-TOWN			
	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
REVENUES:				
Real property taxes and tax items	\$ 909,178	\$ 909,178	\$ 909,178	\$ -
Nonproperty tax items	1,327,000	1,327,000	1,854,355	527,355
Intergovernmental charges	8,500	8,500	3,535	(4,965)
Use of money and property	2,100	2,100	4,335	2,235
Miscellaneous	-	-	3,296	3,296
State aid	-	-	197,361	197,361
Total revenues	<u>2,246,778</u>	<u>2,246,778</u>	<u>2,972,060</u>	<u>725,282</u>
EXPENDITURES:				
Home and community services	2,230	2,380	2,380	-
Transportation	1,947,022	2,348,655	2,278,739	69,916
Employee benefits	847,526	847,376	802,050	45,326
Total expenditures	<u>2,796,778</u>	<u>3,198,411</u>	<u>3,083,169</u>	<u>115,242</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(550,000)</u>	<u>(951,633)</u>	<u>(111,109)</u>	<u>840,524</u>
CHANGE IN FUND BALANCE	(550,000)	(951,633)	(111,109)	840,524
FUND BALANCE - beginning of year	<u>3,398,143</u>	<u>3,398,143</u>	<u>3,398,143</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 2,848,143</u>	<u>\$ 2,446,510</u>	<u>\$ 3,287,034</u>	<u>\$ 840,524</u>

TOWN OF PITTSFORD, NEW YORK

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CONSOLIDATED SEWER DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2015**

	CONSOLIDATED SEWER DISTRICT			
	Original <u>Budget</u>	Final <u>Budget</u>	Actual Amounts <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
REVENUES:				
Real property taxes and tax items	\$ 1,166,898	\$ 1,166,898	\$ 1,167,547	\$ 649
Departmental income	6,000	6,000	6,097	97
Use of money and property	1,500	1,500	2,377	877
Licenses and permits	12,000	12,000	2,160	(9,840)
Sale of property and compensation for loss	-	-	55	55
Miscellaneous	-	-	51,957	51,957
Total revenues	<u>1,186,398</u>	<u>1,186,398</u>	<u>1,230,193</u>	<u>43,795</u>
EXPENDITURES:				
General governmental support	72,885	60,068	60,068	-
Health	800	800	675	125
Home and community services	750,210	750,286	597,868	152,418
Employee benefits	363,131	363,131	271,869	91,262
Total expenditures	<u>1,187,026</u>	<u>1,174,285</u>	<u>930,480</u>	<u>243,805</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(628)</u>	<u>12,113</u>	<u>299,713</u>	<u>287,600</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers - out	<u>111,872</u>	<u>124,689</u>	<u>-</u>	<u>(124,689)</u>
Total other financing sources (uses)	<u>111,872</u>	<u>124,689</u>	<u>-</u>	<u>(124,689)</u>
CHANGE IN FUND BALANCE	111,244	136,802	299,713	162,911
FUND BALANCE - beginning of year	<u>2,244,759</u>	<u>2,244,759</u>	<u>2,244,759</u>	<u>-</u>
FUND BALANCE - end of year	<u>\$ 2,356,003</u>	<u>\$ 2,381,561</u>	<u>\$ 2,544,472</u>	<u>\$ 162,911</u>

TOWN OF PITTSFORD, NEW YORK

**SCHEDULE OF FUNDING PROGRESS - OTHER POST EMPLOYMENT BENEFITS PLAN
FOR THE YEAR ENDED DECEMBER 31, 2015**

Actuarial Valuation Date	Fiscal Year Ended	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a percentage of Covered Payroll
January 1, 2014	12/31/2015	\$ -	\$ 13,584,944	\$ 13,584,944	0%	\$ 6,882,232	197%
January 1, 2014	12/31/2014	\$ -	\$ 13,584,944	\$ 13,584,944	0%	\$ 6,538,371	208%
January 1, 2011	12/31/2013	\$ -	\$ 11,617,522	\$ 11,617,522	0%	\$ 6,304,127	184%

TOWN OF PITTSFORD, NEW YORK

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
 FOR THE YEAR ENDED DECEMBER 31, 2015

