

Town of Bedford, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2018

Town of Bedford, New York

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Independent Auditors' Report

**The Honorable Supervisor and Town Board of the
Town of Bedford, 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 Bedford, New York ("Town") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

Opinions

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

Emphasis of Matter

We draw attention to Notes 2D and 3D in the notes to financial statements which disclose the effects of the Town's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 on the information.

Supplementary and Other Information

Our audit for the year ended December 31, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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 for the year ended December 31, 2018 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2018.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Town as of and for the year ended December 31, 2017 (not presented herein), and have issued our report thereon dated June 20, 2018, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2017 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2017.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

June 10, 2019

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Town of Bedford, New York

Management's Discussion and Analysis December 31, 2018

Introduction

As management of the Town of Bedford, New York ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2018. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

Financial Highlights for Fiscal Year 2018

- The Town's commitment to maintain fiscal stability continues to be a major commitment and the Fund Balance Policy adopted in 2016 ensures that reserves in the General and Highway Funds are maintained at levels of not less than 15% at all times. As the Fund Balance Policy states, *"the Town's primary objective is to maintain a prudent level of financial resources to protect against reducing service levels, raising taxes and fees, and/or borrowing to meet cash flow needs due to revenue shortfalls or unanticipated one-time expenditures. The Town of Bedford also seeks to minimize all borrowing costs by maintaining the highest possible credit ratings which are dependent, in part, on the Town's maintenance of a fiscally sound Fund Balance"*.
- On the government-wide financial statements, the liabilities and deferred inflows of resources of the Town exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$21,694,655. Of this amount, the unrestricted net position, which is available to meet the ongoing obligations of the Town, reflects a deficit of \$66,997,449 at December 31, 2018. The total net position decreased by \$54,595,646 from the prior year; this decrease is the result of the restatement of Other Post-Employment Benefits as required by GASB Statement No. 75.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$20,643,763, representing an overall decrease in fund balance of \$6,298,212 from the prior year. A contributing factor to the change, was the Capital Projects Fund's use of \$7,189,649 in fund balance as several projects, including the Bedford Police Station Renovations project, were completed using the borrowed funds for those projects.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,027,115 or 35.22% of total 2019 appropriated General Fund expenditures and other financing uses. The General Fund reported an ending fund balance of \$11,136,477, which represents an increase of \$165,823 from fiscal year 2017. The operations of the Highway Fund also generated an increase in its fund balance. The Highway Fund's total fund balance is \$2,537,865 or 30.20% of the total 2019 authorized expenditures.
- During the 2018 fiscal year, the Town retired \$3,650,076 of general obligation debt. The Town's total outstanding General Obligation Bonds payable at December 31, 2018 totaled \$35,894,999. No Tax Anticipation Notes or Bond Anticipation Notes were issued in 2018.
- The Capital Projects Fund, fund balance, decreased from \$8,607,945 to \$1,418,296.

Overview of the Financial Statements

The Town's financial statements are composed of this Management's Discussion and Analysis ("MD&A") and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides analysis and overview of the Town's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information as listed in the table of contents.

Government-wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to the Towns programs, are excluded from these statements.

The *Statement of Net Position* presents the Town's assets, liabilities and deferred inflows/outflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in the net position may serve as a useful indicator as to whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing the change in the Town's net position during the current fiscal year. All revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods such as uncollected taxes, earned but unused vacation leave, net pension liabilities and other post-employment benefit obligations ("OPEB"). The focus of this statement is on the net cost of providing various services to the citizens of the Town of Bedford.

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues ("*governmental activities*"). The governmental activities of the Town include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services, and interest.

Fund Financial Statements

A fund is an accounting entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in an individual fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Town of Bedford, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related and legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds: Most of the basic services provided by the Town are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the Town's financing requirements for the

subsequent fiscal period. Governmental funds use the flow of current financial resources, measurement focus and the modified accrual basis of accounting.

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. From this comparison, readers may better understand the long-term impact of the Town'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 of Bedford has seven (7) individual governmental funds: General, Highway, Special Districts, Capital Projects, Debt Service, Drug Abuse Prevention and Special Purpose funds. Of these, the General, Highway, Special Districts, Capital Projects and Debt Service funds are reported as major funds, and are presented in separate columns on the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for these non-major funds can be found on the *combining statements* elsewhere in this report.

The Town adopts an annual budget for its General, Highway and Special Districts funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the respective budgets.

Fiduciary Funds - These funds are used to account for resources held for the benefit of parties outside the government. The types of Fiduciary Funds include nonexpendable, expendable, and agency funds. The fiduciary funds are *not* reflected in the government-wide financial statements because the assets of these funds are *not* available to support the activities of the Town. The Town maintains one type of fiduciary fund that is known as an Agency fund. Resources are held in this fund by the Town purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization or government.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statement

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements section of this report.

Other Information

Combining and individual fund statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Town's other post-employment benefit obligations, and the Town's proportionate share of the net pension liability for New York State's Employees Retirement System and Local Police Fire Retirement System the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

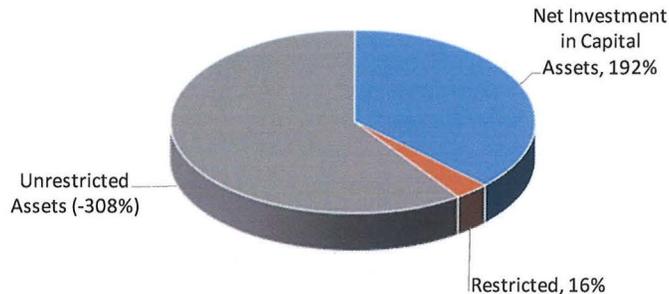
Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Town's financial position. In the case of the Town of Bedford, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by (\$21,694,655) for fiscal year ended December 31, 2018.

The following table reflects the condensed Statement of Net Position:

	December 31, 2018	December 31, 2017
Current Assets	\$ 65,279,409	\$ 85,331,910
Capital Assets, net	76,825,636	71,630,504
Total Assets	142,105,045	156,962,414
Deferred Outflows of Resources	7,002,640	6,074,373
Current Liabilities	43,656,953	46,795,867
Long-term Liabilities	117,697,164	71,738,578
Total Liabilities	161,354,117	118,534,445
Deferred Inflows of Resources	9,448,223	11,601,351
NET POSITION		
Net investment in capital assets	41,758,375	40,041,234
Restricted	3,544,419	5,773,667
Unrestricted	(66,997,449)	(12,913,910)
Total Net Position	\$ (21,694,655)	\$ 32,900,991

Net Asset Distribution

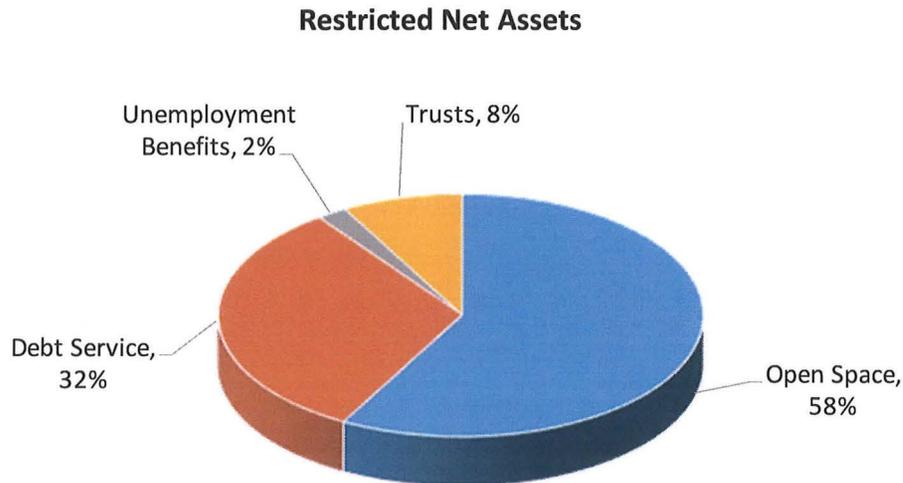


The largest component of the Town's net position is its Invested in Capital Assets (net of related debt) of \$41,758,375 which reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to its citizens 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.

The restricted net assets of \$3,544,419 represent resources that are subject to external restrictions on their use. The restrictions are:

	2018	2017
Unemployment Benefits	\$ 70,566	\$ 70,457
DARE	5,399	6,848
Open Space	2,047,510	2,039,618
Debt Service	1,128,745	1,404,619
Special Districts	-	1,981,310
Trusts	292,199	270,815
Restricted Net Assets	<u>\$ 3,544,419</u>	<u>\$ 5,773,667</u>

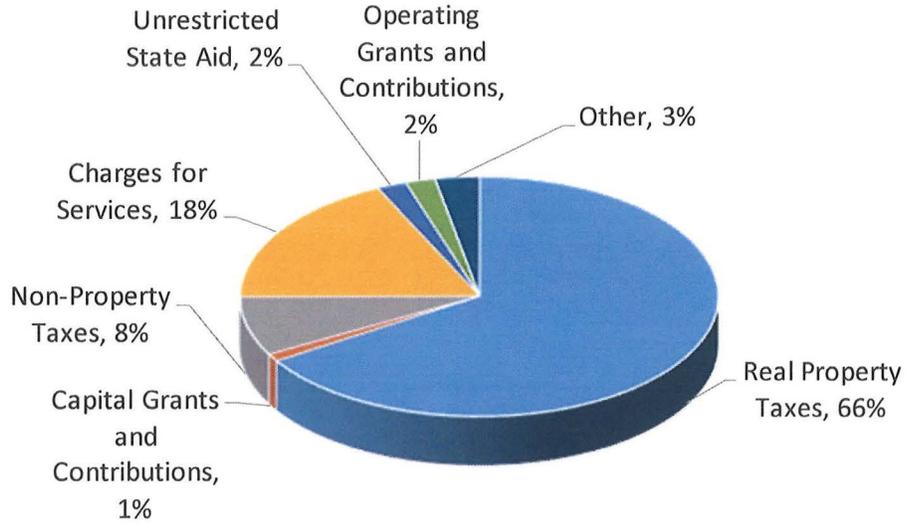
The remaining balance is an unrestricted deficit of (\$66,697,449).



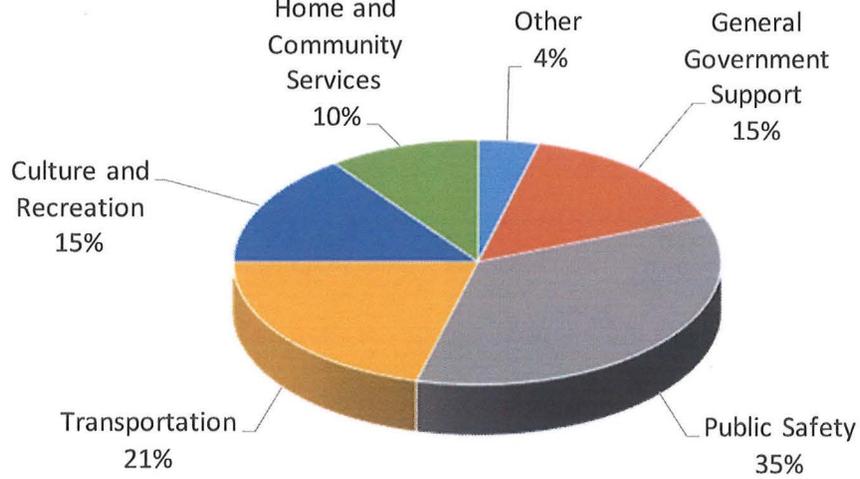
**Changes in Net Position
December 31,**

	2018	2017
REVENUES		
Program Revenues		
Charges for Services	\$ 6,627,471	\$ 6,797,175
Operating Grants and Contributions	860,596	1,458,227
Capital Grants and Contributions	236,546	884,403
General Revenues		
Real Property Taxes	24,642,566	23,902,104
Other Tax items	624,372	656,131
Non-Property Taxes	3,162,073	3,042,434
Unrestricted Use of Money and Property	61,176	48,138
Sale of Property and Compensation for Loss	3,850	9,525
Unrestricted State Aid	923,310	1,065,398
Miscellaneous	117,509	100,210
Insurance Recoveries	164,186	76,879
	37,423,655	38,040,624
PROGRAM EXPENSES		
General Government Support	5,514,492	6,170,540
Public Safety	12,677,411	14,165,141
Health	518,653	470,793
Transportation	7,488,428	8,062,493
Economic Opportunity and Development	2,000	4,083
Culture and Recreation	5,389,907	4,950,959
Home and Community Services	3,446,134	4,138,613
Interest	1,036,967	1,029,872
	36,073,992	38,992,494
Total Expenses		
	36,073,992	38,992,494
Change in Net Position	1,349,663	(951,870)
NET POSITION		
Beginning (*GASB 75 Restatement)	* (23,044,318)	33,852,861
Ending	\$ (21,694,655)	\$ 32,900,991

**Sources of Revenue for Fiscal Year 2018
Governmental Activities**



**Sources of Expenses for Fiscal Year 2018
Governmental Activities**



Governmental Activities: Governmental activities increased the Town's net position by \$1,349,663, an increase of \$2,301,533 as compared to the prior year. For the fiscal year ended December 31, 2018, revenues from governmental activities totaled \$37.423 million. Tax revenues (\$28.4 million), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue sources (75%). Collection of the current levy remains very strong, while averaging 99.43% over the past 10 years. Governmental activities expenses of the Town for the year ended December 31, 2018 totaled \$36.073 million or \$2,918,502 less than 2017. The largest components of these expenses are in the areas of public safety (35%), transportation (21%), culture and recreation (15%) and general government support (15%).

