

Town of Ridgeway, New York

**Financial Statements
As of December 31, 2020
Together With
Independent Auditor's Report**

Town of Ridgeway, New York

Table of Contents

	<u>Page No.</u>
Independent Auditor's Report	1 - 2
Management's Discussion and Analysis	3 - 12
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	13 - 14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	16
Reconciliation of Statement of Net Position to Governmental Fund Balances	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18 - 19
Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget vs. Actual - General Fund and Highway Town Wide	21 - 22
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget vs. Actual - Highway Part Town and Water Fund	23 - 24
Statement of Fiduciary Net Assets - Fiduciary Funds	25
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	26
Notes to the Financial Statements	27 - 44

Town of Ridgeway, New York

Table of Contents

Page No.

Combining and Individual Financial Statements and Required Supplementary Information:

Non Major Governmental Funds:

Combining Balance Sheet 45

Combining Statement of Revenues, Expenditures and Changes in Fund Balance 46

Water Fund:

Balance Sheet by District 47 – 48

Combining Statement of Revenues and Expenses by District 49 - 50

Required Supplementary Information:

Schedule of Town's Proportionate Share of the Net Pension Liability 51

Schedule of the Town's Contributions 52

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an
Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 53 – 54**

Single Audit

Report on Compliance for Each Major Program and on Internal Control Over Compliance
Required by the Uniform Guidance 55 – 56

Schedule of Expenditures of Federal Awards 57

Notes to the Schedule of Expenditures of Federal Awards 58

Schedule of Findings and Questioned Costs 59 - 60

Schedule of Prior Audit Findings 61

Corrective Action Plan 62



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INDEPENDENT AUDITOR'S REPORT

Honorable Town Board
Town of Ridgeway
Ridgeway, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Ridgeway, New York, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town of Ridgeway's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Ridgeway, New York, as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary analysis information, and other RSI as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 27, 2021 on our consideration of the Town of Ridgeway's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Ridgeway's internal control over financial reporting and compliance.

Allied CPAs, P.C.

Tonawanda, New York
May 27, 2021

MANAGEMENT DISCUSSION AND ANALYSIS

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

This section of the Town of Ridgeway's (Town's) annual financial report presents a discussion and analysis of the Town's financial performance during the fiscal year ended December 31, 2020. Please read it in conjunction with the Town's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded liabilities at the close of the 2020 fiscal year by \$5,714,158 (net position). Of this amount, \$814,780 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors, and \$152,975 is restricted for specific purpose (restricted net position), and \$4,746,403 is net investment in capital assets.
- The government's total net position increased by \$741,790.
- As of December 31, 2020, the Town's governmental funds reported combined fund balances of \$1,119,894 an increase of \$305,226 in comparison with the prior year.
- At the end of the fiscal year, unassigned fund balance for the general fund was (\$167,880).

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts - *Management's Discussion and Analysis* (this section), and the *Basic Financial Statements*.

Basic Financial Statements

Government-Wide Financial Statements are two statements designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all Town assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *Statement of Activities* presents information showing how net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (i.e., unallocated taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The Town does not have any functions that are intended to recover all or, in part, a portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, transportation, economic assistance and opportunity, culture and recreation, home and community services, interest and fiscal charges and depreciation.

The government-wide financial statements can be found on pages 13 - 15 of this report.

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS

Fund Financial Statement

These funds are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate finance related legal compliance. All funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

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

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

The Town maintains five individual major governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, Highway Town Wide, Highway Part Town, Water, and the Capital Projects Fund. Data for the other non-major governmental funds is presented elsewhere in this report.

The Town adopts an annual appropriated budget for its general fund and special revenue funds. A budgetary comparison statement has been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16 - 24 of this report.

Fiduciary Funds

These funds are used to account for resources held for the benefit of parties outside the government. The Town has two fiduciary funds. Custodial funds are reflected in the government-wide financial statements because the resources of these funds are available to support the Town's own programs. Private Purpose Trust funds are used to account for trust arrangements in which principal and income benefits the Town and are not reflected in the government-wide financial statements.

The basic fiduciary fund financial statements can be found on pages 25 - 26 of this report.

Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes can be found on pages 27 - 44 of this report.

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve, over time, as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$5,714,158 at the close of the most recent fiscal year.

Summary of Town of Ridgeway's Net Position

	Total Governmental Activities December 31, 2020	Total Governmental Activities December 31, 2019
<u>ASSETS AND DEFERRED OUTFLOWS</u>		
<u>ASSETS</u>		
Current and other assets	\$ 1,817,770	\$ 2,137,756
Capital assets	8,694,903	7,644,896
TOTAL ASSETS	10,512,673	9,782,652
Deferred outflows of resources	327,972	128,079
TOTAL DEFERRED OUTFLOWS OF RESOURCES	327,972	128,079
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>		
<u>LIABILITIES</u>		
Long-term liabilities	4,377,579	3,546,204
Other liabilities	699,943	1,321,102
TOTAL LIABILITIES	5,077,522	4,867,306
Deferred inflows of resources	48,965	71,057
TOTAL DEFERRED INFLOWS OF RESOURCES	48,965	71,057
<u>NET POSITION</u>		
Net investment in capital assets	4,746,403	3,572,196
Restricted	152,975	180,459
Unrestricted	814,780	1,219,713
TOTAL NET POSITION	\$ 5,714,158	\$ 4,972,368

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The largest portion of the Town's net position of \$4,746,403 reflects its net investment in capital assets (e.g. land, buildings, improvements, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the Town's net position of \$152,975 represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the Town's net position represents unrestricted net position of \$814,780.