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN - ERS	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Proportion of the net pension liability (asset)	0.021%									
Proportionate share of the net pension liability (asset)	\$ 703									
Covered-employee payroll	\$ 5,642									
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	12.46%									
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.90%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

TOWN OF PITTSFORD, NEW YORK

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CONTRIBUTIONS - PENSION PLANS
 FOR THE YEAR ENDED DECEMBER 31, 2015

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN - ERS	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 1,048									
Contributions in relation to the contractually required contribution	1,048									
Contribution deficiency (excess)	\$ -									
Covered-employee payroll	\$ 5,642									
Contributions as a percentage of covered-employee payroll	18.57%									

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

SUPPLEMENTARY INFORMATION

TOWN OF PITTSFORD, NEW YORK

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015**

	General Fund <u>Part-Town</u>	Debt Service <u>Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>	Total Nonmajor Governmental <u>Funds</u>
ASSETS				
Cash and cash equivalents	\$ 1,064,570	\$ 699,548	\$ 669,423	\$ 2,433,541
Receivables	12,526	-	-	12,526
Due from other funds	63,200	-	-	63,200
Due from other governments	315,000	-	-	315,000
Prepaid expenditures	<u>17,308</u>	<u>-</u>	<u>20,646</u>	<u>37,954</u>
Total assets	<u>\$ 1,472,604</u>	<u>\$ 699,548</u>	<u>\$ 690,069</u>	<u>\$ 2,862,221</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ 86	\$ -	\$ 258	\$ 344
Accrued liabilities	<u>6,224</u>	<u>-</u>	<u>10,030</u>	<u>16,254</u>
Total liabilities	<u>6,310</u>	<u>-</u>	<u>10,288</u>	<u>16,598</u>
FUND BALANCES:				
Nonspendable	17,308	-	20,646	37,954
Restricted	153,004	699,548	575,913	1,428,465
Assigned	<u>1,295,982</u>	<u>-</u>	<u>83,222</u>	<u>1,379,204</u>
Total fund balances	<u>1,466,294</u>	<u>699,548</u>	<u>679,781</u>	<u>2,845,623</u>
Total liabilities and fund balances	<u>\$ 1,472,604</u>	<u>\$ 699,548</u>	<u>\$ 690,069</u>	<u>\$ 2,862,221</u>

TOWN OF PITTSFORD, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	General Fund <u>Part-Town</u>	Debt Service <u>Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>	Total Nonmajor Governmental <u>Funds</u>
REVENUES:				
Real property taxes and tax items	\$ -	\$ 18,865	\$ 1,417,918	\$ 1,436,783
Nonproperty tax items	970,564	-	-	970,564
Departmental income	109,005	-	127,950	236,955
Intergovernmental charges	7,800	-	-	7,800
Use of money and property	708	277	960	1,945
Licenses and permits	101,308	-	-	101,308
Sale of property and compensation for loss	9,998	-	-	9,998
Miscellaneous	1,198	-	-	1,198
	<u>1,200,581</u>	<u>19,142</u>	<u>1,546,828</u>	<u>2,766,551</u>
EXPENDITURES:				
General governmental support	42,096	-	-	42,096
Public safety	198,223	-	121,953	320,176
Public health	-	-	200	200
Transportation	-	-	57,093	57,093
Culture and recreation	-	-	1,018,213	1,018,213
Home and community services	614,454	-	-	614,454
Employee benefits	193,644	-	254,926	448,570
Debt service -				
Principal	-	636,816	-	636,816
Interest	-	384,057	-	384,057
	<u>1,048,417</u>	<u>1,020,873</u>	<u>1,452,385</u>	<u>3,521,675</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>152,164</u>	<u>(1,001,731)</u>	<u>94,443</u>	<u>(755,124)</u>
OTHER FINANCING SOURCES (USES):				
Premium on bond anticipation note	-	75,700	-	75,700
Operating transfers - in	-	952,838	-	952,838
Operating transfers - out	(45,000)	-	(477,250)	(522,250)
	<u>(45,000)</u>	<u>1,028,538</u>	<u>(477,250)</u>	<u>506,288</u>
CHANGE IN FUND BALANCE	107,164	26,807	(382,807)	(248,836)
FUND BALANCE - beginning of year	<u>1,359,130</u>	<u>672,741</u>	<u>1,062,588</u>	<u>3,094,459</u>
FUND BALANCE - end of year	<u>\$ 1,466,294</u>	<u>\$ 699,548</u>	<u>\$ 679,781</u>	<u>\$ 2,845,623</u>