Financial Analysis of the Government's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the Town's fiscal period ending December 31, 2011. GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaced them with five new classifications: non-spendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

Non-spendable – consists of assets that are inherently non-spendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale and principal of endowments.

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

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund, and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

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 discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town Board.

As of the end of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$20,643,763, a decrease of \$6,298,212 compared to last years ending balance of \$26,941,975. The non-spendable fund balance component is \$561,704, consisting of amounts representing prepaid expenditures. Fund Balance of \$4,962,715 is restricted for Unemployment benefits, D.A.R.E., Open Space, Capital projects, Debt service and Trusts. The assigned fund balance portion of \$7,093,071 is for encumbrances and amounts designated to balance the fiscal 2019 budget. The remaining fund balance of \$8,026,273 is unassigned and represents the remaining positive fund balance in the General Fund of \$8,027,115 and the negative fund balance in the Joint Activity fund (\$842).

The **General Fund** is the primary operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$8,027,115 representing 72% of the total General Fund balance of \$11,136,477. This is an increase from the prior year, when the total fund balance was \$10,970,654.

General Fund Budgetary Highlights

When the fiscal 2018 budget was adopted, it anticipated using \$200,000 of General Fund - fund balance. Actual results of operations resulted in an increase of \$165,823 in fund balance. Overall, General Fund expenditures, exclusive of other financing sources, were \$20,198,115 which was \$89,873 less than the final budget and the General Fund revenues, exclusive of other financing sources, were \$21,527,767 or \$279,352 more than the final budget.

The major factors that contributed to the increase in revenues in the current fiscal year:

- Real property tax collections were higher than budgeted by \$7,680.
- Other tax items; Interest and penalties on property taxes and non-property taxes were higher than budgeted by \$246,779
- Departmental Income fees were less than budgeted by \$59,603.

The major areas where spending was below the budget, a favorable budgetary variance, were:

- Public Safety expenditures were \$35,274 lower than the amount budgeted due to the retirement of a number of Police Officers in 2018.
- Culture and Recreation activities were less than budgeted by \$20,220; achieved through more efficient management of these areas.
- General Government Support had budgetary savings of \$22,085.

The Highway Fund's total fund balance at the end of the fiscal year was \$2,537,865 which is an increase of \$218,954 from the prior year. The Highway Fund has been able to increase reserves for the last three consecutive years.

The Capital Projects Fund is used to account for capital project activity throughout the Town. The Capital Projects Fund's ending fund balance is \$1,418,296 for fiscal year 2018, a decrease of \$7,189,649 from prior year. The change was the result of the completion or near completion of several capital projects.

Non-major Governmental Funds consists of the Special Revenue Funds. The Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than expendable trusts or capital projects) that are legally restricted to expenditures for certain defined purposes. The special revenue funds of the Town are the Joint Activity Fund established pursuant to Section 239-U of the General Municipal Law of the State of New York to provide educational and drug prevention counseling services and the Special Purpose fund, provided to account for assets held by the Town in accordance with the terms of a Trust Agreement.

For fiscal year ending December 31, 2018, the combined fund balances of these funds total \$292,199.

Capital Asset and Debt Administration

Capital Assets: The Town's investment in capital assets for its governmental activities as of December 31, 2018, amounts to \$76,825,636 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

Town of Bedford Capital Assets (Net of Depreciation)

	2018	2017
Land	\$ 19,483,926	\$ 19,483,926
Construction-in-Progress	18,143,691	11,357,264
Buildings and Improvements	28,444,594	29,548,494
Machinery and Equipment	2,515,499	2,275,747
Infrastructure	8,237,926	8,965,073
Total	<u>\$ 76,825,636</u>	<u>\$ 71,630,504</u>

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Renovations to the Bedford Police Station
- Purchase of Highway Equipment
- Ongoing Road and Sidewalk Construction and Road Rehabilitation
- Improvements to Athletic Fields, Parks and Recreation Facilities
- Purchase of Shared Parks Equipment
- IT upgrades

Long-term Liabilities: At the end of the current fiscal year, the Town had total long-term liabilities outstanding of \$117,697,164 inclusive of \$35,894,999 of general obligation bonds debt. The Town's general obligation bonded debt decreased by \$3,650,076 and no additional borrowing was done in 2018. All of this debt is backed by the full faith and credit of the Town of Bedford.

The major increase in the long-term liabilities of the Town was the result of the implementation of Government Accounting Standards Board ("GASB") Statement No.75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB"). There was a cumulative effect of change in accounting principle in the amount of (\$55,945,389).

Through sound financial management and manageable debt levels, the Town of Bedford has been successful in maintaining its high-grade rating for its general obligation bonds, currently rated AAA/Stable by Moody's Investor Services and AAA/Stable by Standard and Poor's Global Rating Services. The Town has enjoyed a very favorable bond rating for more than eighteen years.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the Town may incur. The State Constitution provides that the Town may not contract indebtedness in any amount greater than seven percent of the average full value of taxable real property in the town for the most recent five years. Certain indebtedness is excluded in ascertaining the Town's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the Town's authority to issue debt subject to the limit.

Economic Factors and Ensuing Budgets

According to the New York State Department of Labor, the preliminary unemployment rate for Westchester County was 3.5% as of December 2018. This compares favorably with the rate of 3.9% for New York State and the 3.9% national unemployment rate. The Consumer Price Index for the area (New York-Northern New Jersey-Long Island, NY-NJ=CT-PA) from 2017 to 2018 was increased by 1.6 % recorded for the U.S. city average for the same period.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Bedford Finance Office, 425 Cherry Street, Bedford Hills, New York 10507. Inquiries can be made via email finance@bedfordny.gov or telephone (914) 666-8283.

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Town of Bedford, New York

Statement of Net Position
December 31, 2018

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 31,319,170
Receivables	
Taxes, net	31,441,490
Accounts	844,758
Due from other governments	1,112,287
Prepaid expenses	561,704
Capital assets (net of accumulated depreciation)	
Not being depreciated	37,627,617
Being depreciated, net	<u>39,198,019</u>
Total Assets	<u>142,105,045</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>7,002,640</u>
LIABILITIES	
Accounts payable	2,507,021
Due to school districts	40,791,727
Due to other governments	84,045
Unearned revenues	76,491
Accrued interest payable	197,669
Non-current liabilities	
Due within one year	3,697,002
Due in more than one year	<u>114,000,162</u>
Total Liabilities	<u>161,354,117</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>9,448,223</u>
NET POSITION	
Net investment in capital assets	41,758,375
Restricted for	
Unemployment benefits	70,566
DARE	5,399
Open space	2,047,510
Debt service	1,128,745
Trusts	292,199
Unrestricted	<u>(66,997,449)</u>
Total Net Position	<u>\$ (21,694,655)</u>

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

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Town of Bedford, New York

Statement of Activities
Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities					
General government support	\$ 5,514,492	\$ 230,282	\$ -	\$ -	\$ (5,284,210)
Public safety	12,677,411	1,672,597	15,153	10,000	(10,979,661)
Health	518,653	39,961	44,520	-	(434,172)
Transportation	7,488,428	1,157,986	527,929	145,350	(5,657,163)
Economic opportunity and development	2,000	-	-	-	(2,000)
Culture and recreation	5,389,907	933,779	19,005	-	(4,437,123)
Home and community services	3,446,134	2,592,866	253,989	7,071	(592,208)
Interest	1,036,967	-	-	74,125	(962,842)
Total Governmental Activities	\$ 36,073,992	\$ 6,627,471	\$ 860,596	\$ 236,546	(28,349,379)
General revenues					
Real property taxes					24,642,566
Other tax items					
Payments in lieu of taxes					41,232
Interest and penalties on real property taxes					583,140
Non-property taxes					
Non-property tax distribution from County					2,775,426
Franchise fees					386,647
Unrestricted use of money and property					61,176
Sale of property and compensation for loss					3,850
Unrestricted State aid					923,310
Miscellaneous					117,509
Insurance recoveries					164,186
Total General Revenues					29,699,042
Change in Net Position					1,349,663
Net Position - Beginning, as reported					32,900,991
Cumulative Effect of Change in Accounting Principle					(55,945,309)
Net Position - Beginning, as restated					(23,044,318)
Net Position - Ending					\$ (21,694,655)

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

Town of Bedford, New York

Balance Sheet
 Governmental Funds
 December 31, 2018

	General	Highway	Special Districts
ASSETS			
Cash and equivalents	\$ 20,837,925	\$ 2,815,506	\$ 4,657,392
Taxes receivable, net	31,441,490	-	-
Receivables			
Accounts	450,617	60,998	333,143
Due from other governments	878,904	-	229,383
Due from other funds	169,328	-	615
	1,498,849	60,998	563,141
Prepaid expenditures	421,668	77,354	61,840
Total Assets	<u>\$ 54,199,932</u>	<u>\$ 2,953,858</u>	<u>\$ 5,282,373</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 765,487	\$ 414,491	\$ 307,567
Due to school districts	40,791,727	-	-
Due to other governments	83,232	-	-
Due to other funds	175,812	1,502	1,558
Unearned revenues	70,835	-	5,656
Total Liabilities	41,887,093	415,993	314,781
Deferred inflows of resources			
Deferred tax revenues	1,176,362	-	-
Total Liabilities and Deferred Inflows of Resources	43,063,455	415,993	314,781
Fund balances (deficits)			
Nonspendable	421,668	77,354	61,840
Restricted	2,474,023	158,262	328,601
Assigned	213,671	2,302,249	4,577,151
Unassigned	8,027,115	-	-
Total Fund Balances (Deficits)	11,136,477	2,537,865	4,967,592
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 54,199,932</u>	<u>\$ 2,953,858</u>	<u>\$ 5,282,373</u>

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

<u>Capital Projects</u>	<u>Debt Service</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 2,424,814	\$ 291,334	\$ 292,199	\$ 31,319,170
-	-	-	31,441,490
-	-	-	844,758
-	-	4,000	1,112,287
10,000	-	-	179,943
10,000	-	4,000	2,136,988
-	-	842	561,704
<u>\$ 2,434,814</u>	<u>\$ 291,334</u>	<u>\$ 297,041</u>	<u>\$ 65,459,352</u>
\$ 1,016,518	\$ -	\$ 2,958	\$ 2,507,021
-	-	-	40,791,727
-	-	813	84,045
-	-	1,071	179,943
-	-	-	76,491
1,016,518	-	4,842	43,639,227
-	-	-	1,176,362
1,016,518	-	4,842	44,815,589
-	-	842	561,704
1,418,296	291,334	292,199	4,962,715
-	-	-	7,093,071
-	-	(842)	8,026,273
1,418,296	291,334	292,199	20,643,763
<u>\$ 2,434,814</u>	<u>\$ 291,334</u>	<u>\$ 297,041</u>	<u>\$ 65,459,352</u>

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Town of Bedford, New York

Reconciliation of Governmental Funds Balance Sheet to the Government - Wide Statement of Net Position December 31, 2018

