

TOWN OF NORTH EAST, NEW YORK

ANNUAL FINANCIAL REPORT

UPDATE DOCUMENT

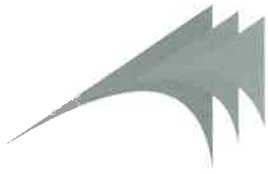
DECEMBER 31, 2021

TOWN OF NORTH EAST, NEW YORK

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Sickler, Torchia
Allen & Churchill, CPA's, PC
Your Partner When It Counts

Robert J. Allen, CPA
Victor V. Churchill, CPA
Edward J. Gower II, CPA
Joseph J. Montalto, CPA
Craig R. Sickler, CPA
Michael A. Torchia, Jr., CPA, CVA

INDEPENDENT ACCOUNTANT'S DISCLAIMER

To Town Board of the
Town of North East
Millerton, New York

The accompanying financial statements of the Town of North East (the Town) as of and for the year ended December 31, 2021, which collectively comprise the Town's financial report update document included in the accompanying prescribed form, were not subjected to an audit, review, or compilation engagement by us. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

Sickler, Torchia, Allen & Churchill, CPA's, P.C.

Hudson, New York
February 28, 2022

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

ANNUAL FINANCIAL REPORT
UPDATE DOCUMENT
For The
TOWN of North East
County of Dutchess
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 North East

*** 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
- (B) GENERAL TOWN-OUTSIDE VG
- (CD) SPECIAL GRANT
- (CM) MISCELLANEOUS SPECIAL REV
- (DB) HIGHWAY-PART-TOWN
- (H) CAPITAL PROJECTS
- (K) GENERAL FIXED ASSETS
- (SW) WATER
- (TA) AGENCY
- (TC) CUSTODIAL
- (TE) PRIVATE PURPOSE TRUST
- (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 North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Balance Sheet

Code Description	2020	Ego Code	2021
Assets			
Cash	1,188,189	A200	1,651,783
TOTAL Cash	1,188,189		1,651,783
Due From Other Funds	7,115	A391	483
TOTAL Due From Other Funds	7,115		483
Cash Special Reserves	10,003	A230	10,018
TOTAL Restricted Assets	10,003		10,018
TOTAL Assets and Deferred Outflows of Resources	1,205,307		1,662,284

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Balance Sheet

Code Description	2020	EdpCode	2021
Accounts Payable	20,089	A600	16,733
TOTAL Accounts Payable	20,089		16,733
Accrued Liabilities		A601	2,704
TOTAL Accrued Liabilities	0		2,704
Other Liabilities	2,525	A688	103,640
TOTAL Other Liabilities	2,525		103,640
TOTAL Liabilities	22,614		123,077
Fund Balance			
Unemployment Insurance Reserve	10,003	A815	10,018
TOTAL Restricted Fund Balance	10,003		10,018
Assigned Appropriated Fund Balance	165,000	A914	334,570
TOTAL Assigned Fund Balance	165,000		334,570
Unassigned Fund Balance	1,007,690	A917	1,194,619
TOTAL Unassigned Fund Balance	1,007,690		1,194,619
TOTAL Fund Balance	1,182,693		1,539,207
TOTAL Liabilities, Deferred Inflows And Fund Balance	1,205,307		1,662,284

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	EdoCode	2021
Revenues			
Real Property Taxes	1,144,093	A1001	1,213,395
TOTAL Real Property Taxes	1,144,093		1,213,395
Other Tax Items		A1089	37,183
Interest & Penalties On Real Prop Taxes	9,318	A1090	16,676
TOTAL Real Property Tax Items	9,318		53,859
Franchises	24,125	A1170	22,707
TOTAL Non Property Tax Items	24,125		22,707
Clerk Fees	1,751	A1255	1,826
Public Pound Charges, Dog Control Fees	62	A1550	122
Refuse & Garbage Charges	1,609	A2130	1,564
TOTAL Departmental Income	3,422		3,512
Interest And Earnings	8,494	A2401	2,754
TOTAL Use of Money And Property	8,494		2,754
Dog Licenses	2,601	A2544	2,768
Licenses, Other	280	A2545	315
Permits, Other	740	A2590	740
TOTAL Licenses And Permits	3,621		3,823
Fines And Forfeited Bail	12,296	A2610	24,275
TOTAL Fines And Forfeitures	12,296		24,275
Sales of Equipment	145	A2665	
TOTAL Sale of Property And Compensation For Loss	145		0
AIM Related Payments	11,220	A2750	11,200
Unclassified (specify)	294	A2770	
TOTAL Miscellaneous Local Sources	11,514		11,200
St Aid, Revenue Sharing		A3001	
St Aid, Mortgage Tax	78,824	A3005	170,905
St Aid - Other (specify)	11,441	A3089	50,515
TOTAL State Aid	90,265		221,420
TOTAL Revenues	1,307,293		1,556,945
Interfund Transfers	10,000	A5031	
TOTAL Interfund Transfers	10,000		0
TOTAL Other Sources	10,000		0
TOTAL Detail Revenues And Other Sources	1,317,293		1,556,945

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	ExpCode	2021
Expenditures			
Legislative Board, Pers Serv	20,800	A10101	20,800
Legislative Board, Contr Expend	549	A10104	
TOTAL Legislative Board	21,349		20,800
Municipal Court, Pers Serv	61,731	A11101	62,638
Municipal Court, Contr Expend	5,835	A11104	13,663
TOTAL Municipal Court	67,566		76,301
Supervisor, pers Serv	82,632	A12201	81,950
Supervisor, contr Expend	3,194	A12204	16,969
TOTAL Supervisor	85,826		98,919
Auditor, Contr Expend	9,255	A13204	
TOTAL Auditor	9,255		0
Tax Collection, contr Expend	5,957	A13304	6,887
TOTAL Tax Collection	5,957		6,887
Assessment, Pers Serv	51,993	A13551	52,529
Assessment, Contr Expend	3,588	A13554	4,231
TOTAL Assessment	55,581		56,760
Clerk, pers Serv	53,739	A14101	51,891
Clerk, contr Expend	5,699	A14104	4,895
TOTAL Clerk	59,438		56,786
Law, Contr Expend	20,470	A14204	24,740
TOTAL Law	20,470		24,740
Personnel, Contr Expend		A14304	1,392
TOTAL Personnel	0		1,392
Engineer, Contr Expend	16,952	A14404	12,567
TOTAL Engineer	16,952		12,567
Records Mgmt, PerS. Serv.	1,749	A14601	5,895
Records Mgmt, Contr Expend	8,385	A14604	8,375
TOTAL Records Mgmt	10,134		14,270
Operation of Plant, Pers Serv	5,250	A16201	5,103
Operation of Plant, Equip & Cap Outlay		A16202	
Operation of Plant, Contr Expend	12,794	A16204	15,222
TOTAL Operation of Plant	18,044		20,325
Central Comm System Contr Expend	7,704	A16504	8,097
TOTAL Central Comm System Contr Expend	7,704		8,097
Central Print & Mail Contr Expend	8,316	A16704	10,289
TOTAL Central Print & Mail Contr Expend	8,316		10,289
Central Data Process & Cap Outlay	11,788	A16802	4,614
Central Data Process, Contr Expend	12,025	A16804	15,871
TOTAL Central Data Process	23,813		20,485
Unallocated Insurance, Contr Expend	28,538	A19104	31,437
TOTAL Unallocated Insurance	28,538		31,437
Municipal Assn Dues, Contr Expend	1,000	A19204	1,000
TOTAL Municipal Assn Dues	1,000		1,000