Governmental Activities

Governmental activities increased the Town's net position by \$741,790.

The following table indicates the changes in net position for governmental activities:

	Total Governmental Activities December 31, 2020	Total Governmental Activities December 31, 2019
<u>REVENUES:</u>		
<u>PROGRAM REVENUES:</u>		
Charges for services	\$ 619,240	\$ 533,742
Operating grants and contributions	133,179	165,830
Capital grants and contributions	694,685	-
<u>GENERAL REVENUES:</u>		
Real property taxes and tax items	1,492,267	1,487,381
Non-property tax items	164,771	163,341
Use of money and property	22,644	22,563
Fines and forfeitures	28,101	48,653
Sale of property and compensation for loss	4,276	57,672
Miscellaneous	4,006	500
State aid	101,693	140,224
TOTAL REVENUES	\$ 3,264,862	\$ 2,619,906

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

	Total Governmental Activities December 31, 2020	Total Governmental Activities December 31, 2019
<u>EXPENSES:</u>		
General government support	\$ 592,457	\$ 459,223
Public safety	203,429	217,402
Health	18,687	1,343
Transportation	1,025,673	903,625
Cultural and recreation	1,824	7,987
Home and community services	565,316	445,538
Interest and fiscal charges	115,687	107,827
TOTAL EXPENSES	2,523,072	2,142,945
 Change in net position	 741,790	 476,961
 NET POSITION - BEGINNING	 4,972,368	 4,495,407
 NET POSITION - ENDING	 \$ 5,714,158	 \$ 4,972,368

Business-Type Activities

The Town does not have any business type activities.

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds

The general governmental functions are contained in the General, Special Revenue, Capital Projects and Non Major Governmental Funds. The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2020, the Town's governmental funds reported combined fund balances of \$1,119,894, an increase of \$305,226 in comparison with the prior year. Of the combined fund balances, (\$753,001) constitutes *unassigned fund balance*, which is available to meet the Town's current and future operational and capital needs. *Assigned fund balance* represents amounts designated for subsequent years' expenditures in the amount of \$1,701,470. *Restricted fund balance* represents amounts restricted by outside sources in the amount of \$152,975. *Non-spendable fund balance* represents reserves for prepaid expenditures in the amount of \$18,450.

The general fund is the chief operating fund of the Town. At December 31, 2020, unassigned fund balance of the general fund was (\$167,880) while total fund balance reached (\$137,855). As a measure of general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 22.95% of total fund expenditures, while total fund balance also represents 18.85% of that same amount.

Revenues for governmental functions totaled \$3,264,862 in fiscal year ended December 31, 2020, which represents an increase of 24.6% from the fiscal year ended December 31, 2019.

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

The following table presents the amount of revenues from various sources, as well as, increases or decreases from the prior year:

Revenues Classified by Source - Governmental Funds

	December 31, 2020 Amount	Percent of Total	December 31, 2019 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
REVENUES:					
Real property taxes and tax items	\$ 1,492,267	45.71%	\$ 1,487,381	\$ 4,886	0.33%
Non-property tax items	164,771	5.05%	163,341	1,430	0.88%
Departmental income	453,138	13.88%	366,947	86,191	23.49%
Intergovernmental charges	151,460	4.64%	157,080	(5,620)	-3.58%
Use of money and property	22,644	0.69%	22,563	81	0.36%
Licenses and permits	14,642	0.45%	9,715	4,927	50.72%
Fines and forfeitures	28,101	0.86%	48,653	(20,552)	-42.24%
Sale of property and compensation for loss	4,276	0.13%	57,672	(53,396)	-92.59%
Miscellaneous	4,006	0.12%	500	3,506	701.20%
State and Federal aid	929,557	28.47%	306,054	623,503	203.72%
TOTAL REVENUES	\$ 3,264,862	100.00%	\$ 2,619,906	\$ 644,956	

The following provides an explanation of revenues by source that changed significantly over the prior year:

- Department income increased because of an increase in water charges during the year.
- Intergovernmental charges changed because of a decrease in demand for snow removal provided by the Town.
- Fine and forfeitures decreased because the courts and town halls were closed due to the Covid-19 pandemic.
- Sale of property and compensation for loss decreased due to less property and equipment being sold.
- Federal aid increased because the Town received funds related to the construction of Water District 14.

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

The following table presents expenditures, by function, compared to prior year amounts:

Expenditures by Function - Governmental Funds

	December 31, 2020 Amount	Percent of Total	December 31, 2019 Amount	Amount of Increase (Decrease)	Percent of Increase (Decrease)
EXPENDITURES:					
General government support	\$ 437,296	12.10%	\$ 400,477	36,819	9.19%
Public safety	194,124	5.37%	214,475	(20,351)	-9.49%
Health	17,834	0.49%	1,100	16,734	1521.27%
Transportation	937,773	25.95%	964,601	(26,828)	-2.78%
Culture and recreation	1,550	0.04%	7,887	(6,337)	-80.35%
Home and community services	1,468,839	40.65%	430,751	1,038,088	240.99%
Employee benefits	324,221	8.97%	319,850	4,371	1.37%
Debt service	231,999	6.42%	225,895	6,104	2.70%
TOTAL EXPENDITURES	\$ 3,613,636	100.00%	\$ 2,565,036	\$ 1,048,600	

The following provides an explanation of the expenditures by function that changed significantly over the prior year:

- General government support increased due to an increase in salaries and contractual expenditures.
- Health increased due to the Town having an ambulance contractual expense in the current year.
- Transportation services decreased because the Highway Fund had a decrease in snow removal services during the year
- Home and community services increased because of the capital project expenditures related to water district construction for the current year.