Fund Balances - Total Governmental Funds	\$ 20,643,763
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>76,825,636</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>1,176,362</u>
Governmental funds do not report the assets or liabilities related to net pension liabilities or losses on refunding bonds whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension liabilities	1,971,556
Deferred amounts on other post employment benefits	<u>(4,417,139)</u>
	<u>(2,445,583)</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(197,669)
Bonds payable	(36,485,557)
Compensated absences	(2,271,675)
Pension liabilities	(2,081,438)
Other post employment benefit obligations payable	<u>(76,858,494)</u>
	<u>(117,894,833)</u>
Net Position of Governmental Activities	<u>\$ (21,694,655)</u>

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

Town of Bedford, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
Year Ended December 31, 2018

	General	Highway	Special Districts
REVENUES			
Real property taxes	\$ 12,772,289	\$ 7,495,703	\$ 4,309,383
Other tax items	624,372	-	-
Non-property taxes	3,162,073	-	-
Departmental income	2,570,022	-	2,833,294
Intergovernmental charges	189,429	71,610	-
Use of money and property	196,655	13,944	30,511
Licenses and permits	133,260	-	-
Fines and forfeitures	816,797	-	-
Sale of property and compensation for loss	3,850	66,336	-
State aid	939,411	367,935	-
Federal aid	2,100	-	-
Miscellaneous	117,509	93,055	99,226
Total Revenues	21,527,767	8,108,583	7,272,414
EXPENDITURES			
Current			
General government support	3,547,683	94,246	59,852
Public safety	6,606,371	-	70,039
Health	105,416	-	367,819
Transportation	541,265	5,252,832	66,319
Economic opportunity and development	2,000	-	-
Culture and recreation	2,527,206	-	1,451,951
Home and community services	686,615	-	1,879,939
Employee benefits	6,181,559	1,672,199	887,030
Debt service			
Principal	-	-	-
Interest	-	-	-
Capital outlay	-	-	-
Total Expenditures	20,198,115	7,019,277	4,782,949
Excess (Deficiency) of Revenues Over Expenditures	1,329,652	1,089,306	2,489,465
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	164,186	-	-
Transfers in	-	-	-
Transfers out	(1,328,015)	(870,352)	(1,715,938)
Total Other Financing Sources (Uses)	(1,163,829)	(870,352)	(1,715,938)
Net Change in Fund Balances	165,823	218,954	773,527
FUND BALANCES			
Beginning of Year	10,970,654	2,318,911	4,194,065
End of Year	\$ 11,136,477	\$ 2,537,865	\$ 4,967,592

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

Capital Projects	Debt Service	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 24,577,375
-	-	-	624,372
-	-	-	3,162,073
-	-	60,961	5,464,277
-	-	-	261,039
-	61,748	384	303,242
-	-	-	133,260
-	-	-	816,797
-	-	-	70,186
155,350	-	-	1,462,696
-	-	-	2,100
7,071	-	-	316,861
<u>162,421</u>	<u>61,748</u>	<u>61,345</u>	<u>37,194,278</u>
-	-	-	3,701,781
-	-	-	6,676,410
-	-	34,315	507,550
-	-	-	5,860,416
-	-	-	2,000
-	-	-	3,979,157
-	-	-	2,566,554
-	-	5,646	8,746,434
-	3,650,076	-	3,650,076
-	1,118,042	-	1,118,042
6,848,256	-	-	6,848,256
<u>6,848,256</u>	<u>4,768,118</u>	<u>39,961</u>	<u>43,656,676</u>
<u>(6,685,835)</u>	<u>(4,706,370)</u>	<u>21,384</u>	<u>(6,462,398)</u>
-	-	-	164,186
-	4,418,119	-	4,418,119
(503,814)	-	-	(4,418,119)
<u>(503,814)</u>	<u>4,418,119</u>	<u>-</u>	<u>164,186</u>
(7,189,649)	(288,251)	21,384	(6,298,212)
<u>8,607,945</u>	<u>579,585</u>	<u>270,815</u>	<u>26,941,975</u>
<u>\$ 1,418,296</u>	<u>\$ 291,334</u>	<u>\$ 292,199</u>	<u>\$ 20,643,763</u>

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Town of Bedford, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2018

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	\$ (6,298,212)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay expenditures	7,593,970
Depreciation expense	<u>(2,398,838)</u>
	<u>5,195,132</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>65,191</u>
<p>Bond proceeds provide current financial resources to governmental funds but issuing debt increase long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the government-wide financial statements.</p>	
Principal paid on bonds	3,650,076
Amortization of issuance premium and loss on refunding bonds	<u>61,582</u>
	<u>3,711,658</u>
<p>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.</p>	
Accrued interest	19,493
Compensated absences	(107,594)
Pension liabilities	(155,681)
Other post employment benefit obligations	<u>(1,080,324)</u>
	<u>(1,324,106)</u>
Change in Net Position of Governmental Activities	<u>\$ 1,349,663</u>

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

Town of Bedford, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Highway and Special Districts Funds
Year Ended December 31, 2018

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 12,764,609	\$ 12,764,609	\$ 12,772,289	\$ 7,680
Other tax items	662,666	662,666	624,372	(38,294)
Non-property taxes	2,877,000	2,877,000	3,162,073	285,073
Departmental income	2,629,625	2,629,625	2,570,022	(59,603)
Intergovernmental charges	-	-	189,429	189,429
Use of money and property	163,840	163,840	196,655	32,815
Licenses and permits	148,375	148,375	133,260	(15,115)
Fines and forfeitures	718,250	718,250	816,797	98,547
Sale of property and compensation for loss	30,000	30,000	3,850	(26,150)
State aid	1,134,500	1,134,500	939,411	(195,089)
Federal aid	3,000	3,000	2,100	(900)
Miscellaneous	116,550	116,550	117,509	959
Total Revenues	21,248,415	21,248,415	21,527,767	279,352
EXPENDITURES				
Current				
General government support	3,478,379	3,569,768	3,547,683	22,085
Public safety	6,737,316	6,641,645	6,606,371	35,274
Health	101,911	106,699	105,416	1,283
Transportation	549,197	543,058	541,265	1,793
Economic opportunity and development	10,425	2,025	2,000	25
Culture and recreation	2,609,930	2,547,426	2,527,206	20,220
Home and community services	504,246	695,508	686,615	8,893
Employee benefits	6,284,226	6,181,859	6,181,559	300
Debt service				
Interest	18,000	-	-	-
Total Expenditures	20,293,630	20,287,988	20,198,115	89,873
Excess of Revenues Over Expenditures	954,785	960,427	1,329,652	369,225
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	140,000	158,975	164,186	5,211
Transfers out	(1,328,016)	(1,328,016)	(1,328,015)	1
Total Other Financing Uses	(1,188,016)	(1,169,041)	(1,163,829)	5,212
Net Change in Fund Balances	(233,231)	(208,614)	165,823	374,437
FUND BALANCES				
Beginning of Year	233,231	208,614	10,970,654	10,762,040
End of Year	\$ -	\$ -	\$ 11,136,477	\$ 11,136,477

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

Highway Fund				Special Districts Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,495,953	\$ 7,495,953	\$ 7,495,703	\$ (250)	\$ 4,309,479	\$ 4,309,479	\$ 4,309,383	\$ (96)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
35,000	35,000	71,610	36,610	1,916,829	1,916,829	2,833,294	916,465
8,000	8,000	13,944	5,944	6,345	6,345	30,511	24,166
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
51,400	51,400	66,336	14,936	-	-	-	-
259,440	259,440	367,935	108,495	-	-	-	-
-	-	-	-	-	-	-	-
105,000	105,000	93,055	(11,945)	1,257,472	1,257,472	99,226	(1,158,246)
<u>7,954,793</u>	<u>7,954,793</u>	<u>8,108,583</u>	<u>153,790</u>	<u>7,490,125</u>	<u>7,490,125</u>	<u>7,272,414</u>	<u>(217,711)</u>
159,981	95,601	94,246	1,355	83,112	72,827	59,852	12,975
-	-	-	-	74,942	74,942	70,039	4,903
-	-	-	-	368,271	368,271	367,819	452
5,293,556	5,481,136	5,252,832	228,304	93,680	93,680	66,319	27,361
-	-	-	-	-	-	-	-
-	-	-	-	1,553,206	1,546,526	1,451,951	94,575
-	-	-	-	2,193,632	2,186,007	1,879,939	306,068
1,821,263	1,677,063	1,672,199	4,864	987,000	1,002,860	887,030	115,830
39,000	-	-	-	8,460	5,660	-	5,660
<u>7,313,800</u>	<u>7,253,800</u>	<u>7,019,277</u>	<u>234,523</u>	<u>5,362,303</u>	<u>5,350,773</u>	<u>4,782,949</u>	<u>567,824</u>
640,993	700,993	1,089,306	388,313	2,127,822	2,139,352	2,489,465	350,113
-	-	-	-	-	-	-	-
(870,352)	(870,352)	(870,352)	-	(2,219,752)	(2,228,282)	(1,715,938)	512,344
(870,352)	(870,352)	(870,352)	-	(2,219,752)	(2,228,282)	(1,715,938)	512,344
(229,359)	(169,359)	218,954	388,313	(91,930)	(88,930)	773,527	862,457
229,359	169,359	2,318,911	2,149,552	91,930	88,930	4,194,065	4,105,135
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,537,865</u>	<u>\$ 2,537,865</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,967,592</u>	<u>\$ 4,967,592</u>

Town of Bedford, New York

Statement of Assets and Liabilities
Fiduciary Fund
December 31, 2018

	<u>Agency</u>
ASSETS	
Cash and equivalents	\$ 703,291
Accounts receivable	<u>277,674</u>
 Total Assets	 <u><u>\$ 980,965</u></u>
 LIABILITIES	
Accounts payable	\$ 169,945
Employee payroll deductions	356,731
Deposits	<u>454,289</u>
 Total Liabilities	 <u><u>\$ 980,965</u></u>

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

Town of Bedford, New York

Notes to Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies

The Town of Bedford, New York ("Town") was established in 1700 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as both the chief executive and chief financial officer. The Town provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

A. Financial Reporting Entity

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

The following organizations are related to the Town:

The Blue Mountain Housing Development Corporation, Inc. ("Corporation") was formed for the public purpose of improving the availability of residential housing in Westchester County, New York. This goal would be achieved through the production of governmentally assisted housing for eligible individuals. The Corporation, in cooperation with local governments and civic agencies, will undertake studies and other activities necessary to demonstrate the need for such housing to eliminate or prevent slums or blighting influence. The Town Board is responsible for all of the board appointments; however, the Town has no further accountability for the Corporation.

The Energy Improvement Corporation was incorporated in July 2011 as defined in subparagraph (a) (5) of Section 102 of the Not-for-Profit Corporation Law and is a Type C corporation under Section 201 of the Not-for-Profit Corporation Law. The mission of the Corporation is to save money and energy and reduce greenhouse gas emissions in Northern Westchester, and perhaps beyond, by enabling energy related improvements that meet or exceed State standards through innovative community based outreach and marketing efforts. In addition, it will be a purpose of the Corporation to facilitate and finance qualified energy efficiency improvement projects and renewable energy system projects for residents, organizations, institutions and businesses in participating municipalities in New York while operating in a financially self-sufficient manner. The Corporation is managed by a Board of Directors consisting of nine Members. The Town shall be a permanent member of the Corporation for 10 years from the effective date of the Corporation, and the chief executive officer of the Town shall be a member of the Board of Directors of the Corporation while the Town is a member.

Note 1 - Summary of Significant Accounting Policies (Continued)

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

The Statement of Net Position presents the financial position of the Town at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Town's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Town's major governmental funds.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 1 - Summary of Significant Accounting Policies (Continued)

General Fund - The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the Town are as follows:

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenue of this fund is real property taxes.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, parks, lighting, fire protection and ambulance districts. The major revenues of this fund are real property taxes and departmental income.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

The Town also reports the following non-major governmental funds.

Special Revenue Funds:

Joint Activity Fund - The Joint Activity Fund was established pursuant to Section 239-U of the General Municipal Law of the State of New York to account for educational and drug prevention counseling services.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Town in accordance with terms of a trust agreement.

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary funds are used to account for assets held by the Town in an agency capacity on behalf of others. The Town's Fiduciary Fund consists of an Agency Fund. The Agency Fund is used to account for employee payroll tax withholdings and various other deposits that are payable to other jurisdictions or individuals.

