

All Numbers in This Report  
Have Been Rounded To  
The Nearest Dollar

ANNUAL FINANCIAL REPORT  
UPDATE DOCUMENT  
For The  
TOWN of Canaan  
County of Columbia  
For the Fiscal Year Ended 12/31/2021

\*\*\*\*\*

AUTHORIZATION

ARTICLE 3, SECTION 30 of the GENERAL MUNICIPAL LAW:

1. \*\*\*Every Municipal Corporation \*\*\* shall annually make a report of its financial condition to the Comptroller. Such report shall be made by the Chief Fiscal Officer of such Municipal Corporation \*\*\*

5. All reports shall be certified by the officer making the same and shall be filed with the Comptroller \*\*\* It shall be the duty of the incumbent officer at the time such reports are required to be filed with the Comptroller to file such report \*\*\*

State of NEW YORK  
Office of The State Comptroller  
Division of Local Government and School Accountability  
Albany, New York 12236

TOWN OF Canaan

\*\*\* FINANCIAL SECTION \*\*\*

Financial Information for the following funds and account groups are included in the Annual Financial Report filed by your government for the fiscal year ended 2020 and has been used by the OSC as the basis for preparing this update document for the fiscal year ended 2021:

- (A) GENERAL
- (CR) RECREATION
- (DA) HIGHWAY-TOWN-WIDE
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (SF) FIRE PROTECTION
- (SL) LIGHTING
- (SM) MISCELLANEOUS
- (TA) AGENCY
- (W) GENERAL LONG-TERM DEBT

All amounts included in this update document for 2020 represent data filed by your government with OSC as reviewed and adjusted where necessary.

\*\*\* SUPPLEMENTAL SECTION \*\*\*

The Supplemental Section includes the following sections:

- 1) Statement of Indebtedness
- 2) Schedule of Time Deposits and Investments
- 3) Bank Reconciliation
- 4) Local Government Questionnaire
- 5) Schedule of Employee and Retiree Benefits
- 6) Schedule of Energy Costs and Consumption

All numbers in this report will be rounded to the nearest dollar.

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Cash	296,002	A200	438,640
Petty Cash	200	A210	200
Cash With Fiscal Agent	4,797	A223	5,582
<b>TOTAL Cash</b>	<b>300,999</b>		<b>444,422</b>
Accounts Receivable	3,000	A380	3,000
<b>TOTAL Other Receivables (net)</b>	<b>3,000</b>		<b>3,000</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>303,999</b>		<b>447,422</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Balance Sheet