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

The current year excess of revenues over expenditures is presented below:

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds

	Major Funds			Non-Major Governmental Funds	Total
	General	Special Revenue	Capital Projects		
FUND BALANCE AT DECEMBER 31, 2018	\$ (198,123)	\$ 1,811,642	\$ (1,090,155)	\$ 221,134	\$ 744,498
Revenues	727,583	1,571,504	66	320,753	2,619,906
Expenditures	(680,406)	(1,551,887)	(21,072)	(311,671)	(2,565,036)
Excess (deficiency) of revenues over expenditures	47,177	19,617	(21,006)	9,082	54,870
Other financing sources, net	-	-	15,300	-	15,300
FUND BALANCE AT DECEMBER 31, 2019	(150,946)	1,831,259	(1,095,861)	230,216	814,668
Revenues	744,308	1,522,490	694,930	303,134	3,264,862
Expenditures	(731,217)	(1,604,520)	(965,661)	(312,238)	(3,613,636)
Excess (deficiency) of revenues over expenditures	13,091	(82,030)	(270,731)	(9,104)	(348,774)
Other financing sources, net	-	-	654,000	-	654,000
FUND BALANCE AT DECEMBER 31, 2020	\$ (137,855)	\$ 1,749,229	\$ (712,592)	\$ 221,112	\$ 1,119,894

TOWN OF RIDGEWAY, NEW YORK
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no differences in appropriations in the original budget and the amended budget in the General Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Asset

The Town's investment in capital assets for its governmental activities as of December 31, 2020, amounted to \$8,694,903 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings, and equipment.

All depreciable capital assets were depreciated under the straight-line method using half-year convention where applicable.

Current assets net of depreciation are presented below:

Summary of Town of Ridgeway's Capital Assets
(Net of Depreciation)

	<u>2020</u>	<u>2019</u>
Land	\$ 99,083	\$ 99,083
Infrastructure	8,327,086	7,383,014
Buildings and improvements	34,223	35,223
Machinery and equipment	<u>234,511</u>	<u>127,576</u>
TOTAL CAPITAL ASSETS	<u>\$ 8,694,903</u>	<u>\$ 7,644,896</u>

Long-Term Debt

At December 31, 2020, the Town had total long-term serial bonds outstanding of \$3,948,500 as compared to \$3,418,700 in the prior year. During the year, retirement of serial bond debt amounted to \$109,200. New York State statutes limit the amount of general obligation debt a governmental entity may issue to 7% of its five-year valuation. The current debt-limitation for the Town is \$18,736,824, which is significantly in excess of the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in the Notes to the Financial Statements.

Request for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Town Supervisor's Office, 410 West Avenue, Medina, New York 14103.

BASIC FINANCIAL STATEMENTS

TOWN OF RIDGEWAY, NEW YORK
STATEMENT OF NET POSITION
DECEMBER 31, 2020

ASSETS AND DEFERRED OUTFLOWS

ASSETS

Cash and cash equivalents	\$ 1,715,601
Accounts receivable	83,719
Prepaid expenses	18,450
Capital assets:	
Land	99,083
Other capital assets, net of depreciation	8,595,820
TOTAL ASSETS	<u>10,512,673</u>

DEFERRED OUTFLOWS OF RESOURCES

Pensions	<u>327,972</u>
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TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES **\$ 10,840,645**

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

TOWN OF RIDGEWAY, NEW YORK
STATEMENT OF NET POSITION
DECEMBER 31, 2020

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

LIABILITIES

Accounts payable	\$ 664,164
Accrued interest	35,779
Long-term liabilities	
Due within one year:	
Serial bonds payable	127,600
Due in more than one year:	
Serial bonds payable	3,820,900
Compensated absences	3,001
Net pension liability - proportionate share	426,078
TOTAL LIABILITIES	<u>5,077,522</u>

DEFERRED INFLOWS OF RESOURCES

Pension	15,253
Overpayments	33,712
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>48,965</u>

NET POSITION

Net investment in capital assets	4,746,403
Restricted	152,975
Unrestricted	814,780
TOTAL NET POSITION	<u>5,714,158</u>

TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION \$ 10,840,645

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

TOWN OF RIDGEWAY, NEW YORK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

FUNCTIONS / PROGRAM	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ (592,457)	\$ 17,246	\$ -	\$ -	\$ (575,211)
Public safety	(203,429)	-	-	-	(203,429)
Health	(18,687)	-	-	-	(18,687)
Transportation	(1,025,673)	151,460	132,662	-	(741,551)
Culture and recreation	(1,824)	-	517	-	(1,307)
Home and community services	(565,316)	450,534	-	694,685	579,903
Interest and fiscal charges	(115,687)	-	-	-	(115,687)
TOTAL GOVERNMENTAL ACTIVITIES	\$ (2,523,072)	\$ 619,240	\$ 133,179	\$ 694,685	(1,075,968)
General revenues:					
Real property taxes and tax items					1,492,267
Non-property tax items					164,771
Use of money and property					22,644
Fines and forfeitures					28,101
Sale of property					4,276
Miscellaneous					4,006
State aid					101,693
TOTAL GENERAL REVENUES					1,817,758
Change in net position					741,790
Total net position at beginning of year					4,972,368
Total net position at end of year					\$ 5,714,158