Note 1 - Summary of Significant Accounting Policies (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety-day availability period is generally used for revenue recognition for most other governmental fund revenues. Fees and similar revenues are not susceptible to accrual because they are not measurable until received in cash. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Town's investment policies are governed by State statutes. The Town has adopted its own written investment policy, which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Note 1 - Summary of Significant Accounting Policies (Continued)

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town has entered into custodial agreements with the various banks, which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The Town follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets, which may include quoted prices for similar assets or liabilities or other inputs, which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Town does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial risk at December 31, 2018.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Town's investment policy limits the amount on deposit at each of its banking institutions.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 1 - Summary of Significant Accounting Policies (Continued)

Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town collects county, town, highway and special district taxes, which are due April 1st and payable without penalty to April 30th. School districts taxes are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County of Westchester ("County") and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

The Town functions in both a fiduciary and guarantor relationship with the County and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and the balance of forty percent on October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligation to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2018, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventories - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement, insurance and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 1 - Summary of Significant Accounting Policies (Continued)

not constitute "available spendable resources" even though they are a component of current assets.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items regardless of their acquisition date or amount. The Town was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the Town are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Machinery and equipment	5-20
Infrastructure	50

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental funds balance sheet.

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned revenues consist of amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$70,835 for a Septic Repair Program Grant from Westchester County received in advance in the General Fund and \$5,656 for water billings received in advance in the

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 1 - Summary of Significant Accounting Policies (Continued)

Special Districts Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town reported deferred inflows of resources of \$1,176,362 for real property taxes not expected to be collected within the first sixty days of the subsequent year in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State and Local Employee Retirement System	\$ 3,168,297	\$ 2,423,235
New York State and Local Police and Fire Retirement System	3,834,343	2,607,849
Other postemployment benefit obligations	-	4,417,139
	<u>\$ 7,002,640</u>	<u>\$ 9,448,223</u>

These amounts are detailed in the discussion of the Town's pension plans in Note 3D.

Long-Term Liabilities - In the government-wide financial statements, long-term debt and other long-term liabilities are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects or Debt Service funds expenditures.

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Position as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability - The net pension liability represents the Town's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date".

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for unemployment benefits, DARE, Open Space, debt service and trusts. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund

Note 1 - Summary of Significant Accounting Policies (Continued)

balance. Once adopted, these funds may only be used for the purpose specified unless the Town removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Board.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Comptroller for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Highway and Special Districts funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 1 - Summary of Significant Accounting Policies (Continued)

Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 10, 2019.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The Town generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with the law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Highway, Special Districts, Joint Activity and Debt Service funds.
- i) Budgets for General, Highway, Special Districts, Joint Activity, and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 2 - Stewardship, Compliance and Accountability (Continued)

- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Town Board. Any modifications to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- k) Appropriations in General, Highway, Special Districts, Joint Activity, and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Town Board.

B. Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year. The original legislation that established the Tax levy Limitation Law was set to expire on June 16, 2016. Chapter 20 of the Laws of 2015 extends the Tax Levy Limitation Law through June 2020.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 2 - Stewardship, Compliance and Accountability (Continued)

vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

C. Fund Deficits

The following non-major governmental fund has an unassigned deficit at December 31, 2018:

Joint Activity Fund	\$ 842
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The Town will address this deficit in the ensuing year.

D. Cumulative Effect of Change in Accounting Principle

For the year ended December 31, 2018, the Town implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")". This statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governments by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. As a result of adopting these standards, the government-wide financial statements reflect a cumulative effect for the change in accounting principle of \$(55,945,309).

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at December 31, 2018 consisted of the following:

Town and County taxes	\$ 396,596
School districts taxes	30,137,559
Tax liens	907,335
Property acquired for taxes	202,134
	<hr/>
	31,643,624
Allowance for uncollectible amounts	(202,134)
	<hr/>
	<u>\$ 31,441,490</u>

School district taxes are offset by liabilities to the school districts, which will be paid no later than April 5, 2019. Taxes receivable are also partially offset by deferred tax revenues of \$1,176,362 which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

B. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2018 were as follows:

Fund	Due From	Due To
General	\$ 169,328	\$ 175,812
Highway	-	1,502
Special Districts	615	1,558
Capital Projects	10,000	-
Non-Major Governmental	-	1,071
	\$ 179,943	\$ 179,943

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

C. Capital Assets

Changes in the Town's capital assets are as follows:

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Capital Assets, not being depreciated:				
Land	\$ 19,483,926	\$ -	\$ -	\$ 19,483,926
Construction-in-progress	11,357,264	6,786,427	-	18,143,691
Total Capital Assets, not being depreciated	\$ 30,841,190	\$ 6,786,427	\$ -	\$ 37,627,617
Capital Assets, being depreciated:				
Buildings and improvements	\$ 40,215,854	\$ -	\$ -	\$ 40,215,854
Machinery and equipment	9,316,264	807,543	544,629	9,579,178
Infrastructure	20,693,729	-	-	20,693,729
Total Capital Assets, being depreciated	70,225,847	807,543	544,629	70,488,761
Less Accumulated Depreciation for:				
Buildings and improvements	10,667,360	1,103,900	-	11,771,260
Machinery and equipment	7,040,517	567,791	544,629	7,063,679
Infrastructure	11,728,656	727,147	-	12,455,803
Total Accumulated Depreciation	29,436,533	2,398,838	544,629	31,290,742
Total Capital Assets, being depreciated, net	\$ 40,789,314	\$ (1,591,295)	\$ -	\$ 39,198,019
Capital Assets, net	\$ 71,630,504	\$ 5,195,132	\$ -	\$ 76,825,636

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

Depreciation expense was charged to the Town's functions and programs as follows:

General Government Support	\$ 325,762
Public Safety	1,134,410
Health	2,159
Transportation	503,996
Culture and Recreation	254,996
Home and Community Services	<u>177,515</u>
Total Depreciation Expense	<u>\$ 2,398,838</u>

D. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2018:

	Balance as Reported January 1, 2018	Cumulative Effect of Change in Accounting Principle*	Balance as Restated January 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2018	Due Within One Year
Bonds Payable	\$ 39,545,075	\$ -	\$ 39,545,075	\$ -	\$ 3,650,076	\$ 35,894,999	\$ 3,470,002
Plus - unamortized premium on bonds	<u>662,418</u>	-	<u>662,418</u>	-	71,860	<u>590,558</u>	-
	40,207,493	-	40,207,493	-	3,721,936	36,485,557	3,470,002
Compensated Absences	2,164,081	-	2,164,081	323,594	216,000	2,271,675	227,000
Net Pension Liability	5,117,004	-	5,117,004	-	3,035,566	2,081,438	-
Other Post Employment Benefit Obligations Payable	<u>24,250,000</u>	<u>55,945,309</u>	<u>80,195,309</u>	<u>(1,152,957)</u>	<u>2,183,858</u>	<u>76,858,494</u>	-
Total Long-Term Liabilities	<u>\$ 71,738,578</u>	<u>\$ 55,945,309</u>	<u>\$ 127,683,887</u>	<u>\$ (829,363)</u>	<u>\$ 9,157,360</u>	<u>\$ 117,697,164</u>	<u>\$ 3,697,002</u>

*See Note 2D.

Each governmental fund's liability for compensated absences, net pension liability and other post employment benefit obligations are liquidated by the General, Highway and Special Districts funds. The Town's indebtedness for bonds is satisfied by the Debt Service Fund, which is primarily funded by the General, Highway and Special Districts funds.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

Bonds Payable

Bonds payable at December 31, 2018 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2018
Public Improvements	2007	\$ 5,330,000	December, 2022	3.750 %	\$ 725,000
Public Improvements	2011	22,255,159	May, 2031	2.400 - 4.403	15,470,000
Public Improvements	2011	198,564	May, 2024	2.424 - 3.721	95,000
Public Improvements	2011	4,360,000	June, 2025	2.125 - 3.250	1,910,000
Refunding Bonds	2013	3,540,000	September, 2019	2.250	525,000
Refunding Bonds	2014	1,645,000	December, 2020	3.000	525,000
Public Improvements	2015	8,577,016	May, 2035	2.250 - 4.000	6,209,999
Public Improvements	2015	977,611	May, 2045	3.000 - 5.000	920,000
Public Improvements	2017	10,030,073	March, 2042	3.000 - 3.625	9,515,000
					<u>\$ 35,894,999</u>

Interest expenditures of \$1,118,042 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$1,036,967 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2018, including interest payments of \$8,193,581 are as follows:

Year Ended December 31,	Principal	Interest	Total
2019	\$ 3,470,002	\$ 993,802	\$ 4,463,804
2020	2,900,002	903,025	3,803,027
2021	2,540,000	824,747	3,364,747
2022	2,579,996	753,539	3,333,535
2023	2,355,001	678,621	3,033,622
2024-2028	11,144,995	2,461,425	13,606,420
2029-2033	7,390,001	1,022,266	8,412,267
2034-2038	2,005,002	426,619	2,431,621
2039-2043	1,415,000	124,981	1,539,981
2044-2045	95,000	4,556	99,556
	<u>\$ 35,894,999</u>	<u>\$ 8,193,581</u>	<u>\$ 44,088,580</u>

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

The above general obligation bonds are direct obligations of the Town for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Town.

Compensated Absences

In accordance with the various collective bargaining agreements, all employees, with the exception of the police bargaining unit, may accumulate sick leave. Payment for accumulated sick leave is at rates in accordance with the provisions enumerated below:

<u>Teamsters - White Collar</u>		<u>Teamsters - Blue Collar</u>	
<u>Sick Leave</u>	<u>Rate of</u>	<u>Sick Leave</u>	<u>Rate of</u>
<u>Accumulation</u>	<u>Reimbursement</u>	<u>Accumulation</u>	<u>Reimbursement</u>
0 to 50 days	10% of all days	0 to 50 days	20% of all days
51 to 100 days	60% of all days	51 to 100 days	40% of all days
101 to 150 days	80% of all days	101 to 150 days	60% of all days
151 to 260 days	100% of all days	151 to 250 days	80% of all days

Vacation time for teamsters and non-union employees may be accumulated to a maximum of thirty days and ten days, respectively. The value of all compensated absences has been recorded in the government-wide financial statements.

Pension Plans

New York State and Local Retirement System

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan, 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.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% 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. The employer contribution rates for the plan's year ending in 2018 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	15.8 %
	4 A15	15.8
	5 A15	13.0
	6 A15	9.3
PFRS	2 375I	17.2 %
	2 384D	24.0
	5 384D	19.4
	6 384D	14.4

At December 31, 2018, the Town reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2018	March 31, 2018
Net pension liability	\$ 751,799	\$ 1,329,639
Town's proportion of the net pension liability	0.0232939%	0.1315488%
Change in proportion since the prior measurement date	0.0006387%	-0.0126275%

The net pension liability was measured as of March 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2018, the Town recognized pension expense in the government-wide financial statements of \$1,071,712 for ERS and \$1,373,351 for PFRS. Pension expenditures of \$1,114,925 for ERS and \$1,174,457 for PFRS were recorded in the fund financial statements and were charged to the following funds:

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

	<u>ERS</u>	<u>PFRS</u>
General	\$ 546,482	\$ 1,174,457
Highway	312,722	-
Special Districts	251,931	-
Non-Major Governmental	3,790	
Total	\$ 1,114,925	\$ 1,174,457

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

	<u>ERS</u>		<u>PFRS</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 268,142	\$ 221,583	\$ 547,266	\$ 353,316	\$ 815,408	\$ 574,899
Changes of assumptions	498,505	-	1,007,442	-	1,505,947	-
Net difference between projected and actual earnings on pension plan investments	1,091,929	2,155,358	1,076,187	2,167,382	2,168,116	4,322,740
Changes in proportion and differences between Town contributions and proportionate share of contributions	487,822	46,294	340,774	87,151	828,596	133,445
Town contributions subsequent to the measurement date	821,899	-	862,674	-	1,684,573	-
	<u>\$ 3,168,297</u>	<u>\$ 2,423,235</u>	<u>\$ 3,834,343</u>	<u>\$ 2,607,849</u>	<u>\$ 7,002,640</u>	<u>\$ 5,031,084</u>

\$821,899 and \$862,674 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	<u>ERS</u>	<u>PFRS</u>
2019	\$ 323,763	\$ 375,462
2020	264,513	345,070
2021	(468,913)	(238,316)
2022	(196,200)	(170,246)
2023	-	51,850

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

The total pension liability for the ERS and PFRS measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2018	March 31, 2018
Actuarial valuation date	April 1, 2017	April 1, 2017
Investment rate of return	7.0% *	7.0%
Salary scale	3.8%	4.5%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

*Compounded annually, net of pension plan investment expenses, including inflation.