Code Description	2020	EdpCode	2021
Accounts Payable		A600	
<b>TOTAL Accounts Payable</b>	<b>0</b>		<b>0</b>
Accrued Liabilities	24,506	A601	12,111
<b>TOTAL Accrued Liabilities</b>	<b>24,506</b>		<b>12,111</b>
<b>TOTAL Liabilities</b>	<b>24,506</b>		<b>12,111</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflow of Resources		A691	87,256
<b>TOTAL Deferred Inflows of Resources</b>	<b>0</b>		<b>87,256</b>
<b>TOTAL Deferred Inflows of Resources</b>	<b>0</b>		<b>87,256</b>
<b>Fund Balance</b>			
Committed Fund Balance	3,759	A913	5,582
<b>TOTAL Committed Fund Balance</b>	<b>3,759</b>		<b>5,582</b>
Assigned Appropriated Fund Balance	70,000	A914	50,000
<b>TOTAL Assigned Fund Balance</b>	<b>70,000</b>		<b>50,000</b>
Unassigned Fund Balance	205,734	A917	292,473
<b>TOTAL Unassigned Fund Balance</b>	<b>205,734</b>		<b>292,473</b>
<b>TOTAL Fund Balance</b>	<b>279,493</b>		<b>348,055</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>303,999</b>		<b>447,422</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	EdpCode	2021
<b>Revenues</b>			
Real Property Taxes	388,652	A1001	407,530
<b>TOTAL Real Property Taxes</b>	<b>388,652</b>		<b>407,530</b>
Interest & Penalties On Real Prop Taxes	8,387	A1090	6,767
<b>TOTAL Real Property Tax Items</b>	<b>8,387</b>		<b>6,767</b>
Non Prop Tax Dist By County		A1120	
Franchises	8,212	A1170	11,399
<b>TOTAL Non Property Tax Items</b>	<b>8,212</b>		<b>11,399</b>
Clerk Fees	2,426	A1255	3,238
Zoning Fees	290	A2110	135
Planning Board Fees	400	A2115	325
<b>TOTAL Departmental Income</b>	<b>3,116</b>		<b>3,698</b>
Share of Joint Activity, Other Govts	4,150	A2390	1,675
<b>TOTAL Intergovernmental Charges</b>	<b>4,150</b>		<b>1,675</b>
Interest And Earnings	1,183	A2401	547
<b>TOTAL Use of Money And Property</b>	<b>1,183</b>		<b>547</b>
Dog Licenses	1,630	A2544	958
Building And Alteration Permits	13,360	A2555	17,133
<b>TOTAL Licenses And Permits</b>	<b>14,990</b>		<b>18,091</b>
Fines And Forfeited Bail	28,049	A2610	47,189
<b>TOTAL Fines And Forfeitures</b>	<b>28,049</b>		<b>47,189</b>
Gifts And Donations	36,808	A2705	376
AIM Related Payments	7,934	A2750	7,934
<b>TOTAL Miscellaneous Local Sources</b>	<b>44,742</b>		<b>8,310</b>
St Aid, Revenue Sharing		A3001	
St Aid, Mortgage Tax	101,917	A3005	111,706
St Aid, Other Health	11,569	A3489	11,336
<b>TOTAL State Aid</b>	<b>113,486</b>		<b>123,042</b>
<b>TOTAL Revenues</b>	<b>614,967</b>		<b>628,248</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>614,967</b>		<b>628,248</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	EdpCode	2021
<b>Expenditures</b>			
Legislative Board, Pers Serv	7,200	A10101	7,200
Legislative Board, Contr Expend	36	A10104	
<b>TOTAL Legislative Board</b>	<b>7,236</b>		<b>7,200</b>
Municipal Court, Pers Serv	50,120	A11101	50,782
Municipal Court, Contr Expend	4,342	A11104	4,594
<b>TOTAL Municipal Court</b>	<b>54,462</b>		<b>55,376</b>
Supervisor,pers Serv	5,000	A12201	5,000
Supervisor,contr Expend		A12204	2,931
<b>TOTAL Supervisor</b>	<b>5,000</b>		<b>7,931</b>
Budget, Contr Expend	11,067	A13404	12,808
<b>TOTAL Budget</b>	<b>11,067</b>		<b>12,808</b>
Assessment, Pers Serv	27,556	A13551	28,288
Assessment, Equip & Cap Outlay		A13552	
Assessment, Contr Expend	1,566	A13554	2,148
<b>TOTAL Assessment</b>	<b>29,122</b>		<b>30,436</b>
Clerk,pers Serv	55,868	A14101	59,141
Clerk,contr Expend	2,771	A14104	1,922
<b>TOTAL Clerk</b>	<b>58,639</b>		<b>61,063</b>
Law, Contr Expend	2,751	A14204	2,686
<b>TOTAL Law</b>	<b>2,751</b>		<b>2,686</b>
Central Services Admin,equip & Cap Outlay	9,720	A16102	
<b>TOTAL Central Services Admin</b>	<b>9,720</b>		<b>0</b>
Operation of Plant, Pers Serv	5,432	A16201	5,591
Operation of Plant, Contr Expend	21,393	A16204	23,243
<b>TOTAL Operation of Plant</b>	<b>26,825</b>		<b>28,834</b>
Central Print & Mail Contr Expend	2,537	A16704	1,675
<b>TOTAL Central Print &amp; Mail Contr Expend</b>	<b>2,537</b>		<b>1,675</b>
Central Data Process & Cap Outlay	942	A16802	795
Central Data Process, Contr Expend	5,648	A16804	9,056
<b>TOTAL Central Data Process</b>	<b>6,590</b>		<b>9,851</b>
Unallocated Insurance, Contr Expend	20,746	A19104	18,932
<b>TOTAL Unallocated Insurance</b>	<b>20,746</b>		<b>18,932</b>
Municipal Assn Dues, Contr Expend	799	A19204	800
<b>TOTAL Municipal Assn Dues</b>	<b>799</b>		<b>800</b>
<b>TOTAL General Government Support</b>	<b>235,494</b>		<b>237,592</b>
Traffic Control, Contr Expen	461	A33104	1,115
<b>TOTAL Traffic Control</b>	<b>461</b>		<b>1,115</b>
Control of Animals, Pers Serv	5,208	A35101	5,000
Control of Animals, Contr Expend	823	A35104	388
<b>TOTAL Control of Animals</b>	<b>6,031</b>		<b>5,388</b>
Safety Inspection, Pers Serv	18,573	A36201	25,891
Safety Inspection, Contr Expend	3,149	A36204	7,487
<b>TOTAL Safety Inspection</b>	<b>21,722</b>		<b>33,378</b>
<b>TOTAL Public Safety</b>	<b>28,214</b>		<b>39,881</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	EdpCode	2021
<b>Expenditures</b>			
Registrar of Vital Statistics, Pers Serv	379	A40201	372
<b>TOTAL Registrar of Vital Statistics</b>	<b>379</b>		<b>372</b>
<b>TOTAL Health</b>	<b>379</b>		<b>372</b>
Street Admin, Pers Serv	78,329	A50101	76,806
Street Admin, Contr Expend	783	A50104	1,183
<b>TOTAL Street Admin</b>	<b>79,112</b>		<b>77,989</b>
Garage, Contr Expend	18,782	A51324	16,607
<b>TOTAL Garage</b>	<b>18,782</b>		<b>16,607</b>
<b>TOTAL Transportation</b>	<b>97,894</b>		<b>94,596</b>
Veterans Service, Contr Expend		A65104	707
<b>TOTAL Veterans Service</b>	<b>0</b>		<b>707</b>
Programs For Aging, Contr Expend	7,902	A67724	5,149
<b>TOTAL Programs For Aging</b>	<b>7,902</b>		<b>5,149</b>
<b>TOTAL Economic Assistance And Opportunity</b>	<b>7,902</b>		<b>5,856</b>
Youth Prog, Pers Serv		A73101	4,060
Youth Prog, Contr Expend	950	A73104	3,721
<b>TOTAL Youth Prog</b>	<b>950</b>		<b>7,781</b>
Library, Pers Serv	6,186	A74101	6,500
Library, Contr Expend	2,287	A74104	2,558
<b>TOTAL Library</b>	<b>8,473</b>		<b>9,058</b>
Historian, Contr Expend	464	A75104	1,618
<b>TOTAL Historian</b>	<b>464</b>		<b>1,618</b>
<b>TOTAL Culture And Recreation</b>	<b>9,887</b>		<b>18,457</b>
Zoning, Pers Serv	404	A80101	1,707
Zoning, Contr Expend		A80104	188
<b>TOTAL Zoning</b>	<b>404</b>		<b>1,895</b>
Planning, Pers Serv	1,533	A80201	271
Planning, Contr Expend	206	A80204	24
<b>TOTAL Planning</b>	<b>1,739</b>		<b>295</b>
Refuse & Garbage, Contr Expend		A81604	45,810
<b>TOTAL Refuse &amp; Garbage</b>	<b>0</b>		<b>45,810</b>
Cemetery, Contr Expend	25,102	A88104	20,547
<b>TOTAL Cemetery</b>	<b>25,102</b>		<b>20,547</b>
<b>TOTAL Home And Community Services</b>	<b>27,245</b>		<b>68,547</b>
State Retirement System	31,603	A90108	34,864
Social Security, Employer Cont	19,485	A90308	20,662
Hospital & Medical (dental) Ins, Empl Bnft	41,361	A90608	38,859
<b>TOTAL Employee Benefits</b>	<b>92,449</b>		<b>94,385</b>
<b>TOTAL Expenditures</b>	<b>499,464</b>		<b>559,686</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>499,464</b>		<b>559,686</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>163,990</b>	<b>A8021</b>	<b>279,493</b>
<b>Restated Fund Balance - Beg of Year</b>	<b>163,990</b>	<b>A8022</b>	<b>279,493</b>
ADD - REVENUES AND OTHER SOURCES	614,967		628,248
DEDUCT - EXPENDITURES AND OTHER USES	499,464		559,686
<b>Fund Balance - End of Year</b>	<b>279,493</b>	<b>A8029</b>	<b>348,055</b>



TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Budget Summary

Code Description	2021	EdpCode	2022
<b>Estimated Revenues</b>			
Est Rev - Real Property Tax Items	407,530	A1099N	420,092
Est Rev - Non Property Tax Items	16,700	A1199N	18,500
Est Rev - Departmental Income	4,848	A1299N	4,848
Est Rev - Use of Money And Property	1,500	A2499N	50
Est Rev - Licenses And Permits	15,000	A2599N	15,000
Est Rev - Fines And Forfeitures	30,000	A2649N	60,000
Est Rev - Miscellaneous Local Sources	1,500	A2799N	20,000
Est Rev - State Aid	84,000	A3099N	94,000
<b>TOTAL Estimated Revenues</b>	<b>561,078</b>		<b>632,490</b>
Appropriated Fund Balance	70,000	A599N	50,000
<b>TOTAL Estimated Other Sources</b>	<b>70,000</b>		<b>50,000</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>631,078</b>		<b>682,490</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(A) GENERAL

Budget Summary

Code Description	2021	EdpCode	2022
<b>Appropriations</b>			
App - General Government Support	281,452	A1999N	299,913
App - Public Safety	34,241	A3999N	36,574
App - Health	372	A4999N	380
App - Transportation	103,035	A5999N	100,423
App - Economic Assistance And Opportunity	8,700	A6999N	8,700
App - Culture And Recreation	21,950	A7999N	50,250
App - Home And Community Services	85,828	A8999N	91,200
App - Employee Benefits	95,500	A9199N	95,050
<b>TOTAL Appropriations</b>	<b>631,078</b>		<b>682,490</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>631,078</b>		<b>682,490</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(CR) RECREATION

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Cash	3,498	CR200	3,498
<b>TOTAL Cash</b>	<b>3,498</b>		<b>3,498</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>3,498</b>		<b>3,498</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(CR) RECREATION

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Fund Balance</b>			
Assigned Unappropriated Fund Balance	3,498	CR915	3,498
<b>TOTAL Assigned Fund Balance</b>	<b>3,498</b>		<b>3,498</b>
<b>TOTAL Fund Balance</b>	<b>3,498</b>		<b>3,498</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>3,498</b>		<b>3,498</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(CR) RECREATION

Results of Operation

Code Description	2020	EdpCode	2021
<b>Revenues</b>			
Interest And Earnings	10	CR2401	
<b>TOTAL Use of Money And Property</b>	<b>10</b>		<b>0</b>
<b>TOTAL Revenues</b>	<b>10</b>		<b>0</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>10</b>		<b>0</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Results of Operation

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(CR) RECREATION

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
Fund Balance - Beginning of Year	3,488	CR8021	3,498
Restated Fund Balance - Beg of Year	3,488	CR8022	
ADD - REVENUES AND OTHER SOURCES	10		
Fund Balance - End of Year	3,498	CR8029	3,498

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Cash	301,319	DA200	304,871
Cash With Fiscal Agent	8,870	DA223	1,231
<b>TOTAL Cash</b>	<b>310,189</b>		<b>306,102</b>
Accounts Receivable	90,000	DA380	136,291
<b>TOTAL Other Receivables (net)</b>	<b>90,000</b>		<b>136,291</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>400,189</b>		<b>442,393</b>



TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

Balance Sheet

Code Description	2020	EdpCode	2021
Accrued Liabilities	7,465	DA601	5,666
<b>TOTAL Accrued Liabilities</b>	<b>7,465</b>		<b>5,666</b>
<b>TOTAL Liabilities</b>	<b>7,465</b>		<b>5,666</b>
<b>Fund Balance</b>			
Committed Fund Balance	98,870	DA913	91,231
<b>TOTAL Committed Fund Balance</b>	<b>98,870</b>		<b>91,231</b>
Assigned Appropriated Fund Balance	110,000	DA914	120,000
Assigned Unappropriated Fund Balance	183,854	DA915	225,496
<b>TOTAL Assigned Fund Balance</b>	<b>293,854</b>		<b>345,496</b>
<b>TOTAL Fund Balance</b>	<b>392,724</b>		<b>436,727</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>400,189</b>		<b>442,393</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

Results of Operation

Code Description	2020	EdpCode	2021
<b>Revenues</b>			
Real Property Taxes	182,295	DA1001	170,081
<b>TOTAL Real Property Taxes</b>	<b>182,295</b>		<b>170,081</b>
Sales Tax (from County)	360,045	DA1120	436,273
<b>TOTAL Non Property Tax Items</b>	<b>360,045</b>		<b>436,273</b>
Interest And Earnings	1,408	DA2401	425
<b>TOTAL Use of Money And Property</b>	<b>1,408</b>		<b>425</b>
Sales of Scrap & Excess Materials	11,395	DA2650	7,383
<b>TOTAL Sale of Property And Compensation For Loss</b>	<b>11,395</b>		<b>7,383</b>
St Aid, Consolidated Highway Aid	81,947	DA3501	283,880
<b>TOTAL State Aid</b>	<b>81,947</b>		<b>283,880</b>
<b>TOTAL Revenues</b>	<b>637,090</b>		<b>898,042</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>637,090</b>		<b>898,042</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