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Other General Govt Support, Contract Exp		A19894	2,500
TOTAL Other General Govt Support	0		2,500
TOTAL General Government Support	439,943		463,555
Traffic Control, Contr Expen	2,627	A33104	2,350
TOTAL Traffic Control	2,627		2,350
Control of Animals, Pers Serv	4,955	A35101	5,250
Control of Animals, Contr Expend	1,026	A35104	573
TOTAL Control of Animals	5,981		5,823
TOTAL Public Safety	8,608		8,173
Ambulance, Contr Expend	348,156	A45404	355,120
TOTAL Ambulance	348,156		355,120
TOTAL Health	348,156		355,120
Street Admin, Pers Serv	59,885	A50101	61,085
Street Admin, Contr Expend	1,019	A50104	231
TOTAL Street Admin	60,904		61,316
Garage, Contr Expend	17,307	A51324	19,223
TOTAL Garage	17,307		19,223
Street Lighting, Contr Expend	556	A51824	611
TOTAL Street Lighting	556		611
TOTAL Transportation	78,767		81,150
Community Action, Contr Expend	1,000	A63104	1,000
TOTAL Community Action	1,000		1,000
Veterans Service, Contr Expend		A65104	1,000
TOTAL Veterans Service	0		1,000
TOTAL Economic Assistance And Opportunity	1,000		2,000
Library, Contr Expend	145,000	A74104	155,000
TOTAL Library	145,000		155,000
TOTAL Culture And Recreation	145,000		155,000
Environmental Control, Contr Expend		A80904	3,898
TOTAL Environmental Control	0		3,898
Refuse & Garbage, Pers Serv	755	A81601	965
Refuse & Garbage, Contr Expend	3,424	A81604	10,663
TOTAL Refuse & Garbage	4,179		11,628
Conservation, Contr Expend	5,811	A87104	
TOTAL Conservation	5,811		0
Cemetery, Pers Serv	1,962	A88101	3,584
Cemetery, Contr Expend	216	A88104	
TOTAL Cemetery	2,178		3,584
TOTAL Home And Community Services	12,168		19,110
State Retirement System	27,652	A90108	28,225
Social Security, Employer Cont	26,427	A90308	26,904
Worker's Compensation, Empl Bnfts	4,096	A90408	2,728
Unemployment Insurance, Empl Bnfts	778	A90508	
Disability Insurance, Empl Bnfts	120	A90558	112

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Results of Operation

Code Description	2020	Edp Code	2021
Expenditures			
Hospital & Medical (dental) Ins, Empl Bnft	44,178	A90608	17,454
TOTAL Employee Benefits	103,251		75,423
Debt Principal, Bond Anticipation Notes		A97306	32,430
TOTAL Debt Principal	0		32,430
Debt Interest, Bond Anticipation Notes	9,761	A97307	8,493
TOTAL Debt Interest	9,761		8,493
TOTAL Expenditures	1,146,654		1,200,454
Trans To Risk Retention Fund		A99029	
Transfers, Capital Projects Fund	10,000	A99509	
TOTAL Operating Transfers	10,000		0
TOTAL Other Uses	10,000		0
TOTAL Detail Expenditures And Other Uses	1,156,654		1,200,454

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	999,204	A8021	1,182,693
Prior Period Adj -Increase In Fund Balance	22,850	A8012	
Restated Fund Balance - Beg of Year	1,022,054	A8022	1,182,693
ADD - REVENUES AND OTHER SOURCES	1,317,293		1,556,945
DEDUCT - EXPENDITURES AND OTHER USES	1,156,654		1,200,454
Fund Balance - End of Year	1,182,693	A8029	1,539,184

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Budget Summary

Code Description	2021	EdpCode	2022
Estimated Revenues			
Est Rev - Real Property Taxes	1,213,395	A1049N	1,272,026
Est Rev - Real Property Tax Items	7,500	A1099N	7,500
Est Rev - Non Property Tax Items	21,500	A1199N	21,500
Est Rev - Departmental Income	1,200	A1299N	1,200
Est Rev - Use of Money And Property	3,000	A2499N	2,500
Est Rev - Licenses And Permits	3,690	A2599N	3,690
Est Rev - Fines And Forfeitures	18,000	A2649N	18,000
Est Rev - State Aid	51,500	A3099N	70,000
TOTAL Estimated Revenues	1,319,785		1,396,416
Appropriated Fund Balance	165,000	A599N	334,570
TOTAL Estimated Other Sources	165,000		334,570
TOTAL Estimated Revenues And Other Sources	1,484,785		1,730,986

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(A) GENERAL

Budget Summary

Code Description	2021	EdpCode	2022
Appropriations			
App - General Government Support	586,455	A1999N	619,798
App - Public Safety	14,500	A3999N	14,710
App - Health	355,120	A4999N	362,223
App - Transportation	89,635	A5999N	94,160
App - Economic Assistance And Opportunity	2,200	A6999N	2,200
App - Culture And Recreation	155,000	A7999N	165,000
App - Home And Community Services	20,370	A8999N	20,742
App - Employee Benefits	93,012	A9199N	85,499
TOTAL Appropriations	1,316,292		1,364,332
App - Interfund Transfer	168,493	A9999N	366,654
TOTAL Other Uses	168,493		366,654
TOTAL Appropriations And Other Uses	1,484,785		1,730,986

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Balance Sheet

Code Description	2020	Exp Code	2021
Assets			
Cash	520,553	B200	577,339
TOTAL Cash	520,553		577,339
Accounts Receivable	29,740	B380	29,309
TOTAL Other Receivables (net)	29,740		29,309
Due From Other Governments		B440	
TOTAL Due From Other Governments	0		0
TOTAL Assets and Deferred Outflows of Resources	550,293		606,648

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Balance Sheet

Code Description	2020	EdpCode	2021
Accounts Payable	4,973	B600	3,177
TOTAL Accounts Payable	4,973		3,177
TOTAL Liabilities	4,973		3,177
Fund Balance			
Assigned Appropriated Fund Balance	103,000	B914	106,250
Assigned Unappropriated Fund Balance	442,318	B915	497,221
TOTAL Assigned Fund Balance	545,318		603,471
TOTAL Fund Balance	545,318		603,471
TOTAL Liabilities, Deferred Inflows And Fund Balance	550,291		606,648

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Results of Operation

Code Description	2020	EdpCode	2021
Revenues			
Real Property Taxes	62,324	B1001	63,183
TOTAL Real Property Taxes	62,324		63,183
Sales Tax (from County)	181,704	B1120	167,331
TOTAL Non Property Tax Items	181,704		167,331
Safety Inspection Fees	41,040	B1560	70,429
Zoning Fees	575	B2110	3,000
Planning Board Fees	1,750	B2115	2,900
TOTAL Departmental Income	43,365		76,329
Interest And Earnings	2,868	B2401	879
TOTAL Use of Money And Property	2,868		879
Grants From Local Governments		B2706	
TOTAL Miscellaneous Local Sources	0		0
TOTAL Revenues	290,261		307,722
TOTAL Detail Revenues And Other Sources	290,261		307,722

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Police, Contr Expend	26,000	B31204	26,500
TOTAL Police	26,000		26,500
Safety Inspection, Pers Serv	43,804	B36201	43,999
Safety Inspection, Contr Expend	3,492	B36204	2,541
TOTAL Safety Inspection	47,296		46,540
TOTAL Public Safety	73,296		73,040
Registrar of Vital Statistics, Pers Serv	540	B40201	491
Registrar of Vital Stat Contr Expend		B40204	
TOTAL Registrar of Vital Stat Contr Expend	540		491
TOTAL Health	540		491
Youth Prog, Contr Expend	41,250	B73104	41,750
TOTAL Youth Prog	41,250		41,750
TOTAL Culture And Recreation	41,250		41,750
Zoning, Pers Serv	3,287	B80101	6,880
Zoning, Contr Expend	7,161	B80104	11,465
TOTAL Zoning	10,448		18,345
Planning, Pers Serv	187	B80201	1,364
Planning, Contr Expend	2,170	B80204	2,030
TOTAL Planning	2,357		3,394
Comm Beautification, Contr Expend	1,000	B85104	1,000
TOTAL Comm Beautification	1,000		1,000
TOTAL Home And Community Services	13,805		22,739
State Retirement, Empl Bnfts	6,472	B90108	6,606
Social Security , Empl Bnfts	3,658	B90308	4,034
Worker's Compensation, Empl Bnfts	1,365	B90408	909
Hospital & Medical (dental) Ins, Empl Bnft		B90608	
TOTAL Employee Benefits	11,495		11,549
TOTAL Expenditures	140,386		149,569
Transfers, Other Funds	100,000	B99019	100,000
TOTAL Operating Transfers	100,000		100,000
TOTAL Other Uses	100,000		100,000
TOTAL Detail Expenditures And Other Uses	240,386		249,569