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below.

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Assets	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100 %</u>	

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

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

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

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

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 5,688,317</u>	<u>\$ 751,799</u>	<u>\$ (3,424,297)</u>
Town's proportionate share of the PFRS net pension liability (asset)	<u>\$ 6,512,931</u>	<u>\$ 1,329,639</u>	<u>\$ (3,017,927)</u>

The components of the collective net pension liability as of the March 31, 2018 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 183,400,590,000	\$ 32,914,423,000	\$ 216,315,013,000
Fiduciary net position	<u>180,173,145,000</u>	<u>31,903,666,000</u>	<u>212,076,811,000</u>
Employers' net pension liability	<u>\$ 3,227,445,000</u>	<u>\$ 1,010,757,000</u>	<u>\$ 4,238,202,000</u>
Fiduciary net position as a percentage of total pension liability	<u>98.24%</u>	<u>96.93%</u>	<u>98.04%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2018 represent the employer contribution for the period of April 1, 2018 through December 31, 2018 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS and PFRS for the nine months ended December 31, 2018 were \$821,899 and \$862,674, respectively.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

Voluntary Defined Contribution Plan

The Town can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Other Post Employment Benefit Obligations (“OPEB”)

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing post employment health care benefits is shared between the Town and the retired employee as noted below. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

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

Inactive employees currently receiving benefit payments	114
Active employees	<u>119</u>
	<u>233</u>

The Town's total OPEB liability of \$76,858,494 was measured as of December 31, 2018, and was determined by an actuarial valuation as of January 1, 2018.

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.0%, average, including inflation
Discount rate	3.64%
Healthcare cost trend rates	8.0% for 2019, decreasing 0.5% per year to an ultimate rate of 5.0% for 2025 and later years
Retirees' share of benefit-related costs	Varies from 2% to 100%, depending on applicable retirement year and bargaining unit

The discount rate was based the S&P Municipal Bond 20-year High Grade Rate Index as of December 31, 2018.

Mortality rates were based on the RP-2014 mortality table MP-2016 projection.

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

The actuarial assumptions used in the January 1, 2018 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS and PFRS. ERS and PFRS tables were based on a version released in 2015.

The Town's change in the total OPEB liability for the year ended December 31, 2018 is as follows:

Total OPEB Liability - Beginning of Year	\$ 80,195,309
Service cost	1,268,247
Interest	2,879,363
Changes of benefit terms	-
Differences between expected and actual experience	(5,300,567)
Changes in assumptions or other inputs	-
Benefit payments	<u>(2,183,858)</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 76,858,494</u></u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.64%) or 1 percentage point higher (4.64%) than the current discount rate:

	1% Decrease (2.64%)	Current Assumption (3.64%)	1% Increase (4.64%)
Total OPEB Liability	<u>\$ 89,840,754</u>	<u>\$ 76,858,494</u>	<u>\$ 63,876,244</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.0% decreasing to 4.0%) or 1 percentage point higher (9.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 65,039,994</u>	<u>\$ 76,858,494</u>	<u>\$ 90,606,857</u>

For the year ended December 31, 2018, the Town recognized OPEB expense of \$3,264,182 in the government-wide financial statements. At December 31, 2018, the Town reported deferred

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	\$ -	\$ -
Differences between expected and actual experience	-	4,417,139
	<u>\$ -</u>	<u>\$ 4,417,139</u>

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

<u>Year Ended December 31,</u>	
2019	\$ (883,428)
2020	(883,428)
2021	(883,428)
2022	(883,428)
2023	(883,427)
Thereafter	-

E. Revenues and Expenditures

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers:

<u>Transfers Out</u>	<u>Transfer In Debt Service Fund</u>
General Fund	\$ 1,328,015
Highway Fund	870,352
Special Districts Fund	1,715,938
Capital Projects Fund	503,814
	<u>\$ 4,418,119</u>

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

Transfers are used to move amounts from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due.

F. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Unemployment Benefits - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-m of General Municipal Law of the State of New York.

Restricted for DARE - the component of net position that has been established pursuant to State authorization for unexpended gifts and donations restricted to use for the Town's drug resistance education program.

Restricted for Open Space - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6-h of General Municipal Law of the State of New York.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

Restricted for Trusts - the component of net position that has been established to set aside funds in accordance with the terms of the grants.

Unrestricted - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

G. Fund Balances

	2018						2017							
	General Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total	General Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Total
Nonspendable														
Prepaid expenditures	\$ 421,668	\$ 77,354	\$ 61,840	\$ -	\$ -	\$ 842	\$ 561,704	\$ 461,299	\$ 80,661	\$ 67,509	\$ -	\$ -	\$ 1,805	\$ 611,274
Restricted														
Unemployment benefits	70,566	-	-	-	-	-	70,566	70,457	-	-	-	-	-	70,457
DARE	5,399	-	-	-	-	-	5,399	6,848	-	-	-	-	-	6,848
Open space	2,047,510	-	-	-	-	-	2,047,510	2,039,618	-	-	-	-	-	2,039,618
Capital projects	-	-	-	1,418,296	-	-	1,418,296	-	-	-	8,607,945	-	-	8,607,945
Debt service	100,548	158,262	328,601	-	291,334	-	878,745	345,367	155,923	323,744	-	229,585	-	1,054,619
Subsequent year's expenditures debt service	250,000	-	-	-	-	-	250,000	-	-	-	-	350,000	-	350,000
Trusts	-	-	-	-	-	292,199	292,199	-	-	-	-	-	270,815	270,815
Total Restricted	2,474,023	158,262	328,601	1,418,296	291,334	292,199	4,962,715	2,462,290	155,923	323,744	8,607,945	579,585	270,815	12,400,302
Assigned														
Purchases on order														
General government support	7,330	-	-	-	-	-	7,330	6,200	-	-	-	-	-	6,200
Public safety	6,190	-	-	-	-	-	6,190	7,031	-	3,000	-	-	-	10,031
Transportation	-	79,696	-	-	-	-	79,696	-	79,359	-	-	-	-	79,359
Culture and recreation	151	-	260	-	-	-	411	-	-	-	-	-	-	-
Home and community services	-	-	-	-	-	-	-	20,000	-	-	-	-	-	20,000
	13,671	79,696	260	-	-	-	93,627	33,231	79,359	3,000	-	-	-	115,590
Subsequent year's expenditures	200,000	150,000	192,744	-	-	-	542,744	200,000	150,000	88,930	-	-	-	438,930
Major funds	-	2,072,553	4,384,147	-	-	-	6,456,700	-	1,852,968	3,710,882	-	-	-	5,563,850
Total Assigned	213,671	2,302,249	4,577,151	-	-	-	7,093,071	233,231	2,082,327	3,802,812	-	-	-	6,118,370
Unassigned	8,027,115	-	-	-	-	(842)	8,026,273	7,813,834	-	-	-	-	(1,805)	7,812,029
Total Fund Balances	\$ 11,136,477	\$ 2,537,865	\$ 4,967,592	\$ 1,418,296	\$ 291,334	\$ 292,199	\$ 20,643,763	\$ 10,970,654	\$ 2,318,911	\$ 4,194,065	\$ 8,607,945	\$ 579,585	\$ 270,815	\$ 26,941,975

Town of Bedford, New York

Notes to Financial Statements (Continued)
December 31, 2018

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been established to account for retirement, insurance and certain other payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Purchases on order are assigned and represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions. The amounts are reflected as assigned fund balance except where the assignment would cause a negative unassigned fund balance.

Subsequent year's expenditures represent that at December 31, 2018, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned. Unassigned fund balance in the Joint Activity Fund represents the deficit balance in the fund.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Town, if adversely settled.

The Town is a defendant in numerous tax certiorari proceedings, the results of which cannot be determined at the present time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made.

B. Risk Management

The Town purchases various conventional insurance policies to reduce its exposure to loss. The general liability, public officials' liability and police professional liability policies provide for coverage up to \$3 million, \$2 million and \$10 million, respectively. The Town also maintains an excess liability policy with a limit of \$20 million. The Town purchases health insurance and conventional workers' compensation insurance with coverage at statutory levels. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Town of Bedford, New York

Notes to Financial Statements (Concluded)
December 31, 2018

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Contingencies

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, to be immaterial.

Note 5 - Tax Abatements

The Town of Bedford has one real property tax abatement agreement with an affordable housing entity overseen by the NYS Homes and Community Renewal Agency pursuant to Section 420-b of the Real Property Tax Law of the State of New York for the purpose of creating and preserving affordable housing in the Town.

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) based on a percentage of shelter rents, and continue until the property no longer provides the required affordable housing or no longer complies with the requirements of the state

Copies of the agreements may be obtained from either Lisbeth Fumagalli, Town Clerk, 321 Bedford Road, Bedford Hills, NY 10507 townclerk@bedfordny.gov or Abraham Zambrano - Town Comptroller, 425 Cherry Street, Bedford Hills 10507, finance@bedfordny.gov. Information relevant to disclosure of these agreements for the fiscal year ended December 31, 2018 is as follows:

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Value</u>	<u>Tax Rate /\$1,000</u>	<u>Tax Value</u>	<u>PILOT Received</u>	<u>Taxes Abated</u>
11/20/1975	Fellowship Hall, Inc.	\$ 1,210,200	\$ 288.570	\$ 349,227	\$ 41,232	\$ 307,995

Note 6 - Subsequent Event

The Town, in April 2019, issued serial bonds in the amount of \$8,321,325, the proceeds of which will be used for various public improvement projects. The bonds mature annually through April 2039 and bear interest at 3.00%.

Town of Bedford, New York

Required Supplementary Information - Schedule of Changes in the Town's Total OPEB Liability and Related Ratios Last Ten Fiscal Years (1) (2)

	<u>2018</u>
Total OPEB Liability:	
Service cost	\$ 1,268,247
Interest	2,879,363
Changes of benefit terms	-
Differences between expected and actual experience	(5,300,567)
Changes of assumptions or other inputs	-
Benefit payments	<u>(2,183,858)</u>
Net Change in Total OPEB Liability	(3,336,815)
Total OPEB Liability – Beginning of Year	<u>80,195,309 (3)</u>
Total OPEB Liability – End of Year	<u>\$ 76,858,494</u>
Town's covered-employee payroll	<u>\$ 12,845,141</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>598.35%</u>

Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

See independent auditors' report.

Town of Bedford, New York

Required Supplementary Information - Schedule of the
Town's Proportionate Share of the Net Pension Liability
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016 (2)</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.0232939%</u>	<u>0.0226552%</u>	<u>0.0245511%</u>	<u>0.0238836%</u>
Town's proportionate share of the net pension liability	<u>\$ 751,799</u>	<u>\$ 2,128,731</u>	<u>\$ 3,940,516</u>	<u>\$ 805,238</u>
Town's covered payroll	<u>\$ 7,238,155</u>	<u>\$ 7,348,654</u>	<u>\$ 6,931,532</u>	<u>\$ 6,890,095</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>10.39%</u>	<u>28.97%</u>	<u>56.85%</u>	<u>11.69%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

Town of Bedford, New York

Required Supplementary Information - Schedule of Contributions
 New York State and Local Employees' Retirement System
 Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,096,045	\$ 1,168,765	\$ 1,077,832	\$ 1,033,969
Contributions in relation to the contractually required contribution	<u>(1,096,045)</u>	<u>(1,168,765)</u>	<u>(1,077,832)</u>	<u>(1,033,969)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 7,623,854</u>	<u>\$ 7,250,574</u>	<u>\$ 6,994,609</u>	<u>\$ 7,100,942</u>
Contributions as a percentage of covered payroll	<u>14.38%</u>	<u>16.12%</u>	<u>15.41%</u>	<u>14.56%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

See independent auditors' report.

