

Town of Barre, New York

Financial Statements
With Required Supplementary Information,
And Supplementary Information
As of December 31, 2022
Together With
Independent Auditor's Report

TOWN OF BARRE, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

Honorable Town Board
Town of Barre
Barre, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Barre, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town of Barre, New York's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Barre, New York, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Barre, New York and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Barre, New York's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 of Barre, New York's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Barre, New York's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of the Town's proportionate share of the net pension liability (asset) and schedule of the Town's contributions to the NYSLRS pension plan, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Barre, New York's basic financial statements. The combining water fund financial statements 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining water fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2023, on our consideration of the Town of Barre, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Barre, New York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Barre, New York's internal control over financial reporting and compliance.

Allied CPAs, P.C.

Amherst, New York
November 7, 2023

TOWN OF BARRE, NEW YORK
STATEMENT OF NET POSITION
DECEMBER 31, 2022

ASSETS AND DEFERRED OUTFLOWS

ASSETS

| | |
|---|-------------------------|
| Cash and cash equivalents | \$ 1,850,617 |
| Accounts receivable | 9,656 |
| Water rents receivable | 86,156 |
| Prepaid expenses | 12,858 |
| Capital assets: | |
| Land | 220,000 |
| Other capital assets, net of depreciation | 4,149,193 |
| Net pension asset - proportionate share | 87,626 |
| TOTAL ASSETS | <u>6,416,106</u> |

DEFERRED OUTFLOWS OF RESOURCES

| | |
|---|-----------------------|
| Pensions | <u>204,258</u> |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>204,258</u> |

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 6,620,364

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

LIABILITIES

| | |
|-------------------------------------|-------------------------|
| Accounts payable | \$ 93,758 |
| Accrued liabilities | 10,231 |
| Accrued interest | 14,219 |
| Due to other governments | 3,856 |
| Due to employees' retirement system | 35,239 |
| Long-term liabilities: | |
| Due within one year: | |
| Bonds payable | 99,000 |
| Due within more than one year: | |
| Bonds payable | 3,630,000 |
| Compensated absences | 73,305 |
| TOTAL LIABILITIES | <u>3,959,608</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|--|-----------------------|
| Unearned revenue - ARPA | 171,659 |
| Pensions | <u>309,063</u> |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>480,722</u> |

NET POSITION

| | |
|----------------------------------|-------------------------|
| Net investment in capital assets | 640,193 |
| Restricted | 134,869 |
| Unrestricted | <u>1,404,972</u> |
| TOTAL NET POSITION | <u>2,180,034</u> |

TOTA LIABILITIES, DEFERRED INFLOWS AND NET POSITION \$ 6,620,364

The accompanying notes are an integral part of the basic financial statements

TOWN OF BARRE, NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | | Program Revenues | | Net (Expense) |
|--|------------------------------|---|--|----------------------------|
| Expenses | Charges for Services | Operating Grants and Contributions | Revenue and Changes in Net Assets | |
| <u>FUNCTIONS / PROGRAM</u> | | | | |
| Governmental activities: | | | | |
| General government | \$ (247,644) | \$ 551 | \$ 52,553 | \$ (194,540) |
| Public safety | (237,930) | - | - | (237,930) |
| Transportation | (1,216,859) | 131,221 | 331,956 | (753,682) |
| Economic assistance and opportunity | (200) | - | - | (200) |
| Culture and recreation | (116,377) | - | - | (116,377) |
| Home and community services | (447,381) | 362,846 | 75,482 | (9,053) |
| Interest and fiscal charges | (86,211) | - | - | (86,211) |
| TOTAL GOVERNMENTAL ACTIVITIES | <u>\$ (2,352,602)</u> | <u>\$ 494,618</u> | <u>\$ 459,991</u> | <u>(1,397,993)</u> |
| General revenues: | | | | |
| Real property taxes | | | | 1,433,520 |
| Real property tax items | | | | 4,521 |
| Non-property tax items | | | | 80,854 |
| Use of money and property | | | | 36,528 |
| Licenses and permits | | | | 8,950 |
| Fines and forfeitures | | | | 18,925 |
| Sale of property | | | | 11,475 |
| Miscellaneous | | | | 15,391 |
| TOTAL GENERAL REVENUES | | | | <u>1,610,164</u> |
| CHANGE IN NET POSITION | | | | 212,171 |
| TOTAL NET POSITION AT BEGINNING OF YEAR | | | | <u>1,967,863</u> |
| TOTAL NET POSITION AT END OF YEAR | | | | <u>\$ 2,180,034</u> |

The accompanying notes are an integral part of the basic financial statements

TOWN OF BARRE, NEW YORK
GOVERNMENTAL FUNDS - BALANCE SHEET
DECEMBER 31, 2022

ASSETS

| | Special Revenue | | | | | Total Governmental Funds |
|---------------------------|-------------------|-------------------|-------------------|--------------------|---------------------|--------------------------------|
| | General | Highway | Water | Fire Protection | Capital Projects | |
| <u>ASSETS</u> | | | | | | |
| Cash and cash equivalents | \$ 636,106 | \$ 778,754 | \$ 430,927 | \$ - | \$ 4,830 | \$ 1,850,617 |
| Accounts receivable | 7,717 | - | 1,939 | - | - | 9,656 |
| Water rents receivable | - | - | 86,156 | - | - | 86,156 |
| Prepaid expenses | 4,761 | 8,097 | - | - | - | 12,858 |
| Due from other funds | 64,343 | 18,681 | - | - | - | 83,024 |
| TOTAL ASSETS | \$ 712,927 | \$ 805,532 | \$ 519,022 | \$ - | \$ 4,830 | \$ 2,042,311 |

LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE (DEFICIT)

LIABILITIES

| | | | | | | |
|-------------------------------------|---------------|---------------|---------------|----------|---------------|----------------|
| Accounts payable | \$ 15,572 | \$ 14,480 | \$ 63,706 | \$ - | \$ - | \$ 93,758 |
| Accrued liabilities | 1,634 | 6,097 | 2,500 | - | - | 10,231 |
| Due to other governments | 3,856 | - | - | - | - | 3,856 |
| Due to other funds | 31,019 | - | - | - | 52,005 | 83,024 |
| Due to employees' retirement system | 14,767 | 19,077 | 1,395 | - | - | 35,239 |
| TOTAL LIABILITIES | 66,848 | 39,654 | 67,601 | - | 52,005 | 226,108 |

DEFERRED INFLOWS OF RESOURCES

| | | | | | | |
|-------------------------|---------|---|---|---|---|---------|
| Unearned revenue - ARPA | 171,659 | - | - | - | - | 171,659 |
|-------------------------|---------|---|---|---|---|---------|

FUND BALANCE (DEFICIT)

| | | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------|-----------------|------------------|
| Non-spendable | 4,761 | 8,097 | - | - | - | 12,858 |
| Restricted | 36,212 | 98,657 | - | - | - | 134,869 |
| Assigned | 87,358 | 659,124 | 451,421 | - | - | 1,197,903 |
| Unassigned | 346,089 | - | - | - | (47,175) | 298,914 |
| TOTAL FUND BALANCE (DEFICIT) | 474,420 | 765,878 | 451,421 | - | (47,175) | 1,644,544 |