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	495,443	B8021	545,318
Restated Fund Balance - Beg of Year	495,443	B8022	545,318
ADD - REVENUES AND OTHER SOURCES	290,261		307,722
DEDUCT - EXPENDITURES AND OTHER USES	240,386		249,569
Fund Balance - End of Year	545,318	B8029	603,471

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Budget Summary

Code Description	2021	EdpCode	2022
Estimated Revenues			
Est Rev - Real Property Taxes	63,183	B1049N	65,419
Est Rev - Non Property Tax Items	113,000	B1199N	113,000
Est Rev - Departmental Income	21,500	B1299N	23,000
Est Rev - Use of Money And Property	1,200	B2499N	800
TOTAL Estimated Revenues	198,883		202,219
Appropriated Fund Balance	103,000	B599N	106,250
TOTAL Estimated Other Sources	103,000		106,250
TOTAL Estimated Revenues And Other Sources	301,883		308,469

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(B) GENERAL TOWN-OUTSIDE VG

Budget Summary

Code Description	2021	EdpCode	2022
Appropriations			
App - General Government Support	12,000	B1999N	12,000
App - Public Safety	79,290	B3999N	81,420
App - Health	540	B4999N	560
App - Culture And Recreation	41,750	B7999N	42,250
App - Home And Community Services	53,523	B8999N	59,352
App - Employee Benefits	14,780	B9199N	12,887
TOTAL Appropriations	201,883		208,469
App - Interfund Transfer	100,000	B9999N	100,000
TOTAL Other Uses	100,000		100,000
TOTAL Appropriations And Other Uses	301,883		308,469

TOWN OF North East
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(CD) SPECIAL GRANT

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Due From Other Funds		CD391	
TOTAL Due From Other Funds	0		0
TOTAL Assets and Deferred Outflows of Resources	0		0

TOWN OF North East
Annual Update Document
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(CD) SPECIAL GRANT

Balance Sheet

Code Description	2020	Edp Code	2021
Due To Other Funds	6,969	CD630	336
TOTAL Due To Other Funds	6,969		336
TOTAL Liabilities	6,969		336
Fund Balance			
Assigned Unappropriated Fund Balance		CD915	
TOTAL Assigned Fund Balance	0		0
Unassigned Fund Balance	-6,969	CD917	-336
TOTAL Unassigned Fund Balance	-6,969		-336
TOTAL Fund Balance	-6,969		-336
TOTAL Liabilities, Deferred Inflows And Fund Balance	0		0

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(CD) SPECIAL GRANT

Results of Operation

Code Description	2020	EdpCode	2021
Revenues			
Community Development Income		CD2170	7,116
TOTAL Departmental Income	0		7,116
TOTAL Revenues	0		7,116
TOTAL Detail Revenues And Other Sources	0		7,116

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(CD) SPECIAL GRANT

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Public Works Fac Site, Contr Expend	7,116	CD86624	483
TOTAL Public Works Fac Site	7,116		483
TOTAL Home And Community Services	7,116		483
TOTAL Expenditures	7,116		483
TOTAL Detail Expenditures And Other Uses	7,116		483

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(CD) SPECIAL GRANT

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	147	CD8021	-6,969
Restated Fund Balance - Beg of Year	147	CD8022	-6,969
ADD - REVENUES AND OTHER SOURCES			7,116
DEDUCT - EXPENDITURES AND OTHER USES	7,116		483
Fund Balance - End of Year	-6,969	CD8029	-336

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Cash	53,431	CM200	28,775
TOTAL Cash	53,431		28,775
TOTAL Assets and Deferred Outflows of Resources	53,431		28,775

TOWN OF North East
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For the Fiscal Year Ending 2021

(CM) MISCELLANEOUS SPECIAL REV

Balance Sheet

Code Description	2020	EdpCode	2021
Accounts Payable	25,000	CM600	
TOTAL Accounts Payable	25,000		0
TOTAL Liabilities	25,000		0
Fund Balance			
Assigned Unappropriated Fund Balance	28,431	CM915	28,775
TOTAL Assigned Fund Balance	28,431		28,775
TOTAL Fund Balance	28,431		28,775
TOTAL Liabilities, Deferred Inflows And Fund Balance	53,431		28,775

TOWN OF North East
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For the Fiscal Year Ending 2021

(CM) MISCELLANEOUS SPECIAL REV

Results of Operation

Code Description	2020	EdpCode	2021
Revenues			
Other Home & Community Service Income	900	CM2189	300
TOTAL Departmental Income	900		300
Interest And Earnings	295	CM2401	44
TOTAL Use of Money And Property	295		44
TOTAL Revenues	1,195		344
TOTAL Detail Revenues And Other Sources	1,195		344

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(CM) MISCELLANEOUS SPECIAL REV

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Other Culture & Rec-Equip & Cap Outlay	25,000	CM79892	
TOTAL Other Culture & Rec-Equip & Cap Outlay	25,000		0
TOTAL Culture And Recreation	25,000		0
TOTAL Expenditures	25,000		0
TOTAL Detail Expenditures And Other Uses	25,000		0

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(CM) MISCELLANEOUS SPECIAL REV

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	52,236	CM8021	28,431
Restated Fund Balance - Beg of Year	52,236	CM8022	28,431
ADD - REVENUES AND OTHER SOURCES	1,195		344
DEDUCT - EXPENDITURES AND OTHER USES	25,000		
Fund Balance - End of Year	28,431	CM8029	28,775

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Cash	761,830	DB200	936,644
TOTAL Cash	761,830		936,644
Accounts Receivable		DB380	202
TOTAL Other Receivables (net)	0		202
Due From Other Funds		DB391	
TOTAL Due From Other Funds	0		0
TOTAL Assets and Deferred Outflows of Resources	761,830		936,846

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Balance Sheet

Code Description	2020	EdpCode	2021
Accounts Payable	46,768	DB600	35,279
TOTAL Accounts Payable	46,768		35,279
Due To Other Funds	147	DB630	147
TOTAL Due To Other Funds	147		147
TOTAL Liabilities	46,915		35,426
Fund Balance			
Assigned Appropriated Fund Balance	146,926	DB914	200,796
Assigned Unappropriated Fund Balance	567,989	DB915	700,624
TOTAL Assigned Fund Balance	714,915		901,420
TOTAL Fund Balance	714,915		901,420
TOTAL Liabilities, Deferred Inflows And Fund Balance	761,830		936,846

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Results of Operation

Code Description	2020	EdpCode	2021
Revenues			
Real Property Taxes	880,069	DB1001	906,443
TOTAL Real Property Taxes	880,069		906,443
Snow Removal Services-Other Govts	69,300	DB2302	69,301
TOTAL Intergovernmental Charges	69,300		69,301
Interest And Earnings	4,913	DB2401	1,806
TOTAL Use of Money And Property	4,913		1,806
Sales of Scrap & Excess Materials	1,450	DB2650	353
Sales of Equipment	5,335	DB2665	5,501
TOTAL Sale of Property And Compensation For Loss	6,785		5,854
St Aid, Consolidated Highway Aid	95,265	DB3501	184,833
TOTAL State Aid	95,265		184,833
TOTAL Revenues	1,056,332		1,168,237
Interfund Transfers	100,000	DB5031	100,000
TOTAL Interfund Transfers	100,000		100,000
Bond Anticipation Notes		DB5730	
TOTAL Proceeds of Obligations	0		0
TOTAL Other Sources	100,000		100,000
TOTAL Detail Revenues And Other Sources	1,156,332		1,268,237