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

TOWN OF RIDGEWAY, NEW YORK
GOVERNMENTAL FUNDS - BALANCE SHEET
DECEMBER 31, 2020

ASSETS

	General - Townwide	Highway Townwide	Special Revenue Highway Town Outside Village	Water	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 3,724	\$ 907,906	\$ 175,144	\$ 402,584	\$ -	\$ 226,243	\$ 1,715,601
Water rents receivable	-	-	-	83,719	-	-	83,719
Due from other funds	-	-	-	229,682	-	-	229,682
Prepaid expenditures	9,563	2,790	2,790	2,067	-	1,240	18,450
TOTAL ASSETS	\$ 13,287	\$ 910,696	\$ 177,934	\$ 718,052	\$ -	\$ 227,483	\$ 2,047,452

LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES

LIABILITIES							
Accounts payable	\$ 117,430	\$ 9,083	\$ -	\$ 48,370	\$ 482,910	\$ 6,371	\$ 664,164
Due to other funds	-	-	-	-	229,682	-	229,682
TOTAL LIABILITIES	117,430	9,083	-	48,370	712,592	6,371	893,846

DEFERRED INFLOWS OF RESOURCES

Overpayments	33,712	-	-	-	-	-	33,712
TOTAL DEFERRED INFLOWS OF RESOURCES	33,712	-	-	-	-	-	33,712

FUND BALANCE

Non-spendable	9,563	2,790	2,790	2,067	-	1,240	18,450
Restricted	20,462	127,967	3,216	-	-	1,330	152,975
Assigned	-	770,856	171,928	667,615	-	91,071	1,701,470
Unassigned	(167,880)	-	-	-	(712,592)	127,471	(753,001)
TOTAL FUND BALANCES (DEFICIT)	(137,855)	901,613	177,934	669,682	(712,592)	221,112	1,119,894

TOTAL LIABILITIES AND FUND BALANCE	\$ 13,287	\$ 910,696	\$ 177,934	\$ 718,052	\$ -	\$ 227,483	\$ 2,047,452
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The accompanying notes are an integral part of the financial statements.

TOWN OF RIDGEWAY, NEW YORK
RECONCILIATION OF STATEMENT OF NET POSITION
TO GOVERNMENTAL FUND BALANCES
DECEMBER 31, 2020

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

Total Governmental Fund Balances	\$ 1,119,894
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	8,694,903
Bonds payable are not due and payable in the current period and therefore are not reported in the funds	(3,948,500)
Compensated absences	(3,001)
Net accrued interest for bonds are not reported in the funds.	(35,779)
Deferred inflows of employee retirement system	(15,253)
Deferred outflows of employee retirement system	327,972
Proportionate share of employee retirement system liability	(426,078)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 5,714,158

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

TOWN OF RIDGEWAY, NEW YORK
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	General	Special Revenue			Capital	Non-Major	Total
	Townwide	Highway	Highway Town	Water	Projects	Governmental	Governmental
		Townwide	Outside Village			Funds	Funds
REVENUES:							
Real property taxes	\$ 530,576	\$ 251,391	\$ 197,667	\$ 235,840	\$ -	\$ 263,552	\$ 1,479,026
Real property tax items	13,241	-	-	-	-	-	13,241
Non-property tax items	34,628	-	104,114	-	-	26,029	164,771
Departmental income	5,108	314	-	444,766	-	2,950	453,138
Intergovernmental charges	-	151,460	-	-	-	-	151,460
Use of money and property	22,399	-	-	-	245	-	22,644
Licenses and permits	4,556	-	-	-	-	10,086	14,642
Fines and forfeitures	28,101	-	-	-	-	-	28,101
Sale of property and compensation for loss	-	1,453	-	2,823	-	-	4,276
Miscellaneous	4,006	-	-	-	-	-	4,006
State aid	101,693	-	132,662	-	-	517	234,872
Federal aid	-	-	-	-	694,685	-	694,685
TOTAL REVENUES	\$ 744,308	\$ 404,618	\$ 434,443	\$ 683,429	\$ 694,930	\$ 303,134	\$ 3,264,862