Results of Operation

Code Description	2020	EdpCode	2021
<b>Expenditures</b>			
Maint of Streets, Pers Serv	90,155	DA51101	91,528
Maint of Streets, Contr Expend	87,247	DA51104	104,302
<b>TOTAL Maint of Streets</b>	<b>177,402</b>		<b>195,830</b>
Perm Improve Highway, Equip & Cap Outlay	66,333	DA51122	303,379
<b>TOTAL Perm Improve Highway</b>	<b>66,333</b>		<b>303,379</b>
Maint of Bridges, Contr Expend		DA51204	
<b>TOTAL Maint of Bridges</b>	<b>0</b>		<b>0</b>
Machinery, Contr Expend	31,763	DA51304	21,736
<b>TOTAL Machinery</b>	<b>31,763</b>		<b>21,736</b>
Snow Removal, Pers Serv	99,071	DA51421	101,401
Snow Removal, Contr Expend	49,530	DA51424	63,017
<b>TOTAL Snow Removal</b>	<b>148,601</b>		<b>164,418</b>
<b>TOTAL Transportation</b>	<b>424,099</b>		<b>685,363</b>
State Retirement, Empl Bnfts	28,026	DA90108	30,495
Social Security , Empl Bnfts	14,429	DA90308	14,714
Hospital & Medical (dental) Ins, Empl Bnft	86,664	DA90608	93,467
<b>TOTAL Employee Benefits</b>	<b>129,119</b>		<b>138,676</b>
<b>TOTAL Expenditures</b>	<b>553,218</b>		<b>824,039</b>
Transfers, Capital Projects Fund		DA99509	30,000
<b>TOTAL Operating Transfers</b>	<b>0</b>		<b>30,000</b>
<b>TOTAL Other Uses</b>	<b>0</b>		<b>30,000</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>553,218</b>		<b>854,039</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>308,852</b>	<b>DA8021</b>	<b>392,724</b>
<b>Restated Fund Balance - Beg of Year</b>	<b>308,852</b>	<b>DA8022</b>	<b>392,724</b>
ADD - REVENUES AND OTHER SOURCES	637,090		898,042
DEDUCT - EXPENDITURES AND OTHER USES	553,218		854,039
<b>Fund Balance - End of Year</b>	<b>392,724</b>	<b>DA8029</b>	<b>436,727</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

Budget Summary

Code Description	2021	EdpCode	2022
<b>Estimated Revenues</b>			
Est Rev - Real Property Taxes	170,081	DA1049N	152,350
Est Rev - Non Property Tax Items	365,000	DA1199N	400,000
Est Rev - Use of Money And Property	2,500	DA2499N	
Est Rev - Interfund Revenues	0	DA2801N	
Est Rev - State Aid	100,000	DA3099N	125,000
<b>TOTAL Estimated Revenues</b>	<b>637,581</b>		<b>677,350</b>
Appropriated Fund Balance	110,000	DA599N	120,000
<b>TOTAL Estimated Other Sources</b>	<b>110,000</b>		<b>120,000</b>
<b>TOTAL Estimated Revenues And Other Sources</b>	<b>747,581</b>		<b>797,350</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(DA) HIGHWAY-TOWN-WIDE

Budget Summary

Code Description	2021	EdpCode	2022
<b>Appropriations</b>			
App - Transportation	619,581	DA5999N	664,750
App - Employee Benefits	128,000	DA9199N	132,600
<b>TOTAL Appropriations</b>	<b>747,581</b>		<b>797,350</b>
<b>TOTAL Appropriations And Other Uses</b>	<b>747,581</b>		<b>797,350</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Accounts Receivable		H380	
<b>TOTAL Other Receivables (net)</b>	<b>0</b>		<b>0</b>
Cash Special Reserves	47,038	H230	77,043
<b>TOTAL Restricted Assets</b>	<b>47,038</b>		<b>77,043</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>47,038</b>		<b>77,043</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Fund Balance</b>			
Capital Reserve	4,113	H878	4,114
Other Restricted Fund Balance	42,925	H899	72,929
<b>TOTAL Restricted Fund Balance</b>	<b>47,038</b>		<b>77,043</b>
<b>TOTAL Fund Balance</b>	<b>47,038</b>		<b>77,043</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>47,038</b>		<b>77,043</b>



TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2020	EdpCode	2021
<b>Revenues</b>			
Interest And Earnings	304	H2401	5
<b>TOTAL Use of Money And Property</b>	<b>304</b>		<b>5</b>
<b>TOTAL Revenues</b>	<b>304</b>		<b>5</b>
Interfund Transfers		H5031	30,000
<b>TOTAL Interfund Transfers</b>	<b>0</b>		<b>30,000</b>
<b>TOTAL Other Sources</b>	<b>0</b>		<b>30,000</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>304</b>		<b>30,005</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2020	EdpCode	2021
<b>Expenditures</b>			
Operation of Plant, Equip & Cap Outlay	215,350	H16202	
<b>TOTAL Operation of Plant</b>	<b>215,350</b>		<b>0</b>
<b>TOTAL General Government Support</b>	<b>215,350</b>		<b>0</b>
<b>TOTAL Expenditures</b>	<b>215,350</b>		<b>0</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>215,350</b>		<b>0</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>262,084</b>	<b>H8021</b>	<b>47,038</b>
<b>Restated Fund Balance - Beg of Year</b>	<b>262,084</b>	<b>H8022</b>	<b>47,038</b>
ADD - REVENUES AND OTHER SOURCES	304		30,005
DEDUCT - EXPENDITURES AND OTHER USES	215,350		
<b>Fund Balance - End of Year</b>	<b>47,038</b>	<b>H8029</b>	<b>77,043</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Land	200,000	K101	200,000
Buildings	1,951,843	K102	1,951,843
Machinery And Equipment	1,569,816	K104	1,569,816
Other Capital Assets	88,628	K107	88,628
<b>TOTAL Fixed Assets (net)</b>	<b>3,810,287</b>		<b>3,810,287</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>3,810,287</b>		<b>3,810,287</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Liabilities, Deferred Inflows And Fund Balance</b>			
Total Non-Current Govt Assets	3,810,287	K159	3,810,287
<b>TOTAL Investments in Non-Current Government Assets</b>	<b>3,810,287</b>		<b>3,810,287</b>
<b>TOTAL Fund Balance</b>	<b>3,810,287</b>		<b>3,810,287</b>
<b>TOTAL</b>	<b>3,810,287</b>		<b>3,810,287</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Balance Sheet