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Maint of Streets, Pers Serv	54,648	DB51101	54,091
Maint of Streets, Contr Expend	208,992	DB51104	202,013
TOTAL Maint of Streets	263,640		256,104
Perm Improve Highway, Contr Expend	150,606	DB51124	198,152
TOTAL Perm Improve Highway	150,606		198,152
Machinery, Pers Serv	59,935	DB51301	67,004
Machinery, Equip & Cap Outlay	1,808	DB51302	6,006
Machinery, Contr Expend	87,978	DB51304	88,495
TOTAL Machinery	149,721		161,505
Brush And Weeds, Pers Serv	60,993	DB51401	57,800
Brush And Weeds, Contr Expend	28,981	DB51404	50,995
TOTAL Brush And Weeds	89,974		108,795
Snow Removal, Pers Serv	30,889	DB51421	37,167
Snow Removal, Equip & Cap Outlay	7,407	DB51422	8,625
Snow Removal, Contr Expend	66,741	DB51424	74,721
TOTAL Snow Removal	105,037		120,513
TOTAL Transportation	758,978		845,069
State Retirement, Empl Bnfts	24,711	DB90108	25,223
Social Security, Empl Bnfts	15,794	DB90308	16,528
Worker's Compensation, Empl Bnfts	17,294	DB90408	11,520
Disability Insurance, Empl Bnfts	426	DB90558	426
Hospital & Medical (dental) Ins, Empl Bnft	81,793	DB90608	98,797
TOTAL Employee Benefits	140,018		152,494
Debt Principal, Installment Bonds	80,900	DB97206	81,434
TOTAL Debt Principal	80,900		81,434
Debt Interest, Installment Bonds	4,992	DB97207	2,735
TOTAL Debt Interest	4,992		2,735
TOTAL Expenditures	984,888		1,081,732
TOTAL Detail Expenditures And Other Uses	984,888		1,081,732

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	543,561	DB8021	714,915
Restated Fund Balance - Beg of Year	543,561	DB8022	714,915
ADD - REVENUES AND OTHER SOURCES	1,156,332		1,268,237
DEDUCT - EXPENDITURES AND OTHER USES	984,888		1,081,732
Fund Balance - End of Year	714,915	DB8029	901,420

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Budget Summary

Code Description	2021	EdpCode	2022
Estimated Revenues			
Est Rev - Real Property Taxes	906,442	DB1049N	943,009
Est Rev - Use of Money And Property	71,700	DB2499N	70,800
TOTAL Estimated Revenues	978,142		1,013,809
Estimated - Interfund Transfer	100,000	DB5031N	100,000
Appropriated Fund Balance	146,926	DB599N	200,796
TOTAL Estimated Other Sources	246,926		300,796
TOTAL Estimated Revenues And Other Sources	1,225,068		1,314,605

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(DB) HIGHWAY-PART-TOWN

Budget Summary

Code Description	2021	EdpCode	2022
Appropriations			
App - Transportation	787,111	DB5999N	803,324
App - Employee Benefits	179,874	DB9199N	188,322
App - Debt Service	84,287	DB9899N	66,293
TOTAL Appropriations	1,051,272		1,057,939
App - Interfund Transfer	173,796	DB9999N	256,666
TOTAL Other Uses	173,796		256,666
TOTAL Appropriations And Other Uses	1,225,068		1,314,605

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Cash	261,023	H200	86,684
TOTAL Cash	261,023		86,684
Accounts Receivable	32,700	H380	
TOTAL Other Receivables (net)	32,700		0
TOTAL Assets and Deferred Outflows of Resources	293,723		86,684

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Balance Sheet

Code Description	2020	Emp Code	2021
Accounts Payable	8,272	H600	
TOTAL Accounts Payable	8,272		0
Bond Anticipation Notes Payable	894,000	H626	861,570
TOTAL Notes Payable	894,000		861,570
Due To Other Funds		H630	
TOTAL Due To Other Funds	0		0
TOTAL Liabilities	902,272		861,570
Fund Balance			
Assigned Unappropriated Fund Balance		H915	
TOTAL Assigned Fund Balance	0		0
Unassigned Fund Balance	-608,549	H917	-774,886
TOTAL Unassigned Fund Balance	-608,549		-774,886
TOTAL Fund Balance	-608,549		-774,886
TOTAL Liabilities, Deferred Inflows And Fund Balance	293,723		86,684

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2020	EdpCode	2021
Revenues			
Interest And Earnings	1,887	H2401	261
TOTAL Use of Money And Property	1,887		261
Grants From Local Governments	338,752	H2706	
TOTAL Miscellaneous Local Sources	338,752		0
TOTAL Revenues	340,639		261
Interfund Transfers		H5031	
TOTAL Interfund Transfers	0		0
Bond Anticipation Notes		H5730	
Bans Redeemed From Appropriations		H5731	32,430
TOTAL Proceeds of Obligations	0		32,430
TOTAL Other Sources	0		32,430
TOTAL Detail Revenues And Other Sources	340,639		32,691

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Machinery, Equip & Cap Outlay		H51302	
TOTAL Machinery	0		0
Highway, Capital Projects	910,627	H51972	199,029
TOTAL Highway	910,627		199,029
TOTAL Transportation	910,627		199,029
Debt Principal, Bond Anticipation Notes		H97306	
TOTAL Debt Principal	0		0
TOTAL Expenditures	910,627		199,029
TOTAL Detail Expenditures And Other Uses	910,627		199,029

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(H) CAPITAL PROJECTS

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	-38,561	H8021	-608,549
Restated Fund Balance - Beg of Year	-38,561	H8022	-608,549
ADD - REVENUES AND OTHER SOURCES	340,639		32,691
DEDUCT - EXPENDITURES AND OTHER USES	910,627		199,029
Fund Balance - End of Year	-608,549	H8029	-774,887

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Land	52,800	K101	52,800
Buildings	200,954	K102	1,798,294
Machinery And Equipment	1,727,022	K104	1,733,028
Construction Work In Progress	1,409,247	K105	
TOTAL Fixed Assets (net)	3,390,023		3,584,122
TOTAL Assets and Deferred Outflows of Resources	3,390,023		3,584,122

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(K) GENERAL FIXED ASSETS

Balance Sheet

Code Description	2020	EdpCode	2021
Liabilities, Deferred Inflows And Fund Balance			
Total Non-Current Govt Assets	3,390,023	K159	3,584,122
TOTAL Investments In Non-Current Government Assets	3,390,023		3,584,122
TOTAL Fund Balance	3,390,023		3,584,122
TOTAL	3,390,023		3,584,122

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Cash	39,037	SW200	41,516
TOTAL Cash	39,037		41,516
TOTAL Assets and Deferred Outflows of Resources	39,037		41,516

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Balance Sheet

Code Description	2020	EdpCode	2021
Fund Balance			
Assigned Unappropriated Fund Balance	39,037	SW915	41,516
TOTAL Assigned Fund Balance	39,037		41,516
TOTAL Fund Balance	39,037		41,516
TOTAL Liabilities, Deferred Inflows And Fund Balance	39,037		41,516

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Results of Operation

Code Description	2020	EdoCode	2021
Revenues			
Real Property Taxes	46,520	SW1001	39,753
TOTAL Real Property Taxes	46,520		39,753
Unmetered Water Sales		SW2142	7,764
TOTAL Departmental Income	0		7,764
Interest And Earnings	318	SW2401	87
TOTAL Use of Money And Property	318		87
TOTAL Revenues	46,838		47,604
TOTAL Detail Revenues And Other Sources	46,838		47,604

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Water Administration, Contr Expend	120	SW83104	120
TOTAL Water Administration	120		120
Other Water, Contr Expend	7,365	SW83894	6,117
TOTAL Other Water	7,365		6,117
TOTAL Home And Community Services	7,485		6,237
Debt Principal, Serial Bonds	20,000	SW97106	21,000
TOTAL Debt Principal	20,000		21,000
Debt Interest, Serial Bonds	18,810	SW97107	17,888
TOTAL Debt Interest	18,810		17,888
TOTAL Expenditures	46,295		45,125
TOTAL Detail Expenditures And Other Uses	46,295		45,125

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Analysis of Changes in Fund Balance

Code Description	2020	EdpCode	2021
Analysis of Changes in Fund Balance			
Fund Balance - Beginning of Year	38,494	SW8021	39,037
Restated Fund Balance - Beg of Year	38,494	SW8022	39,037
ADD - REVENUES AND OTHER SOURCES	46,838		47,604
DEDUCT - EXPENDITURES AND OTHER USES	46,295		45,125
Fund Balance - End of Year	39,037	SW8029	41,516

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Budget Summary

Code Description	2021	EdpCode	2022
Estimated Revenues			
Est Rev - Real Property Taxes	39,753	SW1049N	38,983
Est Rev - Use of Money And Property	250	SW2499N	75
TOTAL Estimated Revenues	40,003		39,058
TOTAL Estimated Revenues And Other Sources	40,003		39,058