TOTAL LIABILITIES AND

| | | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------|-----------------|---------------------|
| FUND BALANCE (DEFICIT) | \$ 712,927 | \$ 805,532 | \$ 519,022 | \$ - | \$ 4,830 | \$ 2,042,311 |
|-------------------------------|-------------------|-------------------|-------------------|-------------|-----------------|---------------------|

The accompanying notes are an integral part of the basic financial statements

TOWN OF BARRE, NEW YORK
RECONCILIATION OF STATEMENT OF NET POSITION
TO GOVERNMENTAL FUND BALANCES
DECEMBER 31, 2022

**Amounts Reported for Governmental Activities in the
Statement of Net Position are Different Because:**

| | | |
|--|-----------|-------------------------|
| Total Governmental Fund Balances | \$ | 1,644,544 |
| Capital assets used in governmental activities are not financial resources and therefore not reported in the funds | | 4,369,193 |
| Certain liabilities and deferred inflows are not considered financial uses or are not Due or payable in the current period and therefore are not reported in the funds: | | |
| Bonds payable | | (3,729,000) |
| Compensated absences | | (73,305) |
| Proportionate share of employee retirement system liability | | 87,626 |
| Accrued interest on obligations | | (14,219) |
| Deferred outflows related to the employee retirement system liability | | 204,258 |
| Deferred inflows related to the employee retirement system liability | | <u>(309,063)</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ | <u>2,180,034</u> |

TOWN OF BARRE, NEW YORK
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Special Revenue</u> | | | | | | <u>Total Governmental Funds</u> |
|---|------------------------|-------------------|-------------------|----------------------------|-----------------------------|--------------------------|---|
| | <u>General</u> | <u>Highway</u> | <u>Water</u> | <u>Fire Protection</u> | <u>Capital Projects</u> | <u>Debt Services</u> | |
| REVENUES: | | | | | | | |
| Real property taxes | \$ 361,231 | \$ 661,444 | \$ 177,845 | \$ 233,000 | \$ - | \$ - | \$ 1,433,520 |
| Real property tax items | 4,521 | - | - | - | - | - | 4,521 |
| Non-property tax items | 80,854 | - | - | - | - | - | 80,854 |
| Departmental income | 551 | - | 350,398 | - | - | - | 350,949 |
| Intergovernmental charges | 731 | 131,221 | 11,717 | - | - | - | 143,669 |
| Use of money and property | 32,351 | 2,750 | 1,196 | - | 231 | - | 36,528 |
| Licenses and permits | 8,950 | - | - | - | - | - | 8,950 |
| Fines and forfeitures | 18,925 | - | - | - | - | - | 18,925 |
| Sale of property and compensation for loss | 6,278 | 3,897 | 1,300 | - | - | - | 11,475 |
| Miscellaneous | 13,427 | - | 1,964 | - | - | - | 15,391 |
| State aid | 107,387 | 331,956 | - | - | - | - | 439,343 |
| Federal aid | 20,648 | - | - | - | - | - | 20,648 |
| TOTAL REVENUES | 655,854 | 1,131,268 | 544,420 | 233,000 | 231 | - | 2,564,773 |
| EXPENDITURES: | | | | | | | |
| General government support | 288,553 | - | - | - | 1,914 | - | 290,467 |
| Public safety | 4,524 | - | - | 233,000 | - | - | 237,524 |
| Transportation | 129,136 | 960,661 | - | - | - | - | 1,089,797 |
| Economic assistance and opportunity | 200 | - | - | - | - | - | 200 |
| Culture and recreation | 113,670 | - | - | - | - | - | 113,670 |
| Home and community services | 100,336 | - | 333,248 | - | 3,669 | - | 437,253 |
| Employee benefits | 71,446 | 110,039 | 3,099 | - | - | - | 184,584 |
| Debt service - principal | - | - | 77,000 | - | - | 25,500 | 102,500 |
| Debt service - interest | - | - | 82,713 | - | - | 3,826 | 86,539 |
| TOTAL EXPENDITURES | 707,865 | 1,070,700 | 496,060 | 233,000 | 5,583 | 29,326 | 2,542,534 |
| Excess (deficiency) of revenues over expenditures | (52,011) | 60,568 | 48,360 | - | (5,352) | (29,326) | 22,239 |
| OTHER FINANCING SOURCES (USES): | | | | | | | |
| Transfers in | 5,250 | - | 4,663 | - | - | 29,326 | 39,239 |
| Transfers out | (4,662) | - | (34,576) | - | (1) | - | (39,239) |
| TOTAL OTHER FINANCING SOURCES (USES) | 588 | - | (29,913) | - | (1) | 29,326 | - |
| Excess (deficiency) of revenues over expenditures and other financing sources (uses) | (51,423) | 60,568 | 18,447 | - | (5,353) | - | 22,239 |
| FUND BALANCE (DEFICIT) - BEGINNING OF YEAR | 525,843 | 705,310 | 432,974 | - | (41,822) | - | 1,622,305 |
| FUND BALANCE (DEFICIT) - END OF YEAR | \$ 474,420 | \$ 765,878 | \$ 451,421 | \$ - | \$ (47,175) | \$ - | \$ 1,644,544 |

The accompanying notes are an integral part of the basic financial statements

TOWN OF BARRE, NEW YORK
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

**Amounts Reported for Governmental Activities in the
Statement of Net Position are Different Because:**

| | | |
|--|-----------|-----------------------|
| Net change in total governmental fund balances | \$ | 22,239 |
| Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital assets increased in the current year | | 228,607 |
| Depreciation recorded on the statement of activities but not in the governmental funds | | (180,577) |
| Change in deferred outflows of the employees' retirement system | | (62,961) |
| Accrued interest is only reported on the statement of activities | | 328 |
| Bond and other debt proceeds provide current financial resources to governmental funds, but issuing increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities on the statement of net position. Repayment of serial bonds | | 102,500 |
| The net change in compensated absences are recorded in the statement of activities but not in the governmental funds | | (3,788) |
| Change in deferred inflows of the employees' retirement system | | 17,132 |
| Change in proportionate share of employees' retirement system liability | | <u>88,691</u> |
| CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ | <u>212,171</u> |

TOWN OF BARRE, NEW YORK
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2022

| | | <u>Custodial Fund</u> |
|------------------------------------|-----------|----------------------------------|
| <u>ASSETS</u> | | |
| <u>ASSETS</u> | | |
| Cash and cash equivalents | \$ | <u>26,166</u> |
| TOTAL ASSETS | \$ | <u>26,166</u> |
| <u>NET POSITION</u> | | |
| <u>NET POSITION</u> | | |
| Restricted for contractor deposits | \$ | <u>26,166</u> |
| TOTAL NET POSITION | \$ | <u>26,166</u> |

The accompanying notes are an integral part of the basic financial statements

TOWN OF BARRE, NEW YORK
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Custodial Funds |
|--|----------------------------|
| <u>ADDITIONS:</u> | |
| Contributions - contractor deposits | \$ 60,000 |
| TOTAL ADDITIONS | 60,000 |
| <u>DEDUCTIONS:</u> | |
| Return of escrow - contractor deposits | 33,834 |
| TOTAL DEDUCTIONS | 33,834 |
| Change in net position | 26,166 |
| Net position - beginning of year | - |
| Net position - end of year | \$ 26,166 |

The accompanying notes are an integral part of the basic financial statements

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Barre, New York (the "Town") have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. The more significant of the Town's accounting policies are described below.