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Balance Sheet

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SF) FIRE PROTECTION

Results of Operation

Code Description	2020	EdpCode	2021
<b>Revenues</b>			
Real Property Taxes	98,090	SF1001	99,687
<b>TOTAL Real Property Taxes</b>	<b>98,090</b>		<b>99,687</b>
<b>TOTAL Revenues</b>	<b>98,090</b>		<b>99,687</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>98,090</b>		<b>99,687</b>



TOWN OF Canaan  
 Annual Update Document  
 For the Fiscal Year Ending 2021

(SF) FIRE PROTECTION

Results of Operation

Code Description	2020	EdpCode	2021
<b>Expenditures</b>			
Fire Protection, Contr Expend	98,090	SF34104	99,687
<b>TOTAL Fire Protection</b>	<b>98,090</b>		<b>99,687</b>
<b>TOTAL Public Safety</b>	<b>98,090</b>		<b>99,687</b>
<b>TOTAL Expenditures</b>	<b>98,090</b>		<b>99,687</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>98,090</b>		<b>99,687</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SF) FIRE PROTECTION

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>		<b>SF8021</b>	
ADD - REVENUES AND OTHER SOURCES	98,090		99,687
DEDUCT - EXPENDITURES AND OTHER USES	98,090		99,687
<b>Fund Balance - End of Year</b>		<b>SF8029</b>	

TOWN OF Canaan  
 Annual Update Document  
 For the Fiscal Year Ending 2021

(SL) LIGHTING

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Cash	633	SL200	537
<b>TOTAL Cash</b>	<b>633</b>		<b>537</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>633</b>		<b>537</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SL) LIGHTING

Balance Sheet

Code Description	2020	EdpCode	2021
Accounts Payable		SL600	537
<b>TOTAL Accounts Payable</b>	<b>0</b>		<b>537</b>
<b>TOTAL Liabilities</b>	<b>0</b>		<b>537</b>
<b>Fund Balance</b>			
Assigned Appropriated Fund Balance	633	SL914	
<b>TOTAL Assigned Fund Balance</b>	<b>633</b>		<b>0</b>
<b>TOTAL Fund Balance</b>	<b>633</b>		<b>0</b>
<b>TOTAL Liabilities, Deferred Inflows And Fund Balance</b>	<b>633</b>		<b>537</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SL) LIGHTING

Results of Operation

Code Description	2020	EdpCode	2021
<b>Revenues</b>			
Real Property Taxes	4,935	SL1001	5,010
<b>TOTAL Real Property Taxes</b>	<b>4,935</b>		<b>5,010</b>
<b>TOTAL Revenues</b>	<b>4,935</b>		<b>5,010</b>
<b>TOTAL Detail Revenues And Other Sources</b>	<b>4,935</b>		<b>5,010</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SL) LIGHTING

Results of Operation

Code Description	2020	EdpCode	2021
<b>Expenditures</b>			
Street Lighting, Contr Expend	4,951	SL51824	5,643
<b>TOTAL Street Lighting</b>	<b>4,951</b>		<b>5,643</b>
<b>TOTAL Transportation</b>	<b>4,951</b>		<b>5,643</b>
<b>TOTAL Expenditures</b>	<b>4,951</b>		<b>5,643</b>
<b>TOTAL Detail Expenditures And Other Uses</b>	<b>4,951</b>		<b>5,643</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SL) LIGHTING

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>	<b>649</b>	<b>SL8021</b>	<b>633</b>
<b>Restated Fund Balance - Beg of Year</b>	<b>649</b>	<b>SL8022</b>	<b>633</b>
ADD - REVENUES AND OTHER SOURCES	4,935		5,010
DEDUCT - EXPENDITURES AND OTHER USES	4,951		5,643
<b>Fund Balance - End of Year</b>	<b>633</b>	<b>SL8029</b>	

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Balance Sheet

Code Description	2020	EdpCode	2021
------------------	------	---------	------



TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Balance Sheet

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Results of Operation

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Results of Operation

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(SM) MISCELLANEOUS

**Analysis of Changes in Fund Balance**

Code Description	2020	EdpCode	2021
<b>Analysis of Changes in Fund Balance</b>			
<b>Fund Balance - Beginning of Year</b>		<b>SM8021</b>	
<b>Restated Fund Balance - Beg of Year</b>		<b>SM8022</b>	
<b>Fund Balance - End of Year</b>		<b>SM8029</b>	

TOWN OF Canaan  
 Annual Update Document  
 For the Fiscal Year Ending 2021

(TA) AGENCY

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Cash		TA200	
<b>TOTAL Cash</b>	<b>0</b>		<b>0</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>0</b>		<b>0</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