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(SW) WATER

Budget Summary

Code Description	2021	Edp Code	2022
Appropriations			
App - Home And Community Services	1,100	SW8999N	1,100
App - Employee Benefits	15	SW9199N	15
App - Debt Service	38,888	SW9899N	37,943
TOTAL Appropriations	40,003		39,058
TOTAL Appropriations And Other Uses	40,003		39,058

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

Balance Sheet

Code Description	2020	Emp Code	2021
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TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TA) AGENCY

Balance Sheet

Code Description	2020	Fund Code	2021
Due To Other Funds		TA630	
TOTAL Due To Other Funds	0		0
TOTAL Liabilities	0		0
TOTAL Liabilities, Deferred Inflows And Fund Balance	0		0

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TC) CUSTODIAL

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Cash	6,041	TC200	13,418
TOTAL Cash	6,041		13,418
TOTAL Assets and Deferred Outflows of Resources	6,041		13,418

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TC) CUSTODIAL

Balance Sheet

Code Description	2020	Eop Code	2021
Accounts Payable	558	TC800	2,299
TOTAL Accounts Payable	558		2,299
TOTAL Liabilities	558		2,299
Fund Balance			
Net Assets-Restricted For Other Purposes	5,483	TC923	11,119
TOTAL Net Position	5,483		11,119
TOTAL Fund Balance	5,483		11,119
TOTAL Liabilities, Deferred Inflows And Fund Balance	6,041		13,418

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TC) CUSTODIAL

Results of Operation

Code Description	2020	EdoCode	2021
Revenues			
Unclassified (specify)	5,829	TC2770	15,529
TOTAL Miscellaneous Local Sources	5,829		15,529
TOTAL Revenues	5,829		15,529
TOTAL Detail Revenues And Other Sources	5,829		15,529

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TC) CUSTODIAL

Results of Operation

Code Description	2020	EdpCode	2021
Expenditures			
Other Custodial Activities Contractual	2,679	TC19354	9,893
TOTAL Other Custodial Activities Contractual	2,679		9,893
TOTAL General Government Support	2,679		9,893
TOTAL Expenditures	2,679		9,893
TOTAL Detail Expenditures And Other Uses	2,679		9,893

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TC) CUSTODIAL

Analysis of Changes in Net Position

Code Description	2020	EdpCode	2021
Analysis of Changes in Net Position			
Fund Balance - Beginning of Year		TC8021	5,483
Prior Period Adjustments,inc Fund Eqty	2,333	TC8012	
Restated Fund Balance - Beg of Year	2,333	TC8022	5,483
ADD - REVENUES AND OTHER SOURCES	5,829		15,529
DEDUCT - EXPENDITURES AND OTHER USES	2,679		9,893
Fund Balance - End of Year	5,483	TC8029	11,119

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2020	EdpCode	2021
Assets			
Cash	9,234	TE200	9,248
TOTAL Cash	9,234		9,248
TOTAL Assets and Deferred Outflows of Resources	9,234		9,248

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TE) PRIVATE PURPOSE TRUST

Balance Sheet

Code Description	2020	EdpCode	2021
Fund Balance			
Net Assets-Restricted For Other Purposes	9,234	TE923	9,234
TOTAL Net Position	9,234		9,234
TOTAL Fund Balance	9,234		9,234
TOTAL Liabilities, Deferred Inflows And Fund Balance	9,234		9,234

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TE) PRIVATE PURPOSE TRUST

Results of Operation

Code Description	2020	EdpCode	2021
Revenues			
Interest And Earnings	52	TE2401	14
TOTAL Use of Money And Property	52		14
TOTAL Revenues	52		14
TOTAL Detail Revenues And Other Sources	52		14

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

Results of Operation

Code Description	2020	Edo Code	2021
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TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(TE) PRIVATE PURPOSE TRUST

Analysis of Changes in Net Position

Code Description	2020	Emp Code	2021
Analysis of Changes in Net Position			
Fund Balance - Beginning of Year	9,182	TE8021	9,234
Restated Fund Balance - Beg of Year	9,182	TE8022	9,234
ADD - REVENUES AND OTHER SOURCES	52		14
Fund Balance - End of Year	9,234	TE8029	9,248

TOWN OF North East
Annual Update Document
For the Fiscal Year Ending 2021

(W) GENERAL LONG-TERM DEBT

Balance Sheet

Code Description	2020	Edg Code	2021
Assets			
Total Non-Current Govt Liabilities	949,539	W129	429,360
TOTAL Provision To Be Made In Future Budgets	949,539		429,360
TOTAL Assets and Deferred Outflows of Resources	949,539		429,360

TOWN OF North East
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	419,195	W638	1,451
TOTAL Other Liabilities	419,195		1,451
Bonds Payable	530,344	W628	427,909
TOTAL Bond And Long Term Liabilities	530,344		427,909
TOTAL Liabilities	949,539		429,360
TOTAL Liabilities	949,539		429,360

TOWN OF North East
Statement of Indebtedness
For the Fiscal Year Ending 2021

3/4/2022

County of: Dutchess

Municipal Code: 130359300000

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
2000	BOND E	Water Improvements			06/01/1999	06/01/2036	4.50%			\$28,000	\$1,000	\$0	\$0		\$27,000
2000	BOND E	Water Improvements			06/01/1999	06/01/2036	4.50%			\$380,000	\$20,000	\$0	\$0		\$360,000
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year															
2020	BAN N	Garage Storage Facility			08/24/2020	08/24/2021	0.95%		\$894,000	\$894,000	\$894,000		\$0		\$0
2021	BAN N	Garage Storage Facility			08/23/2021	08/23/2022	0.52%		\$861,570	\$0			\$0		\$861,570
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year															
2016	BOND N	HIGHWAY EQUIPMENT			11/01/2016	11/01/2021	1.74%		\$100,000	\$20,000	\$20,000	\$0	\$0		\$0
2018	BOND N	Plow Truck			11/19/2018	11/19/2021	2.05%		\$125,000	\$41,667	\$41,667	\$0	\$0		\$0
2019	BOND N	Highway Equipment			05/10/2019	05/10/2023	2.30%		\$80,000	\$40,677	\$19,768	\$0	\$0		\$40,909
Total for Type/Exempt Status - Sums Issued Amts only made in AFR Year															
AFR Year Total for All Debt Types - Sums Issued Amts only made in AFR Year											\$996,435	\$0	\$0	\$0	\$1,289,479

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

	EDP Code	Amount
CASH:		
On Hand	9Z2001	\$100.00
Demand Deposits	9Z2011	\$3,375,906.00
Time Deposits	9Z2021	
Total		\$3,376,006.00
COLLATERAL:		
- FDIC Insurance	9Z2014	\$2,817,940.00
Collateralized with securities held in possession of municipality or its agent	9Z2014A	\$557,966.00
Total		\$3,375,906.00
INVESTMENTS:		
- 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 North East
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
*****-2426	\$34,042	\$0	\$0	\$34,042
*****-2434	\$25,584	\$0	\$0	\$25,584
*****-2442	\$213,002	\$0	\$0	\$213,002
*****-2450	\$10,018	\$0	\$0	\$10,018
*****-2469	\$39,527	\$0	\$0	\$39,527
*****-2477	\$41,516	\$0	\$0	\$41,516
*****-2493	\$2,574	\$0	\$0	\$2,574
*****-2507	\$9,248	\$0	\$0	\$9,248
*****-2515	\$28,775	\$0	\$0	\$28,775
*****-3910	\$98	\$0	\$0	\$98
*****-3937	\$102	\$0	\$0	\$102
*****-3945	\$98	\$0	\$0	\$98
*****-3961	\$19,765	\$0	\$19,765	\$0
*****-3988	\$13,418	\$0	\$0	\$13,418
*****-3996	\$3,521	\$0	\$816	\$2,705
*****-426	\$1,498,161	\$0	\$0	\$1,498,161
*****-434	\$551,653	\$0	\$0	\$551,653
*****-442	\$723,543	\$0	\$0	\$723,543
*****-469	\$44,583	\$0	\$0	\$44,583
*****-6589	\$12,979	\$0	\$0	\$12,979
*****-7413	\$103,699	\$0	\$0	\$103,699
Total Adjusted Bank Balance				\$3,355,325
Petty Cash				\$100.00
Adjustments				\$0.00
Total Cash			9ZCASH *	\$3,355,425
Total Cash Balance All Funds			9ZCASHB *	\$3,355,425
* Must be equal				