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

TOWN OF RIDGEWAY, NEW YORK
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	Special Revenue					Non-Major	Total
	General -	Highway	Highway Town	Water	Capital	Governmental	Governmental
	Townwide	Townwide	Outside Village		Projects	Funds	Funds
EXPENDITURES:							
General government support	\$ 426,525	\$ 8,271	\$ -	\$ -	\$ -	\$ 2,500	\$ 437,296
Public safety	6,896	-	-	-	-	187,228	194,124
Health	16,434	-	-	-	-	1,400	17,834
Transportation	85,899	498,964	350,674	-	-	2,236	937,773
Culture and recreation	550	-	-	-	-	1,000	1,550
Home and community services	8,191	-	-	398,772	965,661	96,215	1,468,839
Employee benefits	186,722	55,147	46,574	14,119	-	21,659	324,221
Debt service principal	-	-	-	124,200	-	-	124,200
Debt service interest	-	-	-	107,799	-	-	107,799
TOTAL EXPENDITURES	731,217	562,382	397,248	644,890	965,661	312,238	3,613,636
Excess (deficiency) of revenues over expenditures	13,091	(157,764)	37,195	38,539	(270,731)	(9,104)	(348,774)
OTHER FINANCING SOURCES (USES):							
Bond anticipation notes redeemed from appropriations	-	-	-	-	15,000	-	15,000
Proceeds from serial bonds	-	-	-	-	639,000	-	639,000
Transfers in	-	-	-	295,058	-	-	295,058
Transfers out	-	-	-	(295,058)	-	-	(295,058)
TOTAL OTHER FINANCING SOURCES (USES):	-	-	-	-	654,000	-	654,000
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	13,091	(157,764)	37,195	38,539	383,269	(9,104)	305,226
Fund balance - beginning of year	(150,946)	1,059,377	140,739	631,143	(1,095,861)	230,216	814,668
Fund Balance - end of year	\$ (137,855)	\$ 901,613	\$ 177,934	\$ 669,682	\$ (712,592)	\$ 221,112	\$ 1,119,894

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

TOWN OF RIDGEWAY, NEW YORK
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

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

Net change in fund balances of total governmental funds.	\$ 305,226
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,050,007
The issuance of serial bonds provides current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. This amount is the net effect in the treatment of serial bonds. Neither transaction has an effect on net assets.	(529,800)
Change in compensated absences	(277)
Net increase in accrued interest not reflected in the governmental funds.	(7,888)
Change in deferred outflows of employment retirement system	199,893
Proportionate share of employee retirement system liability	(301,298)
Change in deferred inflows of employees retirement system	25,927
CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 741,790

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

TOWN OF RIDGEWAY, NEW YORK
GENERAL FUND AND HIGHWAY TOWNWIDE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET VS. ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	General - Townwide				Highway - Townwide			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
REVENUES:								
Real property taxes	\$ 530,576	\$ 530,576	\$ 530,576	\$ -	\$ 251,391	\$ 251,391	\$ 251,391	\$ -
Real property tax items	16,700	16,700	13,241	(3,459)	-	-	-	-
Non-property tax items	32,000	32,000	34,628	2,628	-	-	-	-
Departmental income	5,300	5,300	5,108	(192)	-	-	314	314
Intergovernmental charges	-	-	-	-	157,500	157,500	151,460	(6,040)
Use of money and property	12,820	12,820	22,399	9,579	70	70	-	(70)
Licenses and permits	3,060	3,060	4,556	1,496	-	-	-	-
Fines and forfeitures	35,020	35,020	28,101	(6,919)	-	-	-	-
Sale of property and compensation for loss	805	805	-	(805)	100	537	1,453	916
Miscellaneous	-	-	4,006	4,006	-	-	-	-
State aid	77,873	95,489	101,693	6,204	-	-	-	-
TOTAL REVENUES	\$ 714,154	\$ 731,770	\$ 744,308	\$ 12,538	\$ 409,061	\$ 409,498	\$ 404,618	\$ (4,880)

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

TOWN OF RIDGEWAY, NEW YORK
GENERAL FUND AND HIGHWAY TOWNWIDE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET VS. ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	General - Townwide				Highway - Townwide			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
EXPENDITURES:								
General government support	\$ 425,301	\$ 426,641	\$ 426,525	\$ 116	10,000	10,000	\$ 8,271	\$ 1,729
Public safety	10,720	6,896	6,896	-	-	-	-	-
Health	500	16,434	16,434	-	-	-	-	-
Transportation	100,173	85,899	85,899	-	534,696	532,851	498,964	33,887
Culture and recreation	1,750	550	550	-	-	-	-	-
Home and community services	10,500	8,191	8,191	-	-	-	-	-
Employee benefits	165,210	187,159	186,722	437	52,865	55,147	55,147	-
TOTAL EXPENDITURES	714,154	731,770	731,217	553	597,561	597,998	562,382	35,616
Excess (deficiency) of revenues over expenditures	-	-	13,091	13,091	(188,500)	(188,500)	(157,764)	30,736
Fund balance at December 31, 2019	(289,446)	(289,446)	(150,946)	-	939,707	939,707	1,059,377	-
Fund balance at December 31, 2020	\$ (289,446)	\$ (289,446)	\$ (137,855)	\$ -	\$ 751,207	\$ 751,207	\$ 901,613	\$ -

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

TOWN OF RIDGEWAY, NEW YORK
HIGHWAY PART TOWN AND WATER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET VS. ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	Highway Part Town				Water			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
REVENUES:								
Real property taxes	\$ 197,667	\$ 197,667	\$ 197,667	\$ -	\$ 229,967	\$ 229,967	\$ 235,840	\$ 5,873
Non-property tax items	120,000	120,000	104,114	(15,886)	-	-	-	-
Departmental income	-	-	-	-	195,200	274,517	444,766	170,249
Use of money and property	10	10	-	(10)	50	50	-	(50)
Sale of property and compensation for loss	-	-	-	-	-	-	2,823	-
State aid	150,000	150,000	132,662	(17,338)	100	100	-	(100)
TOTAL REVENUES	\$ 467,677	\$ 467,677	\$ 434,443	\$ (33,234)	\$ 425,317	\$ 504,634	\$ 683,429	\$ 175,972