Balance Sheet

Code Description	2020	EdpCode	2021
------------------	------	---------	------

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2020	EdpCode	2021
<b>Assets</b>			
Total Non-Current Govt Liabilities	266,869	W129	927
<b>TOTAL Provision To Be Made In Future Budgets</b>	<b>266,869</b>		<b>927</b>
<b>TOTAL Assets and Deferred Outflows of Resources</b>	<b>266,869</b>		<b>927</b>

TOWN OF Canaan  
Annual Update Document  
For the Fiscal Year Ending 2021

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2020	EdpCode	2021
Net Pension Liability -Proportionate Share	266,869	W638	927
<b>TOTAL Other Liabilities</b>	<b>266,869</b>		<b>927</b>
<b>TOTAL Liabilities</b>	<b>266,869</b>		<b>927</b>
<b>TOTAL Liabilities</b>	<b>266,869</b>		<b>927</b>



TOWN OF Canaan  
Statement of Indebtedness  
For the Fiscal Year Ending 2021

---

First Year	Debt Code	Description	Cops Flag	Comp Flag	Date of Issue	Date of Maturity	Int. Rate	Var?	Amt. Orig. Issued	O/S Beg. of Year	Paid Dur. Year	Redeemed Bond Proc.	Prior Yr. Adjust.	Accreted Interest	O/S End of Year
------------	-----------	-------------	-----------	-----------	---------------	------------------	-----------	------	-------------------	------------------	----------------	---------------------	-------------------	-------------------	-----------------

---

TOWN OF Canaan  
Schedule of Time Deposits and Investments  
For the Fiscal Year Ending 2021

	EDP Code	Amount
<b>CASH:</b>		
On Hand	9Z2001	\$200.00
Demand Deposits	9Z2011	\$826,402.00
Time Deposits	9Z2021	
<b>Total</b>		\$826,602.00
 <b>COLLATERAL:</b>		
- FDIC Insurance	9Z2014	\$250,000.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	\$618,000.00
<b>Total</b>		\$868,000.00
 <b>INVESTMENTS:</b>		
- Securities (450)		
Book Value (cost)	9Z4501	
Market Value at Balance Sheet Date	9Z4502	
Collateralized with securities held in possession of municipality or its agent	9Z4504A	
- Repurchase Agreements (451)		
Book Value (cost)	9Z4511	
Market Value at Balance Sheet Date	9Z4512	
Collateralized with securities held in possession of municipality or its agent	9Z4514A	

TOWN OF Canaan  
Bank Reconciliation  
For the Fiscal Year Ending 2021

Include All Checking, Savings and C.D. Accounts

Bank Account Number	Bank Balance	Add: Deposit In Transit	Less: Outstanding Checks	Adjusted Bank Balance
****-1	\$793,105	\$0	\$54,057	\$739,048
****-2	\$3,498	\$0	\$0	\$3,498
****-3	\$6,569	\$0	\$1,569	\$5,000
****-4	\$77,043	\$0	\$0	\$77,043
****-5	\$6,813	\$0	\$0	\$6,813
	Total Adjusted Bank Balance			<u>\$831,402</u>
	Petty Cash			<u>\$200.00</u>
	Adjustments			<u>\$ .00</u>
	Total Cash			<u>\$831,602</u>
	Total Cash Balance All Funds			<u>\$831,602</u>
	9ZCASH *			
	9ZCASHB *			

\* Must be equal



TOWN OF Canaan  
Employee and Retiree Benefits  
For the Fiscal Year Ending 2021

<b>Total Full Time Employees:</b>		8			
<b>Total Part Time Employees:</b>		15			
<b>Account Code</b>	<b>Description</b>	<b>Total Expenditures (All Funds)</b>	<b># of Full Time Employees</b>	<b># of Part Time Employees</b>	<b># of Retirees</b>
90108	State Retirement System	\$65,359.00	5	5	
90158	Police and Fire Retirement				
90258	Local Pension Fund				
90308	Social Security	\$35,377.00	8	15	
90408	Worker's Compensation Insurance				
90458	Life Insurance				
90508	Unemployment Insurance				
90558	Disability Insurance				
90608	Hospital and Medical (Dental) Insurance	\$132,325.00	8		
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits				
<b>Total</b>		<b>\$233,061.00</b>			
Computed Total From Financial Section (comparative purposes only)		<b>\$233,061.00</b>			

TOWN OF Canaan  
 Energy Costs and Consumption  
 For the Fiscal Year Ending 2021

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline		21	gallons	
Diesel Fuel		10,537	gallons	
Fuel Oil		2,017	gallons	
Natural Gas			cubic feet	
Electricity			kilowatt-hours	
Coal			tons	
Propane			gallons	

CERTIFICATION OF CHIEF FISCAL OFFICER

I, BRENDA ADAMS, hereby certify that I am the Chief Fiscal Officer of the TOWN of CANAAN, and that the information provided in the annual financial report of the TOWN of CANAAN, for the fiscal year ended 12/31/2021, is TRUE and correct to the best of my knowledge and belief.

By entering the personal identification number assigned by the Office of the State Comptroller to me as the Chief Fiscal Officer of the TOWN of CANAAN, and adopted by me as my signature for use in conjunction with the filing of the TOWN of CANAAN's annual financial report, I am evidencing my express intent to authenticate my certification of the TOWN of CANAAN's annual financial report for the fiscal year ended 12/31/2021 and filed by means of electronic data transmission.

NELSON FURLANO CPA  
Name of Report Preparer if different than Chief Fiscal Officer

BRENDA ADAMS  
Name

(518) 789-1314  
Telephone Number

TOWN SUPERVISOR  
Title

PO BOX 459 CANAAN NY12029  
Official Address

02/26/2022  
Date of Certification

(518) 781-3144  
Official Telephone Number

TOWN OF Canaan  
Financial Comments  
For the Fiscal Year Ending 2021



## **Town of Canaan**

### **Notes to the Financial Statements For the Fiscal Year Ended December 31, 2021**

#### **I. Summary of Significant Accounting Policies**

The fund financial statements of the Town of Canaan have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government Towns. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

##### **A. Financial Reporting Entity**

The Town of Canaan (which was established in 1788), is governed by its Charter, the Town's Local law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations, the Supervisor serves as chief executive officer and serves as chief fiscal officer.