Financial Reporting Entity

The Town of Barre, which was established in 1822, is located within the County of Orleans, New York. The Town is governed by Town 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 and the Supervisor serves as chief fiscal officer.

The following basic services are provided on a town-wide basis: municipal court; collection of County and Town real property taxes; snow removal; and general administration. The following basic services are provided to the area of the Town: road construction and maintenance; fire protection; water transmission service; and safety inspection.

Independently elected officials of the Town consist of the following:

| | |
|--------------------|----------------------------|
| Supervisor | Town Clerk |
| Councilmembers (4) | Superintendent of Highways |
| Town Justice | |

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effects of interfund activity within governmental has been eliminated from these statements. However, balances due and resource flows between governmental activities have not been eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been allocated and are reported as direct program expenses of individual functions or programs. Program revenues include: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other items not included as program revenues are reported as general revenues, as required.

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.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies (Cont.)

Fund Categories

Governmental Funds

The fund statements provide information about the Town's funds. The emphasis of fund financial statements is on major governmental funds, All remaining governmental funds are aggregated and reported as nonmajor funds. Major Individual governmental funds are reported as separate columns in the fund financials statements.

The Town reports the following major governmental funds:

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

Capital Projects Fund - This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Special Revenue Funds

These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Funds are utilized:

Highway Fund - This fund is used to record all revenues and expenditures related to maintenance of bridges, highway machinery, brush and weeds, snow removal and services to other governments.

Water Fund - The Water Fund is used to record the revenues and expenditures related to the operation and maintenance of water services provided by the Town. The principal source of revenue for the Water Fund is departmental income.

Fire Protection Fund - The Fire Protection Fund is used to record the revenues and expenditures related to fire protection in the Town. The principal source of revenue for the Fire Protection Fund is real property taxes.

Fiduciary Fund

These funds are used to account for assets held by the local government in a trustee or custodial capacity. This includes the Custodial Fund.

Custodial Fund – The fund is used to account for amounts held in escrow that are custodial in nature, not held in trust.

Government-wide financial statements apply all applicable Governmental Accounting Standards Board ("GASB") pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict subsequent GASB pronouncements, Statements and Interpretations of the Financial Accounting Standards Board ("FASB"), Accounting Principles Board ("APB") Opinions, and Accounting Research Bulletins ("ARBs") of the Committee on Accounting Procedure.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. General revenues are those that cannot be associated directly with program activities.

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

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies (Cont.)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as is the Fiduciary Fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year in which they are earned. Grants, entitlements and donations are recognized as revenues as soon as all eligibility requirements have been met.

Accrual Basis

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. 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. Property taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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 for the current period. 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.

Expenditures are recorded when incurred except when:

- a) Expenditures for prepaid expenses and inventory-type items are recognized at the time of purchase.
- b) Principal and interest on long-term debt are not recognized as expenditure until due.
- c) Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when paid.

Property Tax Revenue Recognition

The Orleans County Legislature prepares the levy in late December of each year and jointly bills the Town levy with New York State and Orleans County real property taxes. On January 1 of each year, property taxes become a lien on the property. Tax payments are due January 1 to January 31st without penalty; February 1 to 28 a 1% penalty; March 1 to 31 a 2% penalty; April 1 to 30 a 3% penalty, and 5% of base amount and \$1 notice fee thereafter.

Taxes for County purposes are levied together with taxes for Town and special district purposes as a single bill. The Town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bill. The County assumes enforcement responsibility for all taxes levied in the Town. The tax roll is returned to the Orleans County Commissioner of Finance after June 30 at which time all unpaid taxes and penalties are payable to that office. Any such taxes remaining unpaid at year-end are re-levied as county taxes in the subsequent year. The County enforces all liens.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies (Cont.)

Budgets and Budgetary Data

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. No later than September 30th the budget officer submits a tentative budget to the Town Board for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the proposed means of financing for all funds except the Capital Projects Fund.
- b. After public hearings are conducted to obtain taxpayer comments, no later than November 20th, the Town Board adopts the budget.
- c. All modifications of the budget must be approved by the Town Board.
- d. Budgetary controls for the Special Grant Fund are established by applicable grant agreements that cover a period other than the Town's fiscal year.
- e. Budgetary controls are established for the Capital Projects Fund through Town Board resolutions authorizing individual projects that remain in effect for the life of the projects.

Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in all Town funds. Outstanding encumbrances at year end, exclusive of grant-related commitments, are presented for GAAP reporting purposes as reservations of fund balances, and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Town.

Restricted Cash

Certain assets are classified on the balance sheet and statement of net position as restricted because their use is limited and has been set aside for cemetery and short-term debt financing purpose. In addition, amounts to support fund balance/net position restrictions are also reported as restricted.

Prepaid Expenses

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

Due To and Due From Other Funds

In the fund financial statements, non-current portions of long-term interfund loans receivable are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation. A detailed description of the individual fund balances at year end is provided subsequently in these notes.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies (Cont.)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, and water lines) 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 equal to or greater than \$3,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. 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.

Property, plant and equipment are depreciated using the straight-line method over the estimated useful lives as follows:

| | |
|--------------------------------|----------|
| Buildings and Improvements | 75 Years |
| Infrastructure | 75 Years |
| Machinery and Equipment | 10 Years |
| Office Furniture and Equipment | 10 Years |
| Vehicles | 5 Years |

When capital assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period in the government-wide statements.

Accrued Liabilities and Long-Term Obligation

Payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In the governmental funds, payables and accrued liabilities are paid in a timely manner and in full, from current financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due. Long-term obligations represent the Town's future obligations or future economic outflows. The liabilities are reported as due in one year or due within more than one year in the statement of net position.

Insurance

The Town purchases insurance covering liability for most risks including, but not limited to, general liability, vehicle liability, and excess liability. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred, the amount of loss can be reasonably estimated and the estimated amount of loss exceeds insurance coverage.

Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has one item that qualify for reporting in this category. It is deferred amounts related to the pension reported in the government-wide Statement of Net Position. The deferred amounts related to pension relate difference s between estimated and actual investing earnings, changes in assumptions and other pension related changes.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one item that qualify for reporting in this category. In the government-wide financial statements the Town reports deferred amounts related to pension.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies (Cont.)

Federal Grants

Federal grants are recorded as grants receivable and deferred revenue when the entitlement period occurs. Revenues are recognized using the modified accrual basis of accounting as the Town meets the performance requirements of the grants.