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

TOWN OF RIDGEWAY, NEW YORK
HIGHWAY PART TOWN AND WATER FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET VS. ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	Highway Part Town				Water			
	Original Budget	Final Budget	Actual	Variance	Original Budget	Final Budget	Actual	Variance
EXPENDITURES:								
General government support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	419,377	419,377	350,674	68,703	-	-	-	-
Home and community services	-	-	-	-	315,920	398,772	398,772	-
Employee benefits	48,300	48,300	46,574	1,726	18,750	15,586	14,119	1,467
Principal	-	-	-	-	124,200	124,200	124,200	-
Interest	-	-	-	-	108,170	107,799	107,799	-
TOTAL EXPENDITURES	487,677	487,677	397,248	70,429	567,040	646,357	644,890	1,467
Excess of revenues over expenditures	-	-	37,195	37,195	(141,723)	(141,723)	38,539	180,262
OTHER SOURCES (USES):								
Operating transfers in	-	-	-	-	-	295,058	295,058	-
Operating transfers out	-	-	-	-	-	(295,058)	(295,058)	-
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures and other sources (uses)	-	-	37,195	37,195	(141,723)	(141,723)	38,539	180,262
Fund balance at December 31, 2019	55,682	55,682	140,739	-	491,385	491,385	631,143	-
Fund balance at December 31, 2020	\$ 55,682	\$ 55,682	\$ 177,934	\$ -	\$ 349,662	\$ 349,662	\$ 669,682	\$ -

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

TOWN OF RIDGEWAY, NEW YORK
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITIONS
DECEMBER 31, 2020

ASSETS

	<u>Private Purpose Trusts</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 115,229
TOTAL ASSETS	<u>\$ 115,229</u>

LIABILITIES AND NET POSITION

<u>NET POSITION</u>	
Net position	\$ 115,229
TOTAL LIABILITIES AND NET POSITION	<u>\$ 115,229</u>

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

TOWN OF RIDGEWAY, NEW YORK
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

	Private Purpose Trusts
Additions	\$ 10,442
Deductions	<u>(4,000)</u>
Change in net position	6,442
Net position - beginning of year	<u>108,787</u>
Net position - end of year	<u>\$ 115,229</u>

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

NOTES TO THE FINANCIAL STATEMENTS

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Ridgeway, New York (the "Town") have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Financial Reporting Entity

The Town of Ridgeway, which was established in 1812, is located within the County of Orleans, New York. The Town is governed by Town law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations and the Supervisor serves as chief fiscal officer.

The following basic services are provided: fire protection through contracts with local volunteer companies, highway, drainage, recreation, sewer service, street lighting, and general administration.

Independently elected officials of the Town consist of the following:

Supervisor	Town Clerk
Councilmembers (4)	Superintendent of Highways
Town Justices (2)	

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

Government-Wide and Fund Financial Statements

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

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

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Modified Accrual Basis

All governmental funds are accounted for using the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities for the current period. Material revenues that are accrued include real property taxes, state and federal aid, sales tax and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

Expenditures are recorded when incurred except that:

- a) Expenditures for prepaid expenses and inventory-type items are recognized at the time of the purchase.
- b) Principal and interest on long-term debt is 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 paid.

Accrual Basis

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

The Town reports the following major governmental funds:

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Fund Categories:

Governmental Funds

These funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. The following are the Town's governmental fund types:

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

Special Revenue Funds

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

General Town-Outside Village - This fund is used to account for expenses of required activities of an incorporated village charged to the surrounding town.

Highway Townwide - This fund is used to record all revenues and expenditures related to road maintenance and construction.

Highway Outside Village - This fund is used to account for revenues and expenditures for highway purposes for those items, which are required by statute to be a charge on the area of the town outside the incorporated village.

Special Grant Fund - This fund is used to account for Federal Community Development Block Grant monies awarded to the Town.

Special District Fund - This fund records all financial activity of special districts within the Town. A special district represents a limited geographic area within a Town in New York State. It is a separate accounting entity created by statute for specific services such as lighting, water, fire protection, and sewer.

Capital Projects Fund

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

Fiduciary Funds

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

Private Purpose Trust Fund - is accounted for in essentially the same manner as government funds. The Private Purpose Trust Fund Accounts are reported in the equity section.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

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

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

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

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

Property Taxes Revenues Recognition

The Orleans County Legislature prepares the levy in late December of each year and jointly bills the Town levy with New York State and Orleans County real property taxes. On January 1 of each year, property taxes become a lien on the property. Tax payments are due January 1st to January 31st without penalty; February 1st to 28th a 1% penalty; March 1st to 31st a 2% penalty; and April 1st to 30th a 3% penalty. Taxes are then returned to the County and assessed penalty.

Taxes for County purposes are levied together with taxes for Town and special district purposes as a single bill. The Town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bill. The County assumes enforcement responsibility for all taxes levied in the Town. The tax roll is returned to the Orleans County Commissioner of Finance after June 1 at which time all unpaid taxes and penalties are payable to that office. Any such taxes remaining unpaid at year-end are re-levied as county taxes in the subsequent year. The County enforces all liens.

Budget and Budgetary Data

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

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

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Budget Basis of Accounting

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost equal to or greater than \$5,000 and an estimated useful life in excess of 5 years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Major outlays for capital assets and improvements are capitalized as projected 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.