TOWN OF PITTSFORD, NEW YORK

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2015**

	Public Library <u>Fund</u>	Consolidated <u>Lighting District</u>	Parks <u>Fund</u>	Park Land <u>Deposits Fund</u>	Fire Protection <u>Fund</u>	Ambulance <u>District Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>
ASSETS							
Cash and cash equivalents	\$ 419,877	\$ 40,446	\$ 121,674	\$ 87,426	\$ -	\$ -	\$ 669,423
Prepaid expenses	<u>20,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,646</u>
Total assets	<u>\$ 440,523</u>	<u>\$ 40,446</u>	<u>\$ 121,674</u>	<u>\$ 87,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,069</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable	\$ 258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 258
Accrued liabilities	<u>10,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,030</u>
Total liabilities	<u>10,288</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,288</u>
FUND BALANCES:							
Nonspendable	20,646	-	-	-	-	-	20,646
Restricted	326,367	40,446	121,674	87,426	-	-	575,913
Assigned	<u>83,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,222</u>
Total fund balances	<u>430,235</u>	<u>40,446</u>	<u>121,674</u>	<u>87,426</u>	<u>-</u>	<u>-</u>	<u>679,781</u>
Total liabilities and fund balances	<u>\$ 440,523</u>	<u>\$ 40,446</u>	<u>\$ 121,674</u>	<u>\$ 87,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,069</u>

TOWN OF PITTSFORD, NEW YORK

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Public Library <u>Fund</u>	Consolidated <u>Lighting Fund</u>	Parks <u>Fund</u>	Park Land <u>Deposits Fund</u>	Fire Protection <u>Fund</u>	Ambulance <u>District Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>
REVENUES:							
Real property taxes and tax items	\$ 1,174,526	\$ 55,502	\$ 65,937	\$ -	\$ 18,633	\$ 103,320	\$ 1,417,918
Departmental income	104,194	-	-	23,756	-	-	127,950
Use of money and property	<u>704</u>	<u>12</u>	<u>31</u>	<u>213</u>	<u>-</u>	<u>-</u>	<u>960</u>
Total revenues	<u>1,279,424</u>	<u>55,514</u>	<u>65,968</u>	<u>23,969</u>	<u>18,633</u>	<u>103,320</u>	<u>1,546,828</u>
EXPENDITURES:							
Public health	200	-	-	-	-	-	200
Transportation	-	57,093	-	-	-	-	57,093
Public safety	-	-	-	-	18,633	103,320	121,953
Culture and recreation	949,348	-	68,865	-	-	-	1,018,213
Employee benefits	<u>254,926</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>254,926</u>
Total expenditures	<u>1,204,474</u>	<u>57,093</u>	<u>68,865</u>	<u>-</u>	<u>18,633</u>	<u>103,320</u>	<u>1,452,385</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	74,950	(1,579)	(2,897)	23,969	-	-	94,443
OTHER FINANCING SOURCES:							
Operating transfers - out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(477,250)</u>	<u>-</u>	<u>-</u>	<u>(477,250)</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(477,250)</u>	<u>-</u>	<u>-</u>	<u>(477,250)</u>
CHANGE IN FUND BALANCE	74,950	(1,579)	(2,897)	(453,281)	-	-	(382,807)
FUND BALANCE - beginning of year	<u>355,285</u>	<u>42,025</u>	<u>124,571</u>	<u>540,707</u>	<u>-</u>	<u>-</u>	<u>1,062,588</u>
FUND BALANCE - end of year	<u>\$ 430,235</u>	<u>\$ 40,446</u>	<u>\$ 121,674</u>	<u>\$ 87,426</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 679,781</u>