Pensions

Nearly all Town employees are members of the New York State Employees' Retirement System. The Town is invoiced annually by the systems for its share of the cost.

Compensated Absences

The Town's labor agreements, rules, and regulations permits employees to accumulate earned and unused sick and vacation leave. Upon retirement certain eligible employees qualify for paid medical and dental insurance premiums and/or payment for fractional values of unused sick leave. These payments are budgeted annually. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

Net Position/Fund Balance:

Net Position Flow Assumptions

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the governmental-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned 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. It is the Town's policy that the Town Board will assess the current financial condition of the Town and then determine the order of application of expenditures to which fund balance classification will be charged.

Interfund Transactions

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

Order of Use of Fund Balance

The Town's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balance. In the General Fund, committed fund balance is determine next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies (Cont.)

Net Position Classifications:

Government-Wide Statements

The government-wide fund financial statements utilize a net position presentation.

Net position is categorized as follows:

Net Invested in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents net position of the Town not restricted for any project or other purpose.

Governmental Funds Statements

The fund balance financial statements have five classifications of fund balance.

Non-spendable - Includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable fund balance includes prepaid expenditures.

Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions on enabling legislation.

Committed - Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authorities.

Assigned - Includes amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Assigned fund balance includes amounts designated for subsequent years' expenditures.

Unassigned - Includes all other net assets that do not meet the definition of the above four classifications and are deemed to be available for general use by the Town.

Use of Estimates

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

Subsequent Events

The Town has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 7, 2023, which is the date the financial statements were available to be issued.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 2 - Stewardship, Compliance and Accountability

Budget

Budgetary control of the General Fund is minimally exercised at the department and account level. There were no excesses of expenditures/expenses over appropriations at the established control level.

Deficit Fund Balance

At December 31, 2022, the Capital Projects Fund, a major fund, has a deficit fund balance of \$47,175. The deficit in the capital projects fund is related to the engineering and design phases of ongoing water projects. This deficit will be eliminated in future years through grant financing, the issuance of debt, or permanent transfers from operating funds.

Note 3 - Cash and Cash Equivalents

The Town investment policies are governed by state statutes. In addition, the Town also 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 at 105% of the amount 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 and obligations issued by other than New York State related in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

The Town's aggregate bank balances collateralized on December 31, 2022 consisted of the following:

| | Bank Balance | Carrying Amount |
|--|-------------------------|----------------------------|
| Insured (FDIC) | \$ 250,000 | \$ 250,000 |
| <u>COLLATERALIZED:</u> | | |
| Collateral held by bank's agent in Town's name | 1,673,776 | 1,626,783 |
| TOTAL DEPOSITS | \$ 1,923,776 | \$ 1,876,783 |

Investment and Deposit Policy

The Town follows an investment and deposit policy, the overall objective of which is to adequately safeguard the principal amount of funds invested or deposited; conformance with Federal, state and other legal requirements; and provide sufficient liquidity of invested funds in order to meet obligations as they become due. Oversight of investment activity is the responsibility of the Town Supervisor.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Town's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Town's policy is to minimize the risk of loss due to failure of an issuer or other counterparty to an investment to fulfill its obligations. The Town's investment and deposit policy authorizes the reporting entity to purchase the following types of investments:

- Interest bearing demand accounts.
- Certificates of deposit.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 3 - Cash and Cash Equivalents (Cont.)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Town's investment and deposit policy, all deposits of the Town including interest bearing demand accounts and certificates of deposit, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIC) shall be secured by a pledge of securities with an aggregate value equal to 100% of the aggregate amount of deposits. The Town restricts the securities to the following eligible items:

- Obligations issued, fully insured or guaranteed as to the payment of principal and interest, by the United States Treasury and United States agencies.
- Obligations issued or fully insured or guaranteed by New York State and its localities.
- Obligations issued by other than New York State rated in one of the three highest rating categories by at least one nationally recognized statistical rating organizations

Note 4 – Capital Assets

Capital assets for the year ended December 31, 2022 were as follows:

| | Balance at January 1, 2022 | Increase | Decrease | Balance at December 31, 2022 |
|---|---|------------------|-----------------|---|
| <u>CAPITAL ASSETS NOT BEING DEPRECIATED:</u> | | | | |
| Land | \$ 220,000 | \$ - | \$ - | \$ 220,000 |
| TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED | 220,000 | - | - | 220,000 |
| <u>CAPITAL ASSETS BEING DEPRECIATED:</u> | | | | |
| Buildings and improvements | 4,976,712 | 93,535 | - | 5,070,247 |
| Machinery and equipment | 2,088,171 | 135,072 | - | 2,223,243 |
| TOTAL CAPITAL ASSETS BEING DEPRECIATED | 7,064,883 | 228,607 | - | 7,293,490 |
| <u>LESS: ACCUMULATED DEPRECIATION FOR:</u> | | | | |
| Buildings and improvements | (1,826,446) | (52,378) | - | (1,878,824) |
| Machinery and equipment | (1,137,274) | (128,199) | - | (1,265,473) |
| TOTAL ACCUMULATED DEPRECIATION | (2,963,720) | (180,577) | - | (3,144,297) |
| Total capital assets being depreciated, net | 4,101,163 | 48,030 | - | 4,149,193 |
| GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET | \$ 4,321,163 | \$ 48,030 | \$ - | \$ 4,369,193 |

Depreciation expense was charged to function/programs of the primary government as follows:

| | |
|--|-------------------|
| <u>GOVERNMENTAL ACTIVITIES:</u> | |
| General government | \$ 52,378 |
| Transportation | 128,199 |
| TOTAL DEPRECIATION EXPENSE | \$ 180,577 |

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 5 – Deferred Revenue

During 2021, the Town was awarded \$192,307 of funding from the American Recovery Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund and received all installments, which were passed through the New York State Office of the State Comptroller. The Town has spent \$20,648 of ARPA funds as of December 31, 2022. AS of December 31, 2022, the Town had total deferred revenue related to ARPA in the amount of \$171,659.

Note 6 - Short-Term Debt

Liabilities for bond anticipation notes (BAN's) are generally accounted for in the capital projects funds. Principal payments on BAN's must be made annually. State law requires that BAN's issued for capital purpose be converted to long-term obligations within five years after the original issue date. However, BAN's issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made. The Town had no outstanding bond anticipation notes at December 31, 2022.

Note 7 - Long-Term Obligations

Serial Bonds

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

Other Long-Term Liabilities

In addition to the above serial bonds, the Town had the following noncurrent liabilities:

Compensated Absences - represents the value of earned and unused portions of the liability for vacation and sick leave.