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

Buildings and Improvements	75 years
Infrastructure	75 years
Machinery and Equipment	10 years
Vehicles	5 years

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

Amortization is reflected in income for the period in the government-wide statements. Amortization of capital leases is computed using the straight-line method over the lease term or the estimated useful lives of the assets, whichever is shorter. Maintenance and repairs are charged to expenses, as incurred; significant renewals and betterments are capitalized.

Insurance

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

Federal Grants

Federal grants in the Capital Projects Fund are recorded as grants receivable and deferred revenue when the entitlement period occurs. Revenues are recognized as the Town incurs expenditures and meets the performance requirements of the grants.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Compensated Absences

Most Town employees are granted vacation, sick days and personal days, and earn compensatory absences in varying amounts. Employees are entitled to receive payment for unused sick leave upon retirement.

Compensated absences for governmental fund type employees are reported as a fund liability and expenditure in the government-wide financial statements.

The compensated absences liability for the Town at December 31, 2020 totaled \$ and is reported in the government-wide financial statements.

Payment of compensated absences recorded in the government-wide financial statements is dependent on many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payment of compensated absences when such payments become due.

Pensions

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

Post Employment Benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Town provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the Town under this program.

Net Position Classifications:

Government-Wide Statements - In the government-wide statements there are three classes of net assets:

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

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

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

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Net Position Classifications (Cont.)

Governmental Funds Statements

The fund balance financial statements have five classifications of fund balance

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

Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The Town has established the following restricted fund balances:

Reserved for Capital Projects - Representing resources that have been restricted for capital payments that will be made in future periods.

Reserved for Debt Service - Representing resources that have been restricted for principal payments that will be made in future periods in the Water Fund.

Reserved for Retirement - Representing resources that have been restricted for retirement contributions that will be made in future periods in the Highway Townwide Fund and in the Highway Part Town Fund.

Committed - Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision making authorities. The Town had no committed fund balance at December 31, 2020.

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

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

Order of Use of Fund Balance

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

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

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

Capitalized Interest

The Town generally capitalizes interest during construction as part of the cost of constructing capital projects when material.

Use of Estimates

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

Adoption of New Accounting Pronouncements

The Town adopted the following accounting pronouncements during the year:

- GASB Statement No. 84, *Fiduciary Activities*

GASB Statement No. 84, *Fiduciary Activities*, effective for reporting periods beginning after December 31, 2019, enhances consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities.

Note 2 - Stewardship, Compliance and Accountability

Deficit Fund Balance

The General Fund has a negative fund balance of (\$137,855) at December 31, 2020. The Capital Fund also has a negative fund balance of (\$712,592) at December 31, 2020.

Note 3 - Cash and Cash Equivalents

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

Collateral is required for demand deposits and certificates of deposit at 105% of the amount of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the state and its municipalities and school districts.

The written investment policy requires repurchase agreements to be purchased from banks located within the state and that underlying securities must be obligations of the federal government. Underlying securities must have a market value of at least 105 percent of the cost of the repurchase agreement.

The detail of cash at December 31, 2020 is as follows:

Cash in bank	\$	1,313,172
TOTAL	\$	1,313,172

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 3 – Cash and Cash Equivalents (cont.)

Deposits

The carrying amount for deposits at December 31, 2020 is \$1,313,172. Related bank balance amounts classified by credit risk category are as follows:

<u>CREDIT RISK CATEGORY:</u>	<u>Bank Balance</u>
Insured (FDIC)	\$ 507,209
<u>COLLATERALIZED:</u>	
Collateral held by bank in Town's name	805,963
TOTAL DEPOSITS	\$ 1,313,172

Note 4 - Capital Assets

Capital assets for the year ended December 31, 2020 were as follows:

	Balance at January 1, 2020	Increase	Decrease	Balance at December 31, 2020
<u>CAPITAL ASSETS NOT BEING DEPRECIATED:</u>				
Land	\$ 99,083	\$ -	\$ -	\$ 99,083
TOTAL CAPITAL ASSETS NOT BEING DEPRECIATED	\$ 99,083	\$ -	\$ -	\$ 99,083
<u>CAPITAL ASSETS BEING DEPRECIATED:</u>				
Buildings and improvements	\$ 408,833	\$ 5,564	\$ -	\$ 414,397
Machinery and equipment	2,413,826	127,484	-	2,541,310
Infrastructure	8,936,459	1,087,633	-	10,024,092
TOTAL CAPITAL ASSETS BEING DEPRECIATED	11,759,118	1,220,681	-	12,979,799
<u>LESS: ACCUMULATED DEPRECIATION:</u>				
Buildings and improvements	373,610	6,564	-	380,174
Machinery and equipment	2,286,250	20,549	-	2,306,799
Infrastructure	1,553,445	143,561	-	1,697,006
TOTAL ACCUMULATED DEPRECIATION	4,213,305	170,674	-	4,383,979
Total capital assets being depreciated, net	7,545,813	1,050,007	-	8,595,820
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 7,644,896	\$ 1,050,007	\$ -	\$ 8,694,903

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 5 - Pension Plans

Plan Description

The Town participates in the New York State and Local Employees' Retirement System (ERS) and the Public Employees' Group Life Insurance Plan (Systems). These are cost-sharing multiple-employer retirement systems. The Systems provide retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the Systems. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The Systems issue a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, Governor Alfred E. Smith State Office Building, Albany, New York 12244.