TOWN OF North East
Local Government Questionnaire
For the Fiscal Year Ending 2021

	Response
1) Does your municipality have a written procurement policy?	Yes
2) Have the financial statements for your municipality been independently audited?	No
If not, are you planning on having an audit conducted?	No
3) Does your local government participate in an insurance pool with other local governments?	Yes
4) Does your local government participate in an investment pool with other local governments?	No
5) Does your municipality have a Length of Service Award Program (LOSAP) for volunteer firefighters?	No
6) Does your municipality have a Capital Plan?	Yes
7) Has your municipality prepared and documented a risk assessment plan?	No
If yes, has your municipality used the results to design the system of internal controls?	
8) Have you had a change in chief executive or chief fiscal officer during the last year?	No
9) Has your Local Government adopted an investment policy as required by General Municipal Law, Section 39?	Yes

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

Total Full Time Employees:		6			
Total Part Time Employees:		25			
Account Code	Description	Total Expenditures (All Funds)	# of Full Time Employees	# of Part Time Employees	# of Retirees
90108	State Retirement System	\$60,053.00	6	7	
90158	Police and Fire Retirement				
90258	Local Pension Fund				
90308	Social Security	\$47,467.00	6	25	
90408	Worker's Compensation Insurance	\$15,158.00	6	25	
90458	Life Insurance				
90508	Unemployment Insurance				
90558	Disability Insurance	\$538.00	6		
90608	Hospital and Medical (Dental) Insurance	\$116,250.00	6		
90708	Union Welfare Benefits				
90858	Supplemental Benefit Payment to Disabled Fire Fighters				
91890	Other Employee Benefits				
Total		\$239,466.00			
Computed Total From Financial Section (comparative purposes only)		\$239,466.00			

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

Energy Type	Total Expenditures	Total Volume	Units Of Measure	Alternative Units Of Measure
Gasoline	\$10,040	3,972	gallons	
Diesel Fuel	\$24,472	9,132	gallons	
Fuel Oil	\$9,898	3,381	gallons	
Natural Gas			cubic feet	
Electricity	\$8,171	44,572	kilowatt-hours	
Coal			tons	
Propane			gallons	

TOWN OF North East
Financial Comments
For the Fiscal Year Ending 2021

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The fund financial statements of the Town of North East, New York (Town) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units, to the extent appropriate for the prescribed form. The prescribed form is intended to comply with the requirements of the State of New York Office of State Comptroller, Division of Local Government and School Accountability, Albany, New York, and are not intended to be presented in accordance with accounting principles generally accepted in the United States of America. 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 is governed by its charter, municipal law and other general laws of the State of New York, and various local laws and ordinances. The Town Board, which is the legislative body responsible for the overall operation of the Town, consists of five members (with each member having an equal vote). The Town Supervisor serves as chief executive and fiscal officer of the Town.

The following basic services are provided: public safety, health, transportation, highways and streets, culture and recreation, public improvements, economic assistance and opportunity, home and community services, and general administrative services.

All governmental activities and functions performed for the Town 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 North East, (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 Statements 14, 39, 61, and 80.

The decision to include a potential component unit in the Town's reporting entity is based on several criteria set forth in GASB 14, 39, 61 and 80 including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria the following is a brief review of certain entities considered in determining the Town of North East's reporting entity.

I. There are no other entities included in the reporting entity, nor are there any joint ventures excluded from the reporting entities.

II. Excluded from Reporting Entity:

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Although the following organizations, functions or activities are related to the Town they are not included in the Town's reporting entity because of the reasons noted:

The Town exercises no oversight over the operations of the Joint Fire District of the Town and Village of Millerton. The Town levies and collects real property taxes and turns them over to the fire district. This amounted to \$659,926 for the year ended December 31, 2021.

B. Fund Accounting:

The Town uses funds and account groups 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The Town records its transactions in the fund types and account groups described below:

I. Fund Categories:

a. 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 based upon 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:

1. General Fund:

The General Fund is the principal fund of the Town and includes all operations not required to be recorded in other funds.

2. Special Revenue Funds:

Special Revenue Funds are used to account for and report the proceeds of special revenue sources that are restricted or committed to expenditures for

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

specified purposes other than debt service or capital projects. The following Special Revenue Funds are utilized:

- (a) Highway Funds are used to account for revenues and expenditures for maintenance of Town highways.
- (b) Special District Funds are used to account for the resources of special districts.
- (c) Water Funds are used to account for revenues and expenditures for maintenance of the North East Water District.
- (d) Special Grant Funds are used to account for grant funds received from governmental sources.
- (e) Miscellaneous Special Revenue Fund accounts for trust arrangements under which principal and income will be used to benefit the Town's regular programs.
- (f) General Town – Outside are used to account for funds received for that purpose.

3. Capital Projects Fund:

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for the acquisition or construction of capital facilities and other capital assets other than those financed by proprietary funds.

b. Fiduciary Funds:

Fiduciary Funds are used to account for assets held by the local government in a trustee or custodial capacity.

1. Custodial Funds:

Custodial Funds are used to account for fiduciary activities that are not required to be reported in a private purpose trust fund.

2. Private-Purpose Trust Funds:

Private-Purpose Trust Funds are used to account for all other trust arrangements under which principal and interest benefit individuals, private organizations or other governments.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

II. Account Groups:

Account groups are used to establish accounting control and accountability for the Town's non-current government assets and non-current government liabilities. The two account groups are not "funds". They are concerned only with the measurement of financial position, and not with the results of operations.

a. Non-Current Government Assets Account Group:

This group of accounts is used to account for land, buildings, improvements other than buildings and equipment utilized for general government purposes.

b. Non-Current Government Liability Account Group:

This group of accounts is established to account for all long-term debts.

C. Basis of Accounting/Measurement Focus:

Basis of accounting refers to when revenues and expenditures/expenses and the related assets, liabilities, and deferred revenues 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.

I. Modified Accrual Basis:

All Governmental Funds and Fiduciary 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 the fund liability is incurred except that:

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

- a. Expenditures for prepaid and inventory-type items are recognized at the time of purchase.
- b. Principal and interest on indebtedness are not recognized as an expenditure until due.
- c. Compensated absences, such as vacation and sick leave, which vests or accumulates, are charged as an expenditure when payment is due (see Note 1, H).
- d. Other post-employment benefits are charged as expenditures when payment is due.

II. Account Groups:

Non-current government assets are recorded at actual or estimated cost or, in the case of gifts and contributions, at the fair market value at the time received. No provision for depreciation is made. Non-current government liabilities are recorded at the par value of the principal amount. No liability is recorded for interest payable to maturity. Long-term liabilities for retirement and compensated absences are recorded when the Town's obligation can be reasonably estimated.

D. Fund Balances:

Fund Balance is broken down into five different classifications: non-spendable, restricted, committed, assigned, and unassigned focusing on the constraints imposed on resources in governmental funds:

I. Non-Spendable:

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

II. 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.

III. 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

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance. The Town has no committed fund balance as of December 31, 2021.

IV. 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 Board, by resolution, to adopt the 2022 budget, has authorized the Town Supervisor to assign fund balance. Appropriated fund balance is reported in the various funds as follows: General Fund – Town-Wide \$334,570 General Fund – Outside \$106,250, and Highway Fund – Outside \$200,796.

V. Unassigned:

Represents the residual classification of 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.

The Town has the authority to carry over a "reasonable amount" of committed, assigned and unassigned fund balance consistent with the "Reasonable Amount" statutes.

E. Encumbrances:

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes in order to reserve that portion of the applicable appropriations, is employed by the Town. Encumbrances are reported as restrictions, commitments or assignments of fund balance since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

F. Property, Plant, and Equipment – General:

Fixed assets purchased for general governmental purposes are recorded as expenditures in

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

the governmental funds and are capitalized at cost (or estimated historical cost) in the Non-Current Government Assets Account Group. Contributed fixed assets are recorded at fair market value at the date received. Historical records are incomplete and, as such, are considered to be valued for insurance purposes only and cannot be supported as cost.