The following table summarizes the Town's long-term obligations as of December 31, 2022:

| | | |
|----------------------|-----------|-------------------------|
| Serial bonds | \$ | 3,729,000 |
| Compensated absences | | 73,305 |
| TOTAL | \$ | <u>3,802,305</u> |

Summary of the Changes in the Non-Current Government Liabilities

The following is a summary of changes in the Non-Current Government Liabilities for the year ended December 31, 2022:

| GOVERNMENTAL ACTIVITIES: | Balance at January 1, 2022 | Additions | Deletions | Balance at December 31, 2022 |
|------------------------------------|---|------------------------|----------------------------|---|
| Serial bonds | \$ 3,831,500 | \$ - | \$ (102,500) | \$ 3,729,000 |
| Compensated absences | 69,517 | 3,788 | - | 73,305 |
| Net pension liability | 1,065 | - | (1,065) | - |
| TOTAL LONG-TERM LIABILITIES | <u>\$ 3,902,082</u> | <u>\$ 3,788</u> | <u>\$ (103,565)</u> | <u>\$ 3,802,305</u> |

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 7 - Long-Term Obligations (Cont.)

General Obligation Serial Bonds

The following is a summary of general obligation serial bond transactions of the Town for the year ended December 31, 2022:

| Description | Maturity Date | Interest Rate | Balance at January 1, 2022 | Refinance | Payments | Balance at December 31, 2022 |
|-------------------------|---------------|---------------|----------------------------|--------------------|--------------------------|------------------------------|
| Water Districts: | | | | | | |
| Water District No. 2 | 2034 | 0.500% | \$ 92,400 | \$ - | \$ 8,400 | \$ 84,000 |
| Water District No. 3 | 2036 | 0.500% | 97,320 | - | 7,320 | 90,000 |
| Water District No. 4 | 2038 | 0.500% | 137,780 | - | 9,780 | 128,000 |
| Water District No. 5 | 2051 | 2.125% | 791,000 | - | 19,000 | 772,000 |
| Water District No. 6 | 2054 | 2.250% | 1,087,000 | - | 22,000 | 1,065,000 |
| Water District No. 7 | 2054 | 2.250% | 342,000 | - | 7,000 | 335,000 |
| Water District No. 8 | 2056 | 2.750% | 576,000 | - | 10,000 | 566,000 |
| Water District No. 9 | 2058 | 1.750% | 708,000 | - | 19,000 | 689,000 |
| TOTAL | | | <u>\$ 3,831,500</u> | <u>\$ -</u> | <u>\$ 102,500</u> | <u>\$ 3,729,000</u> |

Long-Term Debt Maturity Schedule

The following schedule sets forth the remaining annual maturities and annual interest payments on serial bonds at December 31, 2022:

| Year | Principal | Interest | Total |
|--------------|----------------------------|----------------------------|----------------------------|
| 2023 | \$ 99,000 | \$ 78,614 | \$ 177,614 |
| 2024 | 101,000 | 76,807 | 177,807 |
| 2025 | 102,000 | 74,940 | 176,940 |
| 2026 | 106,000 | 73,013 | 179,013 |
| 2027 | 105,000 | 71,017 | 176,017 |
| 2028 - 2032 | 534,000 | 323,669 | 857,669 |
| 2033 - 2037 | 549,000 | 266,395 | 815,395 |
| 2038 - 2042 | 539,000 | 207,447 | 746,447 |
| 2043 - 2047 | 599,000 | 145,013 | 744,013 |
| 2048 - 2052 | 632,000 | 75,251 | 707,251 |
| 2053 - 2057 | 338,000 | 15,711 | 353,711 |
| 2058 - 2062 | 25,000 | 219 | 25,219 |
| TOTAL | <u>\$ 3,729,000</u> | <u>\$ 1,408,096</u> | <u>\$ 5,137,096</u> |

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 8 - Pension Plans

Plan Description

The Town of Barre participates in the New York State and Local Employees' Retirement System (ERS). Which is referred to as New York State and Local Retirement System (the System). This is a cost-sharing multiple-employer retirement system. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefit to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transactions of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Employees' Retirement Systems, 110 State Street, Albany, New York 12236.

Funding Policy

The plan is noncontributory except for employees who joined the New York State and Local Employees' Retirement System 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 3% to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. The Comptroller annual certifies the actuarially determined rate expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31.

Membership, benefits and employer and employee obligations to contribute are described in the NYSRSSL using the tier concept. Pension legislation established tier membership by the date a member last joined the Retirement System. They are as follows:

ERS

- Tier 1 - Those persons who last became members of the System before July 1, 1973.
- Tier 2 – Those persons who last became members on or after July 1, 1973, but before July 27, 1976.
- Tier 3 – Generally those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1,2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.
- Tier 4 – Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1,2010.
- Tier 5 – Those persons who last became members of the System on or after January 1, 2010, but before April 1, 2012.
- Tier 6 - Those persons who first became members of the System on or after April 1, 2012

The Town of Barre is required to contribute at an actuarially determined rate. The required contribution for the current year and two preceding years were:

| | <u>ERS</u> |
|------|------------|
| 2022 | \$ 57,611 |
| 2021 | \$ 50,601 |
| 2020 | \$ 50,152 |

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

At December 31, 2022, the Town of Barre reported an asset of (\$87,626) for its proportionate share of the pension liability (asset). The net pension liability (asset) was measured as of March 31, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of April 1, 2021. The Town of Barre's proportion of the net pension liability (asset) was based on a projection of the Town of Barre's long-term share of contributions to the pension plan relative to the projected contribution of all participating members, actuarially determined.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 8 - Pension Plans (Cont.)

At December 31, 2022, the Town of Barre's proportion was .0010719 percent. For the year ended December 31, 2022, the Town of Barre recognized pension expense of \$6,419. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following resources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Differences between expected and actual experience | \$ 6,636 | \$ 8,607 |
| Changes of assumptions | 146,238 | 2,468 |
| Net difference between projected and actual investment earnings on pension plan investments | - | 286,938 |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 16,147 | 11,050 |
| Employer contributions subsequent to the measurement date | 35,237 | - |
| TOTAL | \$ 204,258 | \$ 309,063 |

The Town contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability for 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:

| <u>Year Ended December 31,</u> | |
|---|-------------|
| 2023 | \$ (21,601) |
| 2024 | (33,038) |
| 2025 | (71,650) |
| 2026 | (13,754) |
| 2027 | - |
| Thereafter | - |

Actuarial Assumptions

The total pension liability at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability (asset) to March 31, 2022. The actuarial valuation used the following actuarial assumptions:

| | |
|---------------------------|---|
| Interest rate | 5.90% |
| Inflation rate | 2.70% |
| Salary | 4.40% |
| Investment rate of return | 5.90% |
| Cost of living adjustment | 1.40% |
| Decrement Tables | April 1, 2015 - March 31, 2020 system's experience |

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 8 - Pension Plans (Cont.)

Annuitant mortality rates are based on April 1, 2015- March 31, 2020, System's experience with adjustments for mortality improvement based on the Society of Actuaries' Scale MP-2020.

The actuarial assumptions used in the April 1, 2021 valuation is 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 which is best estimates ranges of best estimate future real rates of return (expected returns nets of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighing 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, 2022 are summarized below:

| <u>Asset Type</u> | <u>Long-Term Expected Real Rate</u> |
|-------------------------------|---|
| Domestic equity | 3.30% |
| International Equity | 5.85% |
| Private Equity | 6.50% |
| Real Estate | 5.00% |
| Opportunistic / ARC Portfolio | 4.10% |
| Credit | 3.78% |
| Real Assets | 5.58% |
| Fixed Income | 0.00% |
| Cash | -1.00% |

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

Discount Rate

The discount used to calculate the total pension liability (asset) was 5.90%. The project 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 the 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 projected benefit payments to determine the total pension liability (asset).