Town of Bedford, New York

Required Supplementary Information - Schedule of the
Town's Proportionate Share of the Net Pension Liability
New York State and Local Police and Fire Retirement System
Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016 (2)</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.1315488%</u>	<u>0.1441763%</u>	<u>0.1253584%</u>	<u>0.1203227%</u>
Town's proportionate share of the net pension liability	<u>\$ 1,329,639</u>	<u>\$ 2,988,273</u>	<u>\$ 3,711,595</u>	<u>331,200</u>
Town's covered payroll	<u>\$ 5,111,285</u>	<u>\$ 5,322,529</u>	<u>\$ 5,461,774</u>	<u>4,651,815</u>
Town's proportionate share of the net pension liability as a percentage of its covered payroll	<u>26.01%</u>	<u>56.14%</u>	<u>67.96%</u>	<u>7.12%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

Town of Bedford, New York

Required Supplementary Information - Schedule of Contributions
 New York State and Local Police and Fire Retirement System
 Last Ten Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,150,232	\$ 1,247,133	\$ 1,268,827	\$ 827,074
Contributions in relation to the contractually required contribution	<u>(1,150,232)</u>	<u>(1,247,133)</u>	<u>(1,268,827)</u>	<u>(827,074)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 5,127,513</u>	<u>\$ 5,130,213</u>	<u>\$ 5,051,706</u>	<u>\$ 5,165,101</u>
Contributions as a percentage of covered payroll	<u>22.43%</u>	<u>24.31%</u>	<u>25.12%</u>	<u>16.01%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*.

See independent auditors' report.

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Town of Bedford, New York

General Fund
Comparative Balance Sheet
December 31,

	2018	2017
ASSETS		
Cash and equivalents	\$ 20,837,925	\$ 47,252,313
Taxes receivable		
Town and County taxes	396,596	530,440
School districts taxes	30,137,559	17,215,361
Tax liens	907,335	798,255
Property acquired for taxes	202,134	202,134
	31,643,624	18,746,190
Allowance for uncollectible taxes	(202,134)	(202,134)
	31,441,490	18,544,056
Other receivables		
Accounts	450,617	446,829
Due from other governments	878,904	875,761
Due from other funds	169,328	4,215
	1,498,849	1,326,805
Prepaid expenditures	421,668	461,299
Total Assets	<u>\$ 54,199,932</u>	<u>\$ 67,584,473</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 765,487	\$ 1,217,783
Due to school districts	40,791,727	43,013,912
Due to other governments	83,232	170,824
Due to other funds	175,812	139,806
Unearned revenues	70,835	260,264
Total Liabilities	41,887,093	44,802,589
Deferred inflows of resources		
Deferred tax revenues	1,176,362	1,111,171
Taxes collected in advance	-	10,700,059
Total Deferred Inflows of Resources	1,176,362	11,811,230
Total Liabilities and Deferred Inflows of Resources	43,063,455	56,613,819
Fund balance		
Nonspendable	421,668	461,299
Restricted	2,474,023	2,462,290
Assigned	213,671	233,231
Unassigned	8,027,115	7,813,834
Total Fund Balance	11,136,477	10,970,654
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 54,199,932</u>	<u>\$ 67,584,473</u>

See independent auditors' report.

Town of Bedford, New York

General Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 12,764,609	\$ 12,764,609	\$ 12,772,289	\$ 7,680
Other tax items	662,666	662,666	624,372	(38,294)
Non-property taxes	2,877,000	2,877,000	3,162,073	285,073
Departmental income	2,629,625	2,629,625	2,570,022	(59,603)
Intergovernmental charges	-	-	189,429	189,429
Use of money and property	163,840	163,840	196,655	32,815
Licenses and permits	148,375	148,375	133,260	(15,115)
Fines and forfeitures	718,250	718,250	816,797	98,547
Sale of property and compensation for loss	30,000	30,000	3,850	(26,150)
State aid	1,134,500	1,134,500	939,411	(195,089)
Federal aid	3,000	3,000	2,100	(900)
Miscellaneous	116,550	116,550	117,509	959
Total Revenues	21,248,415	21,248,415	21,527,767	279,352
EXPENDITURES				
Current				
General government support	3,478,379	3,569,768	3,547,683	22,085
Public safety	6,737,316	6,641,645	6,606,371	35,274
Health	101,911	106,699	105,416	1,283
Transportation	549,197	543,058	541,265	1,793
Economic opportunity and development	10,425	2,025	2,000	25
Culture and recreation	2,609,930	2,547,426	2,527,206	20,220
Home and community services	504,246	695,508	686,615	8,893
Employee benefits	6,284,226	6,181,859	6,181,559	300
Debt service				
Interest	18,000	-	-	-
Total Expenditures	20,293,630	20,287,988	20,198,115	89,873
Excess of Revenues Over Expenditures	954,785	960,427	1,329,652	369,225
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	140,000	158,975	164,186	5,211
Transfers out	(1,328,016)	(1,328,016)	(1,328,015)	1
Total Other Financing Uses	(1,188,016)	(1,169,041)	(1,163,829)	5,212
Net Change in Fund Balance	(233,231)	(208,614)	165,823	374,437
FUND BALANCE				
Beginning of Year	233,231	208,614	10,970,654	10,762,040
End of Year	\$ -	\$ -	\$ 11,136,477	\$ 11,136,477

See independent auditors' report.

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 12,131,182	\$ 12,131,182	\$ 12,060,998	\$ (70,184)
662,000	662,000	656,131	(5,869)
2,805,000	2,835,705	3,042,434	206,729
2,514,625	2,559,175	2,613,280	54,105
-	355,210	355,210	-
154,340	154,397	182,799	28,402
141,500	141,500	113,693	(27,807)
658,250	658,250	786,992	128,742
30,000	30,000	9,525	(20,475)
1,134,500	1,134,500	1,082,820	(51,680)
3,000	454,002	451,002	(3,000)
114,050	123,432	100,210	(23,222)
<u>20,348,447</u>	<u>21,239,353</u>	<u>21,455,094</u>	<u>215,741</u>
3,460,518	3,724,970	3,453,228	271,742
6,676,445	6,596,494	6,518,529	77,965
44,000	47,170	43,935	3,235
540,106	567,566	539,555	28,011
10,425	10,583	4,083	6,500
2,561,168	2,543,047	2,459,420	83,627
563,326	1,380,608	1,280,719	99,889
6,018,133	5,907,960	5,877,810	30,150
112,994	-	-	-
<u>19,987,115</u>	<u>20,778,398</u>	<u>20,177,279</u>	<u>601,119</u>
<u>361,332</u>	<u>460,955</u>	<u>1,277,815</u>	<u>816,860</u>
140,000	185,177	76,879	(108,298)
(852,641)	(997,441)	(997,441)	-
<u>(712,641)</u>	<u>(812,264)</u>	<u>(920,562)</u>	<u>(108,298)</u>
(351,309)	(351,309)	357,253	708,562
<u>351,309</u>	<u>351,309</u>	<u>10,613,401</u>	<u>10,262,092</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,970,654</u>	<u>\$ 10,970,654</u>

Town of Bedford, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
REAL PROPERTY TAXES	\$ 12,764,609	\$ 12,764,609	\$ 12,772,289	\$ 7,680	\$ 12,060,998
OTHER TAX ITEMS					
Payments in lieu of taxes	37,666	37,666	41,232	3,566	37,666
Interest and penalties on real property taxes	625,000	625,000	583,140	(41,860)	618,465
	662,666	662,666	624,372	(38,294)	656,131
NON-PROPERTY TAXES					
Non-property tax distribution from County	2,512,000	2,512,000	2,775,426	263,426	2,644,887
Franchise fees	365,000	365,000	386,647	21,647	397,547
	2,877,000	2,877,000	3,162,073	285,073	3,042,434
DEPARTMENTAL INCOME					
Police fees	77,500	77,500	14,526	(62,974)	78,893
Safety inspection fees	615,000	615,000	695,329	80,329	662,673
Planning Board fees	25,500	25,500	84,150	58,650	100,502
Dog pound fees	1,500	1,500	1,716	216	1,413
Parking lot fees	1,130,000	1,130,000	1,075,147	(54,853)	1,076,346
Parks and recreation charges	601,825	601,825	537,822	(64,003)	553,709
Performing arts	43,850	43,850	15,436	(28,414)	16,077
Town Clerk fees	56,950	56,950	45,712	(11,238)	32,402
Zoning fees	20,000	20,000	17,100	(2,900)	19,900
DWI fees	7,500	7,500	10,969	3,469	3,411
Traffic law enforcement	4,000	4,000	-	(4,000)	600
Charges for tax advertising	3,000	3,000	5,608	2,608	5,990
Refuse and recycling	12,000	12,000	17,843	5,843	18,885
Other	31,000	31,000	48,664	17,664	42,479
	2,629,625	2,629,625	2,570,022	(59,603)	2,613,280
INTERGOVERNMENTAL CHARGES					
East-of-Hudson Water Quality Investment Program Grant	-	-	189,429	189,429	355,210

USE OF MONEY AND PROPERTY

Earnings on investments	22,100	22,100	66,357	44,257	49,089
Rentals	141,740	141,740	130,298	(11,442)	133,710

	<u>163,840</u>	<u>163,840</u>	<u>196,655</u>	<u>32,815</u>	<u>182,799</u>
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LICENSES AND PERMITS

Dog license apportionment	20,375	20,375	20,255	(120)	21,843
Alarm permits and charges	128,000	128,000	113,005	(14,995)	91,850

	<u>148,375</u>	<u>148,375</u>	<u>133,260</u>	<u>(15,115)</u>	<u>113,693</u>
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FINES AND FORFEITURES

Fines and forfeited bail	718,000	718,000	816,797	98,797	786,892
Fines and penalties - Dog cases	250	250	-	(250)	100

	<u>718,250</u>	<u>718,250</u>	<u>816,797</u>	<u>98,547</u>	<u>786,992</u>
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SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	30,000	30,000	3,850	(26,150)	9,525
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	<u>30,000</u>	<u>30,000</u>	<u>3,850</u>	<u>(26,150)</u>	<u>9,525</u>
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STATE AID

63

Per capita	79,500	79,500	79,494	(6)	79,494
Mortgage tax	1,040,000	1,040,000	843,816	(196,184)	985,904
Substance abuse	5,000	5,000	-	(5,000)	-
Police grants	10,000	10,000	13,053	3,053	5,942
Theatre arts grant	-	-	-	-	4,068
Youth grant	-	-	3,048	3,048	7,412

	<u>1,134,500</u>	<u>1,134,500</u>	<u>939,411</u>	<u>(195,089)</u>	<u>1,082,820</u>
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FEDERAL AID

Police grants	3,000	3,000	-	(3,000)	2,050
Bulletproof vest partnership grant	-	-	2,100	2,100	-
Community development block grant	-	-	-	-	448,952

	<u>3,000</u>	<u>3,000</u>	<u>2,100</u>	<u>(900)</u>	<u>451,002</u>
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Town of Bedford, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
MISCELLANEOUS					
Historical books	\$ 5,000	\$ 5,000	\$ 720	\$ (4,280)	\$ 200
Refund of prior year's expenditures	-	-	37,326	37,326	40,166
Other	111,550	111,550	79,463	(32,087)	59,844
	<u>116,550</u>	<u>116,550</u>	<u>117,509</u>	<u>959</u>	<u>100,210</u>
TOTAL REVENUES	<u>21,248,415</u>	<u>21,248,415</u>	<u>21,527,767</u>	<u>279,352</u>	<u>21,455,094</u>
OTHER FINANCING SOURCES					
Insurance recoveries	140,000	158,975	164,186	5,211	76,879
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 21,388,415</u>	<u>\$ 21,407,390</u>	<u>\$ 21,691,953</u>	<u>\$ 284,563</u>	<u>\$ 21,531,973</u>

Town of Bedford, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 174,930	\$ 126,944	\$ 120,892	\$ 6,052	\$ 190,286
Town Justices	582,372	564,675	562,282	2,393	563,564
Supervisor	271,140	293,285	292,835	450	267,261
Finance	429,914	429,390	427,405	1,985	405,221
Audit	52,000	53,000	53,000	-	52,000
Receiver of Taxes	122,578	115,048	114,646	402	111,803
Assessor	201,598	217,151	214,932	2,219	192,193
Board of Assessors	2,400	1,400	1,321	79	2,057
Town Clerk	239,025	295,920	292,142	3,778	238,477
Town Attorney	320,000	455,037	455,037	-	426,194
Personnel	86,793	87,116	86,464	652	84,842
Engineer	90,000	37,000	36,968	32	66,631
Elections	34,731	36,294	36,293	1	36,455
Records management	4,391	12,657	12,656	1	4,023
Public works	-	6,751	6,751	-	10,824
Buildings	88,930	107,090	105,273	1,817	89,550
Central printing and mailing	43,000	39,552	39,194	358	43,171
Central data processing	113,672	128,200	128,182	18	136,830
Municipal association dues	5,000	5,485	5,485	-	4,665
Judgments and claims	50,000	2,025	1,788	237	4,930
Metropolitan commuter transportation mobility tax	33,276	33,276	32,875	401	32,130
Unallocated insurance	230,080	209,880	209,785	95	201,698
Taxes on Town property	800	2,348	2,347	1	2,268
Town House	282,129	310,244	309,130	1,114	286,155
Contingent account	19,620	-	-	-	-
	<u>3,478,379</u>	<u>3,569,768</u>	<u>3,547,683</u>	<u>22,085</u>	<u>3,453,228</u>