The following basic services are provided: highway and street, social services, culture and recreation, public improvements, planning and zoning, courts, buildings and safety inspection, lighting and general administrative services.

All governmental activities and functions performed for the Town of Canaan are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government, which is the Town of Canaan, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement Numbers 14, 39 and 61.

The decision to include a potential component Town in the Town's reporting entity is based on several criteria set forth in GASB 14, 39 and 61 including legal standing, fiscal dependency, and financial accountability. The Town has no component Towns base upon this criteria.

##### **B. Fund Accounting**

The Town uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance

and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

The Town records its transactions in the fund types described below.

### **Fund Categories**

*Governmental Funds* – Governmental funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon the determination of financial position and changes in financial position (the sources, uses, and balances of current financial resources). The following are the Town’s governmental fund types.

*General Fund* – the principal operating fund and includes all operations not accounted for and reported in another fund.

*Special Revenue Funds* – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following Special Revenue Funds are utilized:

- Highway Fund - used to account for the tax revenues used to maintain the highways and streets within the geographic limits of the Town.
- Lighting Fund - used to account for the tax revenues used to supply lighting services to portions of the Town.
- Recreation Fund - used to account for fees generated earmarked to fund recreational projects.
- Capital Projects Fund - used to account for financial resources to be used for the acquisition or construction of major capital facilities.

*Fiduciary Funds* – used to account for assets held by the local government in a trustee or custodial capacity:

### **C. Basis of Accounting/Measurement Focus**

Basis of accounting refers to when revenues and expenditures/expenses and the related assets, deferred outflows, liabilities and deferred inflows are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what

is measured, i.e., expenditures or expenses.

Modified Accrual Basis – All Governmental Funds are accounted for using the modified accrual basis of accounting.

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days of the end of the current fiscal year.

Material revenues that are accrued include real property taxes, State and Federal Aid, sales tax and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made, all other grant requirements have been met, and the resources are available.

Expenditures are recorded when a liability is incurred except that:

- a. Expenditures for prepaid expenses and inventory-type items are recognized at the time of purchase.
- b. Principal and interest on indebtedness are recognized as expenditures when payment is due.
- c. Compensated absences, such as vacation and sick leave which vests or accumulates, are charged as expenditures when payment is due.
- d. Other post-employment benefits are charged as expenditures when payment is due.

#### **D. Fund Balances**

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54), breaks fund balance out into five different classifications: nonspendable, restricted, committed, assigned, and unassigned.

**Nonspendable** consists of assets that are inherently nonspendable 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. The Town Board is the decision-making authority that can, by Action Taken prior to the end of the fiscal year, commit fund balance.

***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. The Town Board, by has authorized the Town Supervisor to assign 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.

When resources are available from multiple classifications, the Town spends funds in the following order: restricted, committed, assigned, unassigned.

**E. Net Position**

Net position is an element of proprietary fund financial statements and is measured by the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

**F. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes, is employed in the various funds. Encumbrances are reported as restrictions, commitments, or assignments of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

**G. Capital Assets**

Capital Assets, which include property, plant, equipment, and infrastructure assets, are reported in the Schedule of Non-Current Governmental Assets. The Town\_ defines capital assets as assets with an initial, individual cost of more than \$10,000\_ and an estimated useful life in excess of 3 years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets and assets acquired in a service concession arrangement are recorded at acquisition value.

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 are not capitalized.

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

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

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, defined and classified deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net assets that applies to future period(s), and as such, will not be recognized as an outflow of resources (expense/expenditure) until that time. A deferred inflow of resources is an acquisition of net assets that applies to future period(s), and as such, will not be recognized as an inflow of resources (revenue) until that time.

**K. Insurance**

The Town has purchased insurance for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired, or a liability has been incurred and the amount of loss can be reasonably estimated.

**L. Compensated Absences**

Town Highway Employees accrue vacation leave based primarily on the number of years employed up to a maximum rate of 22 days a year but may accumulate no more than a maximum of 45 days. Upon separation from service, employees are paid up to 45 days.

Employees accrue sick leave at the rate of 5 days per year and may accumulate such credits up to a total of 45 days.

Vested vacation and sick leave is recorded in proprietary funds as a liability and expense, and in governmental funds as a fund liability and expenditure if payable from current resources. The liability for compensated absences increased by \$3,984 during the year to \$26,580.

## **II. Stewardship, Compliance, Accountability**

### **A. Budget Policies** – The budget policies are as follows:

1. No later than September 30, the budget officer submits a tentative budget to the Town Board for the fiscal year commencing the following January. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
2. After public hearings are conducted to obtain taxpayer comments, no later than November 20, the governing board adopts the budget.
3. All modifications of the budget must be approved by the governing board. (However, the Supervisor is authorized to transfer certain budgeted amounts within departments.)
4. Budgets are prepared for proprietary funds to establish the estimated contributions required from other funds and to control expenditures.
5. Budgets are adopted annually on a cash basis.
6. Appropriations in all budgeted funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-apportioned in the subsequent year.

### **B. Property Taxes**

Real property taxes are levied annually no later than January 1 and become a lien on April 1. Taxes are collected during the period January 1 to March 31.

Unpaid (town, village, and/or non-city school district) taxes are turned over to the county for enforcement. Any such taxes remaining unpaid at year-end are re-levied as county taxes in the subsequent year.