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

The following presents the Town of Barre's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.90 percent, as well as what the Town of Barre '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 (4.90 percent) or 1-percentage point higher (6.90 percent) than the current rate:

| | <u>1% Decrease (4.90%)</u> | <u>Current Discount Rate (5.90%)</u> | <u>1% Increase (6.90%)</u> |
|--|------------------------------------|--|------------------------------------|
| Town's proportionate share of the net pension liability (asset) | \$ <u>225,548</u> | \$ <u>(87,626)</u> | \$ <u>(349,581)</u> |

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 8 - Pension Plans (Cont.)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability (asset) of the total employers' share for the state retirement system as of March 31, 2022, are as follows:

| | | <u>Employees' Retirement System</u> |
|---|----|---|
| Employers' total pension liability | \$ | 223,874,888 |
| Fiduciary net position | | <u>232,049,473</u> |
| Employers' net pension liability | \$ | <u>(8,174,585)</u> |
| | | |
| Ratio of plan net position to the employers' total pension liability | | 103.65% |

Note 9 - Interfund Receivables and Payables

Individual fund operating interfund receivables and payables for the year ended December 31, 2022 are as follows:

| | <u>Interfund Receivable</u> | | <u>Interfund Payable</u> |
|--|---------------------------------|------------------|------------------------------|
| <u>Governmental Fund Types:</u> | | | |
| General fund | \$ 64,343 | \$ | 31,019 |
| Highway fund | 18,681 | | - |
| Capital fund | - | | <u>52,005</u> |
| TOTAL | <u>\$ 83,024</u> | <u>\$</u> | <u>83,024</u> |

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Note 10 – Interfund Transfers

Individual fund operating transfers for the year ended December 31, 2022 are as follows:

| | <u>Transfer In</u> | | <u>Transfer Out</u> |
|--|-------------------------|------------------|----------------------|
| <u>Governmental Fund Types:</u> | | | |
| General fund | \$ 5,250 | \$ | 4,662 |
| Capital project fund | - | | 1 |
| Water fund | 4,663 | | 34,576 |
| Debt service fund | 29,326 | | - |
| TOTAL | <u>\$ 39,239</u> | <u>\$</u> | <u>39,239</u> |

Transfers are used to move revenue from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and move residual cash from closed projects to debt service to be used for debt payments at a later date. The purpose of the government interfund transfers are debt service payments, capital projects and self-insurance costs.

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 11 – Fund Balances

Non-spendable fund balances as of December 31, 2022 are as follows:

| Fund | Balance |
|---|------------------|
| GENERAL FUND: | |
| Prepaid expenditures | \$ 4,761 |
| HIGHWAY FUND: | |
| Prepaid expenditures | 8,097 |
| TOTAL NON-SPENDABLE FUND BALANCE | \$ 12,858 |

Restricted fund balances which have external constraints are as follows:

| Fund | Balances |
|------------------------------|-------------------|
| GENERAL FUND: | |
| Capital reserve | \$ 26,191 |
| Retirement reserve | 10,021 |
| TOTAL GENERAL FUND | 36,212 |
| HIGHWAY FUND: | |
| Capital reserve | \$ 98,657 |
| TOTAL HIGHWAY FUND | 98,657 |
| TOTAL RESTRICTED FUND | \$ 134,869 |

Assigned fund balances which are constrained by the Town's intent to be used for special purposes are as follows:

| Fund | Balances |
|------------------------------------|---------------------|
| GENERAL FUND: | |
| Appropriated fund balance | \$ 87,358 |
| TOTAL GENERAL FUND | 87,358 |
| HIGHWAY FUND: | |
| Appropriated fund balance | 172,893 |
| Unappropriated fund balance | 486,231 |
| TOTAL HIGHWAY FUND | 659,124 |
| WATER FUND: | |
| Appropriated fund balance | 8,470 |
| Unappropriated fund balance | 442,951 |
| TOTAL WATER FUND | 451,421 |
| TOTAL ASSIGNED FUND BALANCE | \$ 1,197,903 |

TOWN OF BARRE, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

Note 12 - Contingencies

The Town receives significant financial assistance from federal governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed expenditures resulting from such audits could become a liability of the governmental funds. The amount, if any, of expenditures that may be disallowed cannot be determined at this time, although the Town expects such amounts to be immaterial to the Town's financial statements.

TOWN OF BARRE, NEW YORK
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|----------------------------|--------------------------|--------------------------|---------------------------|
| REVENUES: | | | | |
| Real property taxes | \$ 361,231 | \$ 361,231 | \$ 361,231 | \$ - |
| Real property tax items | 4,500 | 4,500 | 4,521 | 21 |
| Non-property tax items | 77,500 | 77,500 | 80,854 | 3,354 |
| Departmental income | 700 | 700 | 551 | (149) |
| Intergovernmental charges | 711 | 711 | 731 | 20 |
| Use of money and property | 31,000 | 31,000 | 32,351 | 1,351 |
| Licenses and permits | 8,200 | 8,200 | 8,950 | 750 |
| Fines and forfeitures | 18,000 | 18,000 | 18,925 | 925 |
| Sale of property | 5,772 | 5,772 | 6,278 | 506 |
| Miscellaneous | 1,822 | 1,822 | 13,427 | 11,605 |
| State aid | 124,348 | 124,348 | 107,387 | (16,961) |
| Federal aid | - | - | 20,648 | 20,648 |
| TOTAL REVENUES | <u>633,784</u> | <u>633,784</u> | <u>655,854</u> | <u>22,070</u> |
| EXPENDITURES: | | | | |
| General government support | 305,693 | 305,693 | 288,553 | 17,140 |
| Public safety | 9,649 | 9,649 | 4,524 | 5,125 |
| Transportation | 126,759 | 126,759 | 129,136 | (2,377) |
| Economic assistance and opportunity | 200 | 200 | 200 | - |
| Culture and recreation | 119,973 | 119,973 | 113,670 | 6,303 |
| Home and community services | 120,103 | 120,103 | 100,336 | 19,767 |
| Employee benefits | 84,506 | 84,506 | 71,446 | 13,060 |
| TOTAL EXPENDITURES | <u>766,883</u> | <u>766,883</u> | <u>707,865</u> | <u>59,018</u> |
| Excess (deficiency) of revenues over expenditures | <u>(133,099)</u> | <u>(133,099)</u> | <u>(52,011)</u> | <u>(36,948)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 5,250 | 5,250 | 5,250 | - |
| Transfers out | - | - | (4,662) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>5,250</u> | <u>5,250</u> | <u>588</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other (uses) | <u>(127,849)</u> | <u>(127,849)</u> | <u>(51,423)</u> | <u>(36,948)</u> |
| Fund balance at December 31, 2021 | <u>525,843</u> | <u>525,843</u> | <u>525,843</u> | <u>-</u> |
| Fund balance at December 31, 2022 | <u>\$ 397,994</u> | <u>\$ 397,994</u> | <u>\$ 474,420</u> | <u>\$ (36,948)</u> |