PUBLIC SAFETY

Police	6,219,899	6,170,267	6,137,098	33,169	6,004,165
DARE	1,500	1,949	1,949	-	1,571
Control of animals	45,427	42,166	41,889	277	32,217
Safety inspection	443,190	412,863	411,292	1,571	461,717
Emergency operations	-	-	-	-	3,130
School crossing guards	27,300	14,400	14,143	257	15,729
	<u>6,737,316</u>	<u>6,641,645</u>	<u>6,606,371</u>	<u>35,274</u>	<u>6,518,529</u>

HEALTH

Nursing association	500	-	-	-	-
Registrar of Vital Statistics	4,000	2,900	2,900	-	2,980
Environmental health program	2,500	800	785	15	785
Drug abuse prevention	79,911	87,999	86,731	1,268	25,170
Ambulance	15,000	15,000	15,000	-	15,000
	<u>101,911</u>	<u>106,699</u>	<u>105,416</u>	<u>1,283</u>	<u>43,935</u>

TRANSPORTATION

Superintendent of Highways	242,302	248,653	248,652	1	247,839
Off-street parking	306,895	294,405	292,613	1,792	291,716
	<u>549,197</u>	<u>543,058</u>	<u>541,265</u>	<u>1,793</u>	<u>539,555</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Blue Mountain Development	6,925	25	-	25	2,083
Veteran's services	3,500	2,000	2,000	-	2,000
	<u>10,425</u>	<u>2,025</u>	<u>2,000</u>	<u>25</u>	<u>4,083</u>

CULTURE AND RECREATION

Programs for the aging	38,000	32,200	31,684	516	31,141
Performing arts	45,460	26,279	25,248	1,031	29,279
Recreation administration	388,365	385,237	382,345	2,892	344,423
Recreation programs	615,165	572,057	567,016	5,041	565,801
Parks	14,015	16,698	13,980	2,718	22,295
Senior citizen recreation	76,913	64,939	58,655	6,284	60,207
Libraries	1,374,662	1,374,662	1,374,662	-	1,359,662
Historical property	29,500	37,529	36,095	1,434	27,543
Historian	27,850	37,825	37,521	304	19,069
	<u>2,609,930</u>	<u>2,547,426</u>	<u>2,527,206</u>	<u>20,220</u>	<u>2,459,420</u>

(Continued)

Town of Bedford, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)

Year Ended December 31, 2018

(With Comparative Actuals for 2017)

67

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2017 Actual
HOME AND COMMUNITY SERVICES					
Cemeteries	\$ 22,100	\$ 29,260	\$ 28,346	\$ 914	\$ 18,340
Zoning Board	42,797	46,256	45,987	269	45,279
Planning Board	327,549	326,300	322,028	4,272	693,803
Tree Advisory Board	8,500	8,200	7,099	1,101	4,485
Conservation Board	-	-	-	-	331
Septic system repair program	-	189,430	189,429	1	355,210
Energy advisory panel	9,500	9,907	9,907	-	-
Recycling	-	-	-	-	70,880
Wetlands Commission	62,780	75,635	74,310	1,325	82,343
Pest Control	2,000	1,000	89	911	-
Refuse and garbage	4,000	-	-	-	-
Community beautification	25,020	9,520	9,420	100	10,048
	<u>504,246</u>	<u>695,508</u>	<u>686,615</u>	<u>8,893</u>	<u>1,280,719</u>
EMPLOYEE BENEFITS					
State retirement	655,928	546,528	546,482	46	563,122
Police retirement	1,184,891	1,174,457	1,174,457	-	1,252,557
Social security	546,790	534,277	534,277	-	522,585
Medicare	139,823	138,123	138,047	76	134,304
Workers' compensation benefits	198,000	170,175	170,175	-	204,552
Hospital and medical insurance	3,311,777	3,418,677	3,418,676	1	2,997,527
Welfare fund	37,700	34,900	34,900	-	35,300
Police welfare fund	29,000	16,150	16,148	2	11,845
Dental and optical plan	175,021	148,566	148,397	169	147,363
Unemployment benefits	-	-	-	-	2,000
Employee assistance plan	5,296	6	-	6	6,655
	<u>6,284,226</u>	<u>6,181,859</u>	<u>6,181,559</u>	<u>300</u>	<u>5,877,810</u>
DEBT SERVICE					
Interest					
Bond anticipation notes	18,000	-	-	-	-
TOTAL EXPENDITURES	<u>20,293,630</u>	<u>20,287,988</u>	<u>20,198,115</u>	<u>89,873</u>	<u>20,177,279</u>

OTHER FINANCING USES

Transfers out

Debt Service Fund

<u>1,328,016</u>	<u>1,328,016</u>	<u>1,328,015</u>	<u>1</u>	<u>997,441</u>
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**TOTAL EXPENDITURES AND OTHER
FINANCING USES**

<u>\$ 21,621,646</u>	<u>\$ 21,616,004</u>	<u>\$ 21,526,130</u>	<u>\$ 89,874</u>	<u>\$ 21,174,720</u>
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Town of Bedford, New York

Highway Fund
Comparative Balance Sheet
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and equivalents	\$ 2,815,506	\$ 2,581,907
Receivables		
Accounts	60,998	84,661
Due from other governments	-	16,064
	<u>60,998</u>	<u>100,725</u>
Prepaid expenditures	<u>77,354</u>	<u>80,661</u>
Total Assets	<u>\$ 2,953,858</u>	<u>\$ 2,763,293</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 414,491	\$ 443,741
Due to other funds	<u>1,502</u>	<u>641</u>
Total Liabilities	<u>415,993</u>	<u>444,382</u>
Fund balance		
Nonspendable	77,354	80,661
Restricted	158,262	155,923
Assigned	<u>2,302,249</u>	<u>2,082,327</u>
Total Fund Balance	<u>2,537,865</u>	<u>2,318,911</u>
Total Liabilities and Fund Balance	<u>\$ 2,953,858</u>	<u>\$ 2,763,293</u>

See independent auditors' report.

Town of Bedford, New York

Highway Fund

Comparative Schedule of Revenues, Expenditures and Changes in

Fund Balance - Budget and Actual

Years Ended December 31,

2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 7,495,953	\$ 7,495,953	\$ 7,495,703	\$ (250)
Intergovernmental charges	35,000	35,000	71,610	36,610
Use of money and property	8,000	8,000	13,944	5,944
Sale of property and com- pensation for loss	51,400	51,400	66,336	14,936
State aid	259,440	259,440	367,935	108,495
Miscellaneous	105,000	105,000	93,055	(11,945)
Total Revenues	7,954,793	7,954,793	8,108,583	153,790
EXPENDITURES				
Current				
General government support	159,981	95,601	94,246	1,355
Transportation	5,293,556	5,481,136	5,252,832	228,304
Employee benefits	1,821,263	1,677,063	1,672,199	4,864
Debt service				
Interest	39,000	-	-	-
Total Expenditures	7,313,800	7,253,800	7,019,277	234,523
Excess of Revenues Over Expenditures	640,993	700,993	1,089,306	388,313
OTHER FINANCING USES				
Transfers out	(870,352)	(870,352)	(870,352)	-
Net Change in Fund Balance	(229,359)	(169,359)	218,954	388,313
FUND BALANCE				
Beginning of Year	229,359	169,359	2,318,911	2,149,552
End of Year	\$ -	\$ -	\$ 2,537,865	\$ 2,537,865

See independent auditors' report.

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,362,128	\$ 7,362,128	\$ 7,355,250	\$ (6,878)
35,000	35,000	35,213	213
8,000	8,000	12,797	4,797
51,400	51,400	104,515	53,115
259,440	259,440	367,747	108,307
105,000	105,000	85,417	(19,583)
<u>7,820,968</u>	<u>7,820,968</u>	<u>7,960,939</u>	<u>139,971</u>
107,189	107,692	90,350	17,342
5,114,756	5,171,484	4,871,386	300,098
1,737,601	1,662,800	1,605,125	57,675
14,850	-	-	-
<u>6,974,396</u>	<u>6,941,976</u>	<u>6,566,861</u>	<u>375,115</u>
846,572	878,992	1,394,078	515,086
<u>(1,041,898)</u>	<u>(1,062,634)</u>	<u>(1,062,633)</u>	<u>1</u>
(195,326)	(183,642)	331,445	515,087
<u>195,326</u>	<u>183,642</u>	<u>1,987,466</u>	<u>1,803,824</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,318,911</u>	<u>\$ 2,318,911</u>

Town of Bedford, New York

Special Districts Fund
 Combining Balance Sheet - Sub-Funds
 December 31, 2018
 (With Comparative Totals for 2017)

	Water Districts				Park Districts		
	Consolidated	Cedar Downs	Farms	Old Post Road	Bedford Village Memorial	Bedford Hills Memorial	Katonah Memorial
ASSETS							
Cash and equivalents	\$ 3,162,079	\$ 160,384	\$ 129,213	\$ 142,585	\$ 138,720	\$ 150,113	\$ 563,618
Receivables							
Accounts	302,795	6,508	3,909	8,939	3,664	3,664	3,664
Due fro other governments	229,383	-	-	-	-	-	-
Due from other funds	-	-	-	-	615	-	-
	532,178	6,508	3,909	8,939	4,279	3,664	3,664
Prepaid expenditures	25,033	-	-	-	12,269	12,148	12,390
Total Assets	\$ 3,719,290	\$ 166,892	\$ 133,122	\$ 151,524	\$ 155,268	\$ 165,925	\$ 579,672
LIABILITIES AND FUND BALANCES (DEFICITS)							
Liabilities							
Accounts payable	\$ 277,371	\$ 882	\$ 1,816	\$ 282	\$ 8,590	\$ 9,475	\$ 8,970
Due to other funds	1,039	-	-	-	-	516	3
Unearned revenues	5,656	-	-	-	-	-	-
Total Liabilities	284,066	882	1,816	282	8,590	9,991	8,973
Fund balances (deficits)							
Nonspendable	25,033	-	-	-	12,269	12,148	12,390
Restricted	67,792	-	12,558	23,057	-	225,194	-
Assigned	3,342,399	166,010	118,748	128,185	134,409	(81,408)	558,309
Total Fund Balances (Deficits)	3,435,224	166,010	131,306	151,242	146,678	155,934	570,699
Total Liabilities and Fund Balances (Deficits)	\$ 3,719,290	\$ 166,892	\$ 133,122	\$ 151,524	\$ 155,268	\$ 165,925	\$ 579,672

See independent auditors' report.