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.

Therefore, the purpose of stewardship for capital expenditures can be satisfied without recording these assets. No depreciation has been provided on Schedule of Non-Current Government Assets Account Group nor has interest on non-current government assets construction-in-progress been capitalized.

G. Investments:

An investment is a security or other asset (a) that a government holds primarily for the purpose of income or profit and (b) with present service capacity that is based solely on its ability to generate cash or to be sold to generate cash. Capital assets held for resale are excluded from being classified as investments.

Investments are generally reported at fair value, except certificates of deposit, which are reported at cost.

H. Compensated Absences:

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

No accrual has been recorded due to the number of variables involved. However, management believes that sufficient resources will be available for payment when such payment becomes due.

I. Post-Employment Benefits:

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

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

The Town recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid. During the current year, \$1,789 was paid on behalf of one retiree and recorded as an expenditure.

J. Departures from Generally Accepted Accounting Principles (GAAP):

The Town has prepared these statements in the accompanying prescribed form to comply with the requirements of the State of New York Office of State Comptroller, Division of Local Government and School Accountability, Albany, New York, and are not intended to be presented in accordance with accounting principles generally accepted in the United States of America. Notable departures from GAAP include:

- I. No provision for capitalizing infrastructure has been recorded;
- II. No provision for depreciation of Non-Current Government Assets has been recorded;
- III. The absence of an entity-wide Statement of Net Positions and Statement of Activities;
- IV. The absence of a Management, Discussion and Analysis;
- V. A statement comparing budget vs. actual is required under generally accepted accounting principles. While the Annual Update document includes both actual and budget schedules, there is no direct comparison of the two;
- VI. A Schedule of Funding Progress for Other Post-Employment Benefits is required under GAAP.
- VII. A Schedule of the Local Government's Proportionate Share of the Net Pension Liability for the New York State Employees' Retirement System is required under GAAP.
- VIII. A Schedule of the Local Government's Contribution for the New York State Employees' Retirement System is required under GAAP.
- IX. The absence of references to the "accompanying notes and accountant's disclaimer" on each page of the financial statements and to the "accountant's disclaimer" on each page of any supplementary information.
- X. Post closure landfill care costs not calculated and listed in General Long-Term Debt section.

The effect of these departures on the financial statements has not been determined.

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

K. Insurance

The Town of North East assumes the liability 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. New Accounting Standards:

The Town has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At December 31, 2021, the Town implemented the following new standards issued by GASB:

-- The GASB has issued Statement No. 93, *Replacement of Interbank Offered Rates*, which provides exceptions to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020.

-- The GASB has issued Statement No. 98, *The Annual Comprehensive Financial Report* - This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The requirements of this Statement are effective for fiscal years ending after December 15, 2021.

M. Future Changes in Accounting Standards:

-- The GASB has issued Statement No. 87, *Leases*, which will better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged.

-- The GASB has issued Statement No. 91, *Conduit Debt Obligations*, which provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier application is encouraged.

-- The GASB has issued Statement No. 92, *Omnibus 2020*, which enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

and application of certain GASB Statements. The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021. The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021. The requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021. Earlier application is encouraged and is permitted by topic.

-- The GASB has issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will improve financial reporting by addressing issues related to public-private and public-public partnerships arrangements (PPPs). Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this statement are effective for reporting periods beginning after June 15, 2022. Earlier application encouraged.

-- The GASB has issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, which provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this statement are effective for reporting periods beginning after June 15, 2022. Earlier application encouraged.

-- The GASB has issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84*, and a supersession of GASB Statement No. 32, which provides increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. Costs

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

will be mitigated in association with the reporting of certain defined contribution pension plans. The relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this Statement that provide that for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted by requirement as specified within this Statement.

The Town will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

N. Use of Estimates:

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY:

A. Budgetary Data:

The budget policies are as follows:

- I. No later than September 30, the budget officer submits a tentative budget to the Town Clerk, who then has until October 5 to submit the budget to the Town Board for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- II. After public hearings are conducted to obtain taxpayer comments, no later than November 20, the governing board adopts the budget.
- III. All modifications of the budget must be approved by the governing board.
- IV. Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE, ACCOUNTABILITY (CONTINUED):

B. Property Taxes:

Real property taxes are levied annually no later than December 31 and become a lien on January 1. Taxes are collected during the period January 1 to May 31. Taxes for the Town and special district purposes are levied together with the taxes for the county 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. In June of 2011, New York State passed Chapter 97 of the Laws of 2011 (Tax Cap Law). This law applies to all local governments in New York State. The Tax Cap Law restricts the amount of property taxes that may be levied by the Town of North East in a particular year, beginning with the 2012 fiscal year. The growth in annual levy is limited to the lesser of two percent or annual change in the national unadjusted Consumer Price Index for All Urban Consumers – All Items (CPI-U), subject to certain limited exceptions and adjustments.

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS:

A. Assets:

I. Cash and Investment Policies:

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 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, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit at 105 percent 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.

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.

II. Cash and Cash Equivalents – Custodial Credit, Concentration of Credit, Interest Rate, and Foreign Currency Risks:

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. While the Town does not have a specific policy for custodial credit risk, New York State statutes govern the Town's investment policies, as discussed previously in these notes.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

As of December 31, 2021, \$-0- of the Town's bank balance of \$3,375,906 was exposed to custodial credit risk as follows:

	Bank Balance 12/31/21	FDIC Coverage	Collateral	Total Coverage 12/31/21
Salisbury Bank	\$ 3,375,906	\$ 2,817,940	\$ 557,966	\$ 3,375,906

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute or contributor guidance to be reserved for various purposes. Restricted cash as of year-end includes \$10,018 within the governmental funds.

III. Changes in Non-Current Government Assets:

A summary of changes in non-current government assets follows:

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021
Land	\$ 52,800	\$ -	\$ -	\$ 52,800
Buildings	200,954	-	10,936	190,018
Construction in Progress	1,409,247	199,029	-	1,608,276
Machinery and Equipment	1,727,022	6,006	-	1,733,028
	<u>\$ 3,390,023</u>	<u>\$ 205,035</u>	<u>\$ 10,936</u>	<u>\$ 3,584,122</u>

B. Liabilities:

I. Pension Plans:

a. General Information:

The Town participates in the New York State Employees' Retirement System (NYSERS). This is a cost-sharing, multiple-employer public employee retirement system. The System offer a wide range of plans and benefits, which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

b. Plan Description:

The Town 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 defined benefit retirement systems. The net position of the System is held in the New York State

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is given on them.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

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 or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

c. Benefits Provided:

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

i. Tiers 1 and 2:

Eligibility: Tier 1 members 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 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

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TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

final average salary is limited to no more than 20 percent of the average of the previous two years.

ii. Tiers 3, 4, and 5:

Eligibility: Tier 3 and 4 members must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members 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.

iii. Tier 6:

Eligibility: Tier 6 members 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.

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

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

average salary is limited to no more than 10 percent of the average of the previous four years.

iv. Ordinary Disability Benefits:

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

v. Accidental Disability Benefits:

For all eligible Tier 1 and Tier 2 ERS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

vi. 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.

vii. Post-Retirement Benefit Increases:

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, 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.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

d. Contributions:

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. 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 NYSRSSL, 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:

	ERS
2021	60,053
2020	58,835
2019	65,931

e. 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 for its proportionate share of the net pension liability for the System. 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 position 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.

This information was provided by the ERS System in reports provided to the Town.