See independent auditor's report

TOWN OF BARRE, NEW YORK
HIGHWAY FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|---|----------------------------|--------------------------|--------------------------|----------------------------|
| <u>REVENUES:</u> | | | | |
| Real property taxes | \$ 661,444 | \$ 661,444 | \$ 661,444 | \$ - |
| Intergovernmental charges | 122,000 | 122,000 | 131,221 | 9,221 |
| Use of money and property | - | - | 2,750 | 2,750 |
| Sale of property | 45,000 | 45,000 | 3,897 | (41,103) |
| State aid | 331,956 | 331,956 | 331,956 | - |
| TOTAL REVENUES | <u>1,160,400</u> | <u>1,160,400</u> | <u>1,131,268</u> | <u>(29,132)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Transportation | 1,103,418 | 1,103,418 | 960,661 | 142,757 |
| Employee benefits | 132,346 | 132,346 | 110,039 | 22,307 |
| TOTAL EXPENDITURES | <u>1,235,764</u> | <u>1,235,764</u> | <u>1,070,700</u> | <u>165,064</u> |
| Excess (deficiency) of revenues over expenditures | <u>(75,364)</u> | <u>(75,364)</u> | <u>60,568</u> | <u>(194,196)</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(61,076)</u> | <u>(61,076)</u> | <u>-</u> | <u>(61,076)</u> |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(61,076)</u> | <u>(61,076)</u> | <u>-</u> | <u>(61,076)</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other (uses) | (136,440) | (136,440) | 60,568 | (255,272) |
| Fund balance at December 31, 2021 | <u>705,310</u> | <u>705,310</u> | <u>705,310</u> | <u>-</u> |
| Fund balance at December 31, 2022 | <u>\$ 568,870</u> | <u>\$ 568,870</u> | <u>\$ 765,878</u> | <u>\$ (255,272)</u> |

See independent auditor's report

TOWN OF BARRE, NEW YORK
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
NYSLRS PENSION PLAN
DECEMBER 31, 2022

| | <u>Year Ended December 31,</u> | | | | |
|---|--------------------------------|----------------|----------------|----------------|----------------|
| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
| <u>Employees' Retirement System (ERS)</u> | | | | | |
| Measurement date | March 31, 2022 | March 31, 2021 | March 31, 2020 | March 31, 2019 | March 31, 2018 |
| Town's proportion of the net pension liability (asset) | 0.0010719% | 0.0010698% | 0.0010765% | 0.0015036% | 0.0014408% |
| Town's proportionate share of the net pension liability (asset) | (87,626) \$ | 1,065 \$ | 285,066 \$ | 106,537 \$ | 46,502 |
| Town's covered-employee payroll | 420,904 \$ | 376,001 \$ | 364,902 \$ | 390,700 \$ | 381,750 |
| Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | -20.82% | 0.28% | 78.12% | 27.27% | 12.18% |
| Plan fiduciary net position as a percentage of the total pension liability | 103.65% | 99.9% | 86.4% | 96.3% | 98.2% |

See independent auditor's report

TOWN OF BARRE, NEW YORK
SCHEDULE OF THE TOWN'S CONTRIBUTIONS
NYSLRS PENSION PLAN
DECEMBER 31, 2022

| | <u>Year Ended December 31,</u> | | | | |
|--|--------------------------------|-------------|-------------|-------------|-------------|
| | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> |
| <u>Employees' Retirement System (ERS)</u> | | | | | |
| Contractually required contribution | \$ 57,611 | \$ 50,601 | \$ 50,152 | \$ 61,360 | \$ 56,950 |
| Contributions in relation to the contractually required contribution | \$ 57,611 | \$ 50,601 | \$ 50,152 | \$ 61,360 | \$ 56,950 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - |
| Town's covered-employee payroll | \$ 420,904 | \$ 376,001 | \$ 364,902 | \$ 390,700 | \$ 381,750 |
| Contributions as a percentage of covered-employee payroll | 13.69% | 13.46% | 13.74% | 15.71% | 14.92% |

See independent auditor's report

TOWN OF BARRE, NEW YORK
SPECIAL DISTRICTS FUND – WATER DISTRICTS
BALANCE SHEET – WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

ASSETS

| | <u>Water District 1</u> | <u>Water District 2</u> | <u>Water District 3</u> | <u>Water District 4</u> | <u>Water District 5</u> |
|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | | | | |
| Cash | \$ 286,050 | \$ 19,836 | \$ 13,978 | \$ 48,459 | \$ 21,931 |
| Account receivable | 523 | 194 | 213 | 252 | 194 |
| Water rents receivable | 38,588 | 7,359 | 3,926 | 4,632 | 3,875 |
| TOTAL ASSETS | \$ 325,161 | \$ 27,389 | \$ 18,117 | \$ 53,343 | \$ 26,000 |

LIABILITIES AND FUND BALANCE

LIABILITIES

| | | | | | |
|-------------------------------------|---------------|--------------|--------------|--------------|--------------|
| Accounts payable | \$ 30,775 | \$ 896 | \$ 953 | \$ 1,069 | \$ 1,070 |
| Customer deposits | - | 1,500 | - | 1,000 | - |
| Due to employees' retirement system | 379 | 147 | 171 | 214 | 168 |
| TOTAL LIABILITIES | 31,154 | 2,543 | 1,124 | 2,283 | 1,238 |

FUND BALANCE

| | | | | | |
|---------------------------|----------------|---------------|---------------|---------------|---------------|
| Assigned | 294,007 | 24,846 | 16,993 | 51,060 | 24,762 |
| TOTAL FUND BALANCE | 294,007 | 24,846 | 16,993 | 51,060 | 24,762 |

| | | | | | |
|---|-------------------|------------------|------------------|------------------|------------------|
| TOTAL LIABILITIES AND FUND BALANCE | \$ 325,161 | \$ 27,389 | \$ 18,117 | \$ 53,343 | \$ 26,000 |
|---|-------------------|------------------|------------------|------------------|------------------|

TOWN OF BARRE, NEW YORK
SPECIAL DISTRICTS FUND – WATER DISTRICTS
BALANCE SHEET – WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

ASSETS

| | <u>Water District 6</u> | <u>Water District 7</u> | <u>Water District 8</u> | <u>Water District 9</u> | <u>Total</u> |
|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-------------------|
| <u>ASSETS</u> | | | | | |
| Cash | \$ 22,827 | \$ 12,154 | \$ 5,692 | \$ - | \$ 430,927 |
| Account receivable | 194 | 78 | 58 | 233 | 1,939 |
| Water rents receivable | 3,673 | 21,363 | 1,083 | 1,657 | 86,156 |
| TOTAL ASSETS | \$ 26,694 | \$ 33,595 | \$ 6,833 | \$ 1,890 | \$ 519,022 |