Lighting Districts					Totals	
Bedford Village	Bedford Hills	Katonah	Fire Protection District No. 1	Bedford Ambulance District No. 1	2018	2017
\$ 21,642	\$ 29,004	\$ 16,087	\$ 23,980	\$ 119,967	\$ 4,657,392	\$ 3,816,427
-	-	-	-	-	333,143	344,067
-	-	-	-	-	229,383	229,918
-	-	-	-	-	615	-
-	-	-	-	-	563,141	573,985
-	-	-	-	-	61,840	67,509
<u>\$ 21,642</u>	<u>\$ 29,004</u>	<u>\$ 16,087</u>	<u>\$ 23,980</u>	<u>\$ 119,967</u>	<u>\$ 5,282,373</u>	<u>\$ 4,457,921</u>
\$ -	\$ 181	\$ -	\$ -	\$ -	\$ 307,567	\$ 231,355
-	-	-	-	-	1,558	391
-	-	-	-	-	5,656	32,110
-	181	-	-	-	314,781	263,856
-	-	-	-	-	61,840	67,509
-	-	-	-	-	328,601	323,744
21,642	28,823	16,087	23,980	119,967	4,577,151	3,802,812
21,642	28,823	16,087	23,980	119,967	4,967,592	4,194,065
<u>\$ 21,642</u>	<u>\$ 29,004</u>	<u>\$ 16,087</u>	<u>\$ 23,980</u>	<u>\$ 119,967</u>	<u>\$ 5,282,373</u>	<u>\$ 4,457,921</u>

Town of Bedford, New York

Special Districts Fund
 Combining Schedule of Revenues, Expenditures and Changes
 in Fund Balances - Sub-Funds
 Year Ended December 31, 2018
 (With Comparative Totals for 2017)

	Water Districts				Park Districts		
	Consolidated	Cedar Downs	Farms	Old Post Road	Bedford Village Memorial	Bedford Hills Memorial	Katonah Memorial
REVENUES							
Real property taxes	\$ 1,379,412	\$ 43,112	\$ 81,665	\$ 50,089	\$ 716,350	\$ 821,895	\$ 732,703
Departmental income	2,365,985	22,201	19,221	45,366	92,523	126,589	161,409
Use of money and property	21,115	448	637	2,188	1,546	1,742	2,608
Miscellaneous	41,317	-	-	-	5,034	3,949	4,406
Total Revenues	3,807,829	65,761	101,523	97,643	815,453	954,175	901,126
EXPENDITURES							
Current							
General government support	35,712	495	498	496	10,857	6,174	5,603
Public safety	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	479,362	489,153	483,436
Home and community services	1,711,799	37,288	61,193	69,659	-	-	-
Employee benefits	430,315	-	-	-	151,772	151,165	153,778
Total Expenditures	2,177,826	37,783	61,691	70,155	641,991	646,492	642,817
Excess of Revenues Over Expenditures	1,630,003	27,978	39,832	27,488	173,462	307,683	258,309
OTHER FINANCING USES							
Transfers out	(1,108,451)	(19,318)	(29,798)	(10,592)	(131,163)	(236,313)	(180,303)
Net Change in Fund Balances	521,552	8,660	10,034	16,896	42,299	71,370	78,006
FUND BALANCES							
Beginning of Year	2,913,672	157,350	121,272	134,346	104,379	84,564	492,693
End of Year	\$ 3,435,224	\$ 166,010	\$ 131,306	\$ 151,242	\$ 146,678	\$ 155,934	\$ 570,699

See independent auditors' report.

Lighting Districts					Totals	
Bedford Village	Bedford Hills	Katonah	Fire Protection District No. 1	Bedford Ambulance District No. 1	2018	2017
\$ 15,319	\$ 36,145	\$ 29,491	\$ 74,942	\$ 328,260	\$ 4,309,383	\$ 4,409,503
-	-	-	-	-	2,833,294	2,995,736
63	97	67	-	-	30,511	26,743
-	-	-	-	44,520	99,226	118,410
<u>15,382</u>	<u>36,242</u>	<u>29,558</u>	<u>74,942</u>	<u>372,780</u>	<u>7,272,414</u>	<u>7,550,392</u>
8	9	-	-	-	59,852	55,371
-	-	-	70,039	-	70,039	64,825
-	-	-	-	367,819	367,819	364,552
12,570	28,612	25,137	-	-	66,319	81,526
-	-	-	-	-	1,451,951	1,394,102
-	-	-	-	-	1,879,939	1,839,560
-	-	-	-	-	887,030	853,989
<u>12,578</u>	<u>28,621</u>	<u>25,137</u>	<u>70,039</u>	<u>367,819</u>	<u>4,782,949</u>	<u>4,653,925</u>
<u>2,804</u>	<u>7,621</u>	<u>4,421</u>	<u>4,903</u>	<u>4,961</u>	<u>2,489,465</u>	<u>2,896,467</u>
-	-	-	-	-	(1,715,938)	(2,313,682)
2,804	7,621	4,421	4,903	4,961	773,527	582,785
<u>18,838</u>	<u>21,202</u>	<u>11,666</u>	<u>19,077</u>	<u>115,006</u>	<u>4,194,065</u>	<u>3,611,280</u>
<u>\$ 21,642</u>	<u>\$ 28,823</u>	<u>\$ 16,087</u>	<u>\$ 23,980</u>	<u>\$ 119,967</u>	<u>\$ 4,967,592</u>	<u>\$ 4,194,065</u>

Town of Bedford, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and equivalents	\$ 2,424,814	\$ 9,162,212
Due from other funds	10,000	148,250
Restricted assets	<u>-</u>	<u>503,814</u>
Total Assets	<u>\$ 2,434,814</u>	<u>\$ 9,814,276</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,016,518	\$ 1,203,871
Due to other funds	<u>-</u>	<u>2,460</u>
Total Liabilities	1,016,518	1,206,331
Fund balance		
Restricted	<u>1,418,296</u>	<u>8,607,945</u>
Total Liabilities and Fund Balance	<u>\$ 2,434,814</u>	<u>\$ 9,814,276</u>

See independent auditors' report.

Town of Bedford, New York

Capital Projects Fund

Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance

Years Ended December 31,

	<u>2018</u>	<u>2017</u>
REVENUES		
State aid	\$ 155,350	\$ -
Miscellaneous	<u>7,071</u>	<u>849,703</u>
Total Revenues	162,421	849,703
EXPENDITURES		
Capital outlay	<u>6,848,256</u>	<u>5,593,177</u>
Deficiency of Revenues Over Expenditures	<u>(6,685,835)</u>	<u>(4,743,474)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued	-	10,030,073
Transfers out	<u>(503,814)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(503,814)</u>	<u>10,030,073</u>
Net Change in Fund Balance	(7,189,649)	5,286,599
FUND BALANCE		
Beginning of Year	<u>8,607,945</u>	<u>3,321,346</u>
End of Year	<u>\$ 1,418,296</u>	<u>\$ 8,607,945</u>

See independent auditors' report.

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Town of Bedford, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and equivalents	<u>\$ 291,334</u>	<u>\$ 579,585</u>
FUND BALANCE		
Restricted	<u>\$ 291,334</u>	<u>\$ 579,585</u>

See independent auditors' report.

Town of Bedford, New York

Debt Service Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended December 31,

	2018			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 61,748	\$ 61,748
EXPENDITURES				
Debt service				
Serial bonds				
Principal	3,650,076	3,650,076	3,650,076	-
Interest	1,118,043	1,118,043	1,118,042	1
Total Expenditures	4,768,119	4,768,119	4,768,118	1
Deficiency of Revenues Over Expenditures	(4,768,119)	(4,768,119)	(4,706,370)	61,749
OTHER FINANCING SOURCES				
Issuance premium	-	-	-	-
Transfers in	4,418,119	4,418,119	4,418,119	-
Total Other Financing Sources	4,418,119	4,418,119	4,418,119	-
Net Change in Fund Balance	(350,000)	(350,000)	(288,251)	61,749
FUND BALANCE				
Beginning of Year	350,000	350,000	579,585	229,585
End of Year	\$ -	\$ -	\$ 291,334	\$ 291,334

See independent auditors' report.

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 32,642	\$ 32,642
3,575,000	3,575,000	3,575,000	-
1,156,189	1,156,189	1,063,755	92,434
4,731,189	4,731,189	4,638,755	92,434
(4,731,189)	(4,731,189)	(4,606,113)	125,076
-	-	120,479	120,479
4,466,189	4,466,189	4,373,756	(92,433)
4,466,189	4,466,189	4,494,235	28,046
(265,000)	(265,000)	(111,878)	153,122
265,000	265,000	691,463	426,463
\$ -	\$ -	\$ 579,585	\$ 579,585

Town of Bedford, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 December 31, 2018
 (With Comparative Totals for 2017)

	Joint Activity	Special Purpose	Total Non-Major Governmental Funds	
			2018	2017
ASSETS				
Cash and equivalents	\$ -	\$ 292,199	\$ 292,199	\$ 279,022
Due from other governments	4,000	-	4,000	4,000
Prepaid expenditures	842	-	842	1,805
Total Assets	<u>\$ 4,842</u>	<u>\$ 292,199</u>	<u>\$ 297,041</u>	<u>\$ 284,827</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 2,958	\$ -	\$ 2,958	\$ 3,409
Due to other governments	813	-	813	1,436
Due to other funds	1,071	-	1,071	9,167
Total Liabilities	<u>4,842</u>	<u>-</u>	<u>4,842</u>	<u>14,012</u>
Fund balances (deficits)				
Nonspendable	842	-	842	1,805
Restricted	-	292,199	292,199	270,815
Unassigned	(842)	-	(842)	(1,805)
Total Fund Balances (Deficits)	<u>-</u>	<u>292,199</u>	<u>292,199</u>	<u>270,815</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 4,842</u>	<u>\$ 292,199</u>	<u>\$ 297,041</u>	<u>\$ 284,827</u>

See independent auditors' report.

Town of Bedford, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2018
(With Comparative Totals for 2017)

	Joint Activity	Special Purpose	Total Non-Major Governmental Funds	
			2018	2017
REVENUES				
Departmental income	\$ 39,961	\$ 21,000	\$ 60,961	\$ 38,309
Use of money and property	-	384	384	313
Total Revenues	<u>39,961</u>	<u>21,384</u>	<u>61,345</u>	<u>38,622</u>
EXPENDITURES				
Current				
Health	34,315	-	34,315	33,189
Home and community services	-	-	-	63,264
Employee benefits	<u>5,646</u>	-	<u>5,646</u>	<u>5,120</u>
Total Expenditures	<u>39,961</u>	<u>-</u>	<u>39,961</u>	<u>101,573</u>
Excess (Deficiency) of Revenues Over Expenditures	-	21,384	21,384	(62,951)
FUND BALANCES				
Beginning of Year	-	<u>270,815</u>	<u>270,815</u>	<u>333,766</u>
End of Year	<u>\$ -</u>	<u>\$ 292,199</u>	<u>\$ 292,199</u>	<u>\$ 270,815</u>

See independent auditors' report.

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Town of Bedford, New York

Joint Activity Fund - Drug Abuse Prevention
Comparative Balance Sheet
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and equivalents	\$ -	\$ 8,207
Due from other governments	4,000	4,000
Prepaid expenditures	<u>842</u>	<u>1,805</u>
Total Assets	<u>\$ 4,842</u>	<u>\$ 14,012</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,958	\$ 3,409
Due to other governments	813	1,436
Due to other funds	<u>1,071</u>	<u>9,167</u>
Total Liabilities	<u>4,842</u>	<u>14,012</u>
Fund balance (deficit)		
Nonspendable	842	1,805
Unassigned	<u>(842)</u>	<u>(1,805)</u>
Total Fund Balance	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 4,842</u>	<u>\$ 14,012</u>

See independent auditors' report.

Town of Bedford, New York

Joint Activity Fund - Drug Abuse Prevention
 Comparative Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 Years Ended December 31,

	2018			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Departmental income	\$ 41,500	\$ 41,500	\$ 39,961	\$ (1,539)
State aid	4,000	4,000	-	(4,000)
Total Revenues	<u>45,500</u>	<u>45,500</u>	<u>39,961</u>	<u>(5,539)</u>
EXPENDITURES				
Current				
Health	39,641	39,641	34,315	5,326
Employee benefits	5,859	5,859	5,646	213
Total Expenditures	<u>45,500</u>	<u>45,500</u>	<u>39,961</u>	<u>5,539</u>
Excess of Revenues Over Expenditures	-	-	-	-
FUND BALANCE				
Beginning of Year	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

2017

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 41,500	\$ 41,500	\$ 38,309	\$ (3,191)
4,000	4,000	-	(4,000)
<u>45,500</u>	<u>45,500</u>	<u>38,309</u>	<u>(7,191)</u>
39,641	39,641	33,189	6,452
5,859	5,859	5,120	739
<u>45,500</u>	<u>45,500</u>	<u>38,309</u>	<u>7,191</u>
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Town of Bedford, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and equivalents	<u>\$ 292,199</u>	<u>\$ 270,815</u>
FUND BALANCE		
Restricted	<u>\$ 292,199</u>	<u>\$ 270,815</u>

See independent auditors' report.

Town of Bedford, New York

Special Purpose Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31,

	<u>2018</u>	<u>2017</u>
REVENUES		
Departmental income	\$ 21,000	\$ -
Use of money and property	<u>384</u>	<u>313</u>
Total Revenues	21,384	313
EXPENDITURES		
Current		
Home and community services	<u>-</u>	<u>63,264</u>
Excess (Deficiency) of Revenues Over Expenditures	21,384	(62,951)
FUND BALANCE		
Beginning of Year	<u>270,815</u>	<u>333,766</u>
End of Year	<u>\$ 292,199</u>	<u>\$ 270,815</u>

See independent auditors' report.