	ERS
Actuarial Valuation Date	4/1/2020
Net Pension (Asset)/Liability	\$ 1,451
Town's Portion of the Plan's Total Net Pension Asset/(Liability)	0.0014572%

For the year ended December 31, 2021, the Town recognized pension expense of \$60,053 for ERS, within the fund financial statements. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

	Deferred Outflows of Resources	Deferred Inflows of Resources
	ERS	ERS
Differences Between Expected and Actual Experience	\$ 17,721	\$ -
Changes of Assumptions	266,791	5,032
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	416,810
Changes in Proportion and Differences Between the Town's Contributions and Proportionate Share of Contributions	5,596	13,871
Town's Contributions Subsequent to the Measurement Date	<u>60,053</u>	<u>-</u>
Total	<u>\$ 350,161</u>	<u>\$ 435,713</u>

\$60,053 reported as deferred outflows of resource related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	ERS
Year Ended:	
2022	\$ (27,284)
2023	(10,333)
2024	(24,640)
2025	(83,350)
2026	-
Thereafter	<u>-</u>
	<u>\$ (145,607)</u>

i. Actuarial Assumptions:

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following assumptions:

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

	ERS
Measurement Date	March 31, 2021
Actuarial Valuation Date	April 1, 2020
Interest Rate	5.90%
Salary Scale	4.40%
Decrement Tables	April 1, 2015 - March 31, 2020
	System's Experience
Inflation Rate	2.70%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2018.

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

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

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

Asset Class	Target Allocation	Expected Real Rate of Return
Domestic Equity	32%	4.05%
International Equity	15%	6.30%
Private Equity	10%	6.75%
Real Estate	9%	4.95%
Alternative Investments	3%	4.50%
Total Equities	69%	
Domestic Fixed Income Securities	0%	0.00%
Global Fixed Income Securities	0%	0.00%
Real Assets	3%	5.95%
Bonds and Mortgages	23%	0.00%
Short-Term	1%	0.50%
Inflation-Indexed Bonds	4%	3.63%
Total Fixed Income	31%	
Total	100%	

ii. Discount Rate:

The discount rate used to calculate the total pension liability was 5.90% for ERS. 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 Systems' 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.

iii. Sensitivity of the Proportionate Share of the Net Pension to the Discount Rate Assumption:

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 5.90% for ERS, as well as what the Town's proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.90% for ERS) or 1-percentage point higher (6.90% for ERS) than the current rate:

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's Proportionate Share of the Net Pension (Asset) Liability	\$ 402,739	\$ 1,451	\$ (368,631)

iv. Pension Plan Fiduciary Net Position:

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

	(Dollars in the Thousands)
	ERS
Valuation Date	4/1/2020
Employers' Total Pension Liability	\$ 220,680,157
Plan Net Position	220,580,583
Employers' Net Pension Liability/(Asset)	\$ 99,574
Plan Net Position as a Percentage to the Systems' Total Pension Liability/(Asset)	99.95%

v. Payables to the Pension Plan:

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of December 31, 2021 represent the projected employer contribution for the period of April 1, 2021 through December 31, 2021 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of December 31, 2021, amounted to \$0 payable, as the Town paid the March 2022 obligation in full prior to year-end.

II. Indebtedness:

a. Debt Limit:

At December 31, 2021, the total outstanding indebtedness of the Town aggregated \$1,289,479 of which \$902,479 was subject to the constitutional debt limit. This amount represented 2.70% of its debt limit.

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

b. Short-Term Debt:

Bond Anticipation Note

The Town may issue Bond Anticipation Notes in anticipation of the proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of the bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years of the original issue date.

The Town issued (renewed) \$861,570 short-term debt on August 23, 2021 with an interest rate of 0.52% and a maturity date of August 23, 2022.

c. Serial Bonds:

The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are full faith and credit debt of the local government, are recorded in Non-Current Government Liabilities Account Group. The provision to be made in the 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.

d. Summary of Long-Term Liabilities:

The following is the summary of long-term liabilities outstanding at December 31, 2021:

	Balance 12/31/20	Additions	Payments	Balance 12/31/21
Serial Bonds	\$ 408,000	\$ -	\$ 20,000	\$ 388,000
Highway Equipment	20,000	-	20,000	-
Highway Plow Truck	41,667	-	41,667	-
Highway Equipment (Backhoe)	60,677	-	19,768	40,909
Net Pension Liability - Proportionate Share	419,195	-	417,744	1,451
	<u>\$ 949,539</u>	<u>\$ -</u>	<u>\$ 519,179</u>	<u>\$ 430,360</u>

e. Maturity:

The following is a statement of Serial Bonds with corresponding maturity schedules:

TOWN OF NORTH EAST, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

Description of Issue	Issue Date	Original Amount	Interest Rate	Maturity Date	Outstanding 12/31/2021	Collateral
Water	06/01/99	\$ 50,000	4.50%	06/01/36	\$ 27,000	*
Water	06/01/99	694,300	4.50%	06/01/36	360,000	*
Highway	11/01/16	100,000	1.74%	11/01/21	-	Gradall
Highway	11/19/18	125,000	2.05%	11/19/21	-	Truck
Highway	05/10/19	80,000	2.30%	05/10/24	40,909	Equipment
					<u>\$ 427,909</u>	

* Pledged the faith and credit of the Town

f. Debt Service:

The following table summarizes the Town's future debt service requirements as of December 31, 2021:

	Principal	Interest
2022	41,222	20,490
2023	41,687	17,883
2024	21,000	16,473
2025	23,000	15,053
2026	23,000	14,063
2027-2031	126,000	59,738
2032-2036	152,000	24,323
	<u>\$ 427,909</u>	<u>\$ 168,022</u>

III. Landfill Maintenance:

State and federal laws and regulations require the Town to place a final cover on its refuse landfill site when it stops accepting waste, and also requires certain maintenance and monitoring functions at the site for 30 years after closure. The Town established a capital project to aid in paying the costs for the closure. Cumulative expenditures for landfill closure costs were \$1,380,504 for the year ended December 31, 2021. The Town has applied for, and was awarded, State Aid in the amount of \$1,201,294 to aid in paying the cost to date and for future costs.

C. Interfund Receivables and Payables:

- Interfund receivables and payables at December 31, 2021, were as follows:

TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 3 – DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (CONTINUED):

	Interfund		Interfund	
	Receivable	Payable	Revenues	Expenditures
General Fund	\$ 483	\$ -	\$ -	\$ -
General Fund - Town Outside	-	336	-	100,000
Special Revenue:				
Highway Part Town	-	147	100,000	-
Water	-	-	-	-
Special Grant	-	-	-	-
Capital Projects	-	-	-	-
Totals	<u>\$ 483</u>	<u>\$ 483</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>

D. Fund Equity:

Designation and Assignment of Fund Balance:

The Town has designated the following amounts to be used to reduce taxes for the year ending December 31, 2021:

Fund	Appropriated Fund Balance
General	\$ 334,570
General - Town Outside	106,250
Highway - Town Outside	200,796
	<u>\$ 641,616</u>

E. Restricted Reserves:

The general fund equity includes reserve funds established for the following purposes:

Fund	Purpose	Balance at 12/31/21
General	Unemployment Reserve	<u>\$ 10,018</u>

NOTE 4 – COMMITMENTS AND CONTINGENCIES:

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

B. The Coronavirus (COVID-19), first detected in China, has since spread worldwide and has been declared a pandemic by the World Health Organization (WHO). The health

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TOWN OF NORTH EAST, NEW YORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2021

NOTE 4 – COMMITMENTS AND CONTINGENCIES (CONTINUED):

risks are not to be underestimated, but the economic affect to business, other organizations, and the general population may be in the billions of dollars (or more)

Some of the possible economic effects and business disruptions are as follows

1. Supply chain disruption
 - a. Some business entities have been forced to close for an indefinite period.
 - b. Providers may be unable to obtain materials used in their process.
 - c. Inability to obtain supplies and equipment could drive up costs.
2. Workers
 - a. Contracting the virus; working remote; and maintaining social distancing will impact current routine procedures and require adapting to new established protocol.
 - b. Concern about future reductions in workers.
3. American Rescue Plan Act (ARPA)

The Town was awarded \$103,641 in funding during fiscal year end December 31, 2021. ARPA Act monies are a non-reoccurring revenue stream. The use of the funds should be to first fund non-reoccurring expenditures that meet the requirements set forth in the U.S. Department of Treasury's resources.

Compliance with Government Restrictions may include additional training and learning proper use of personal protective equipment.

The duration of the effects of the virus and its economic impact are not known at this time, however, the longer this health issue affects the Town the more costly it may become.

C. Landfill Closure Costs:

The Town has not reported post closure care costs as a liability at December 31, 2021, in either the General Fund or the Non-Current Government Liabilities Account Group. The amount of this liability has not been calculated however; and is deemed to be material.