General Municipal Law Section 3-c established a tax levy limit for local governments in New York State effective June 24, 2011. This law generally

limits the amount by which local governments can increase property tax levies to 2 percent or the rate of inflation, whichever is less. The law does provide exclusions for certain specific costs and allows the governing board to override the tax levy limit with a supermajority vote.

### III. Detailed Notes on All Funds

#### A. Assets

##### 1. Cash and Investments

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

Collateral is required for demand deposits and certificates of deposit as provided for by law of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the federal government. Underlying securities must have a market value of at least a percentage provided for by law of the cost of the repurchase agreement.

For purposes of reporting cash flow, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity.

Deposits and investments at year-end were entirely covered by federal depository insurance or by collateral held by the Town's custodial bank in the Town's name.

##### 2. Changes In Capital Assets

A summary of changes in capital fixed assets follows:

<u>Type</u>	<u>Balance December 31, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2021</u>
Land	\$200,000	\$	\$	\$200,000
Buildings	1,951,843			1,951,843
Furniture & Equipment	88,628			88,628
Machinery and Equipment	1,569,816			1,569,816
Total	<u>\$3,810,287</u>	<u>\$</u>	<u>\$</u>	<u>\$3,810,287</u>

**B. Liabilities**

1. Pension Plans

Plan Description

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 New York State and Local Retirement System (the System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System.

The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.



## Benefits Provided

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

### *Tiers 1 and 2*

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

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

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

### *Tiers 3, 4, and 5*

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

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is

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

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

### *Tier 6*

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

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

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

### *Special Plans*

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

### *Disability Retirement Benefits*

Disability retirement benefits are available to ERS and PFRS members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as any offsets of

other benefits depend on a member's tier, years of service, and plan.

### *Ordinary Death Benefits*

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

### *Post-Retirement Benefit Increases*

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

### Contributions

Tier 1 and 2 members do not have to contribute any of their salary to the System. Generally, however, tier 3, 4, and 5 members contribute 3 percent of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the RSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

:

	<u>ERS</u>
<u>2021</u>	<u>\$65,359</u>
<u>2020</u>	<u>\$59,628</u>
<u>2019</u>	<u>\$54,371</u>

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

At December 31, 2021, the Town reported a liability of \$927 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2021, the Town's proportion was 0.0009306 percent, which was an decrease of 0.00001075% from its proportion measured at December 31, 2020.

For the year ended December 31, 2021, the Town recognized pension expense of \$65,359. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<hr/>	<hr/>
Differences between expected and actual experience	\$11,317	\$ 0
Changes of Assumptions	\$170,378	\$ 3,213
Net difference between projected and actual earnings on pension plan investments	\$ 0	\$266,184
Changes in proportion and differences between LG contributions and proportionate share of contributions	\$43,557	\$10,394
Total	<u>\$199,694</u>	<u>\$10,570</u>

\$65,359 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2022	(\$2,970)
2023	\$4,878
2024	(\$7,700)
2025	(\$48,747)
2026	\$ 0

### Actuarial Assumptions

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuation used the following actuarial assumptions:

	<u>ERS</u>	<u>PFRS</u>
Inflation	2.7%	2.7%
Salary increases	5.9	6.2
Investment rate of return (net of investment expense, including inflation)	5.9	5.9
Cost of living adjustments	1.4%	1.4%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020. The previous actuarial valuation as of April 1, 2019 used April 1, 2010 – March 31, 2015 System experience, mortality improvements based on the Society of Actuaries Scale MP-2018, inflation of 2.5%, cost-of-living adjustments of 1.3%, salary increases of 4.5% (ERS) and 5.7% (PFRS), and investment rate of return of 6.8%.

The actuarial assumptions used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020..

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.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	32.00%	4.05%
International equity	15.00	6.30
Private equity	10.00	6.75
Real estate	9.00	4.95
Opportunistic/Absolute Return Strategy	3.00	4.50
Credit	4.00	3.63
Real assets	3.00	5.95
Fixed Income	23.00	0.00
Cash	1.00	0.50

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

#### Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the 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

#### Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 5.9 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentagepoint lower (4.9 percent) or 1-percentage-point higher (6.9 percent) than the current rate:

	<u>1 % Decrease 4.9%</u>	<u>Current Assumption 5.9%</u>	<u>1% Increase 6.9%</u>
Town's proportionate share of the net pension liability	<u>\$257,198</u>	<u>\$927</u>	<u>(\$235,416)</u>

## Pension plan fiduciary net position

The components of the current-year net pension liability of the employers as of March 31, 2021, were as follows:

(Dollars in Thousands)

	<u>Employees' Retirement System</u>	<u>Police and Fire Retirement System</u>	<u>Total</u>
Employers' total pension liability	<u>\$ 220,680,157</u>	<u>\$41,236,775</u>	<u>\$261,916,932</u>
Plan net position	<u>220,580,583</u>	<u>39,500,500</u>	<u>260,081,083</u>
Employers' net pension liability	<u><u>\$99,574</u></u>	<u><u>\$1,736,275</u></u>	<u><u>\$1,835,849</u></u>
Ratio of Plan net position to the employers' total pension liability	<u>99.95%</u>	<u>95.79%</u>	<u>99.30%</u>

## C. Fund Equity

### 1. Allocation of Fund Balance

Certain funds of the Town apply to areas less than the entire Town. The fund equity at balance sheet date is allocated as follows:

General Fund		\$ 348,055
<u>Special Revenue Funds</u>		
Recreation	3,498	
Highway	436,727	
Lighting	<u>0</u>	
Total Special Revenue Funds		440,225
Highway Capital Fund		72,929
Capital Project Fund		<u>4,114</u>
<u>Total Fund Equity</u>		\$ 865,323

## VI. Significant Effects of Subsequent Events

Subsequent events have been evaluated through February 15, 2022 which is the date the financial statements were available to be issued.

The Town was awarded a \$35,000 NYSERDA Energy Smart Community Grant to assist with purchase and installation of an electric vehicle and charging station.