LIABILITIES AND FUND BALANCE

LIABILITIES

| | | | | | |
|-------------------------------------|------------|---------------|------------|--------------|---------------|
| Accounts payable | \$ 770 | \$ 20,840 | \$ 289 | \$ 7,044 | \$ 63,706 |
| Customer deposits | - | - | - | - | 2,500 |
| Due to employees' retirement system | 150 | 24 | 71 | 71 | 1,395 |
| TOTAL LIABILITIES | 920 | 20,864 | 360 | 7,115 | 67,601 |

FUND BALANCE

| | | | | | |
|---------------------------|---------------|---------------|--------------|----------------|----------------|
| Assigned | 25,774 | 12,731 | 6,473 | (5,225) | 451,421 |
| TOTAL FUND BALANCE | 25,774 | 12,731 | 6,473 | (5,225) | 451,421 |

| | | | | | |
|---|------------------|------------------|-----------------|-----------------|-------------------|
| TOTAL LIABILITIES AND FUND BALANCE | \$ 26,694 | \$ 33,595 | \$ 6,833 | \$ 1,890 | \$ 519,022 |
|---|------------------|------------------|-----------------|-----------------|-------------------|

TOWN OF BARRE, NEW YORK
SPECIAL DISTRICTS FUND – WATER DISTRICTS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Water District #1</u> | <u>Water District #2</u> | <u>Water District #3</u> | <u>Water District #4</u> | <u>Water District #5</u> |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| REVENUES: | | | | | |
| Real property taxes | \$ - | \$ 9,369 | \$ 8,463 | \$ 11,495 | \$ 35,809 |
| Departmental income | 169,118 | 19,413 | 15,940 | 19,581 | 14,719 |
| Intergovernmental charges | 3,340 | 1,348 | 1,289 | 1,641 | 1,230 |
| Sale of property and compensation for loss | - | - | - | 350 | - |
| Use of money and property | 754 | 24 | 24 | 121 | 91 |
| Miscellaneous | 528 | 196 | 215 | 253 | 202 |
| TOTAL REVENUES | <u>173,740</u> | <u>30,350</u> | <u>25,931</u> | <u>33,441</u> | <u>52,051</u> |
| EXPENDITURES: | | | | | |
| Home and community services | 158,867 | 12,432 | 12,761 | 16,043 | 14,699 |
| Employee benefits | 885 | 348 | 385 | 479 | 361 |
| Debt service - principal | - | - | - | - | 19,000 |
| Debt service - interest | - | - | - | - | 16,809 |
| TOTAL EXPENDITURES | <u>159,752</u> | <u>12,780</u> | <u>13,146</u> | <u>16,522</u> | <u>50,869</u> |
| Excess (deficiency) of revenues over expenditures | 13,988 | 17,570 | 12,785 | 16,919 | 1,182 |
| OTHER FINANCING SOURCES (USES): | | | | | |
| Transfers in | 1,212 | 420 | 420 | 793 | 511 |
| Transfers out | (1,583) | (9,984) | (9,178) | (12,386) | (704) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(371)</u> | <u>(9,564)</u> | <u>(8,758)</u> | <u>(11,593)</u> | <u>(193)</u> |
| Excess of revenues and other sources over expenditures and other uses | 13,617 | 8,006 | 4,027 | 5,326 | 989 |
| Fund balance - beginning of year | <u>280,390</u> | <u>16,840</u> | <u>12,966</u> | <u>45,734</u> | <u>23,773</u> |
| Fund balance - end of year | <u>\$ 294,007</u> | <u>\$ 24,846</u> | <u>\$ 16,993</u> | <u>\$ 51,060</u> | <u>\$ 24,762</u> |

See independent auditor's report

TOWN OF BARRE, NEW YORK
SPECIAL DISTRICTS FUND – WATER DISTRICTS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Water District #6</u> | <u>Water District #7</u> | <u>Water District #8</u> | <u>Water District #9</u> | <u>Total</u> |
|--|------------------------------|------------------------------|------------------------------|------------------------------|-------------------|
| REVENUES: | | | | | |
| Real property taxes | \$ 46,210 | \$ 14,616 | \$ 25,703 | \$ 26,180 | \$ 177,845 |
| Departmental income | 15,149 | 86,305 | 3,974 | 6,199 | 350,398 |
| Intergovernmental charges | 1,113 | 469 | 351 | 936 | 11,717 |
| Sale of property and compensation for loss | - | - | - | 950 | 1,300 |
| Use of money and property | 92 | 24 | 51 | 15 | 1,196 |
| Miscellaneous | 197 | 78 | 59 | 235 | 1,964 |
| TOTAL REVENUES | <u>62,761</u> | <u>101,492</u> | <u>30,138</u> | <u>34,515</u> | <u>544,420</u> |
| EXPENDITURES: | | | | | |
| Home and community services | 10,975 | 87,207 | 3,997 | 16,267 | 333,248 |
| Employee benefits | 329 | 55 | 131 | 126 | 3,099 |
| Debt service - principal | 22,000 | 7,000 | 10,000 | 19,000 | 77,000 |
| Debt service - interest | 24,210 | 7,616 | 15,703 | 18,375 | 82,713 |
| TOTAL EXPENDITURES | <u>57,514</u> | <u>101,878</u> | <u>29,831</u> | <u>53,768</u> | <u>496,060</u> |
| Excess (deficiency) of revenues over expenditures | 5,247 | (386) | 307 | (19,253) | 48,360 |
| OTHER FINANCING SOURCES (USES): | | | | | |
| Transfers in | 420 | 140 | 141 | 606 | 4,663 |
| Transfers out | (641) | (100) | - | - | (34,576) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(221)</u> | <u>40</u> | <u>141</u> | <u>606</u> | <u>(29,913)</u> |
| Excess of revenues and other sources over expenditures and other uses | 5,026 | (346) | 448 | (18,647) | 18,447 |
| Fund balance - beginning of year | <u>20,748</u> | <u>13,077</u> | <u>6,025</u> | <u>13,422</u> | <u>432,974</u> |
| Fund balance - end of year | <u>\$ 25,774</u> | <u>\$ 12,731</u> | <u>\$ 6,473</u> | <u>\$ (5,225)</u> | <u>\$ 451,421</u> |

See independent auditor's report



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Town Board
Town of Barre
Barre, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Barre, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Town of Barre, New York's basic financial statements, and have issued our report thereon dated November 7, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Barre, New York's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Town of Barre, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Barre, New York's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Barre, New York's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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P: (607) 282-4161

ONEONTA
189 Main Street, Suite 302
Oneonta, NY 13820
P: (607) 432-3462

PERRY
199 S. Main Street, PO Box 1
Perry, NY 14530
P: (585) 237-3887

ROCHESTER
150 State Street, Suite 301 A
Rochester, NY 14614
P: (585) 410-6733

VICTOR
6536 Anthony Drive, Suite B
Victor, NY 14564
P: (585) 410-6733

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allied CPAs, P.C.

Amherst, New York
November 7, 2023