Funding Policy

The Systems are noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 who contribute 3% of their salary. Effective October 1, 2000, the 3% contribution is waived for employees who have achieved ten years of service credit. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

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

	<u>ERS</u>
2020	\$ 75,655
2019	76,745
2018	75,558

The Town's contributions made to the Retirement System were equal to 100% of the contributions required for each year.

Since 1989, the Systems' billings have been based on Chapter 62 of the Laws of 1989 of the State of New York. This legislation requires participating employers to make payments on a current basis.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 5 - Pension Plans (Cont.)

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

At December 31, 2020, the Town of Ridgeway reported a liability of \$426,078 for its proportionate share of the pension liability. The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town of Ridgeway's proportion of the net pension liability was based on a projection of the Town of Ridgeway's long-term share of contributions to the pension plan relative to the projected contribution of all participating members, actuarially determined.

At December 31, 2020, the Town of Ridgeway's proportion was .0016090% percent. For the year ended December 31, 2020, the Town of Ridgeway recognized pension expense of \$149,736. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,076	\$ -
Changes of assumptions	8,579	7,408
Net difference between projected and actual investment earnings on pension plan investments	218,428	-
Changes in proportion and differences between Town's contributions and proportionate share of contributions	20,543	7,845
Town's contributions subsequent to the measurement date	55,346	-
TOTAL	\$ 327,972	\$ 15,253

An amount of \$327,972 was reported as deferred outflows of resources related to pensions resulting from Town's contributions of \$55,346, subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended December 31, 2020.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 5 - Pension Plans (Cont.)

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

<u>Year ended,</u> <u>December 31</u>	
2021	\$ 46,402
2022	65,837
2023	80,982
2024	64,154
2025	-
Thereafter	-

Actuarial Assumptions

The total pension liability at March 31, 2020 was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to March 31, 2020. The actuarial valuation used the following actuarial assumptions:

Interest rate	6.80%
Inflation rate	2.50%
Salary	4.20%
Investment rate of return	6.80%
Costs of living adjustments	1.30%
Decrement Tables	April 1, 2010- March 31, 2015 system's experience

Annuitant mortality rates are based on April 1, 2010- March 31, 2015 System's experience with adjustments for mortality improvement based on the Society of Actuaries' Scale MP-2018.

The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010-March 31, 2015.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 5 - Retirement Plans (Cont.)

The long term expected rate of return on pension plan investments was determined using a building block method which is best estimates ranges of best estimate future real rates of return (expected returns nets of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The previous actuarial valuation as of April 1, 2018 used a long-term expected rate of return of 7.0%. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 are summarized below:

<u>Asset Type</u>	<u>Long Term Expected Real Rate</u>
Domestic Equity	4.05%
International Equity	6.15%
Real Estate	4.95%
Bonds & Mortgages	0.75%
Cash	0.00%

The real rate of return is net of the long-term inflation assumption of 2.50 Percent.

Discount Rate

The discount used to calculate the total pension liability was 6.8%. The project of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at the statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods projected benefit payments to determine the total pension liability.

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

The following presents the Town of Ridgeway's proportionate share of the net pension liability calculated using the discount rate of 6.8 percent, as well as what the Town of Ridgeway's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.8 percent) or 1-percentage point higher (7.8 percent) than the current rate:

	<u>1% Decrease (5.80%)</u>	<u>Current Assumption (6.80%)</u>	<u>1% Increase (7.80%)</u>
Town's proportionate share of the net pension liability	<u>\$ 781,974</u>	<u>\$ 426,078</u>	<u>\$ 98,297</u>

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 5 - Retirement Plans (Cont.)

Pension Plan Fiduciary Net Position

The components of the current-year net position liability of the employers as of March 31, 2020, were as follows:

	Employees' retirement system
Employers' total pension liability	\$ 194,596,261
Plan net position	168,115,682
Employers net pension liability	<u>\$ 26,480,579</u>
Ratio of plan net position to the employers' total pension liability	86.39%

Note 6 - Short-Term Debt

Liabilities for bond anticipation notes (BANs) are generally accounted for in the Capital Projects Fund. Principal payments on BANs must be made annually.

State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made on an annual basis.

The following are the Town's outstanding bond anticipation notes at December 31, 2020:

Description	Issue Date	Maturity Date	Interest Rate	Balance December 31, 2019	Additions	Deletions	Bonded	Balance December 31, 2020
Capital Projects Fund:								
Water District No. 7	1/11/2018	1/11/2019	2.50%	\$ 84,470	\$ -	\$ (5,300)	\$ (79,170)	\$ -
Water District No. 8	10/1/2018	10/1/2019	1.75%	154,780	-	(6,665)	(148,115)	-
Water District No. 9	10/1/2018	10/1/2019	1.75%	80,750	-	(3,035)	(77,715)	-
Water District No. 14	11/26/2019	11/24/2020	2.25%	334,000	-	-	(334,000)	-
Grand Total				<u>\$ 654,000</u>	<u>\$ -</u>	<u>\$ (15,000)</u>	<u>\$ (639,000)</u>	<u>\$ -</u>

The Town had no outstanding Bond anticipation notes at December 31, 2020.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 7 - Long-Term Debt

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 the Schedule of Non-Current Government Liabilities. The provision to be made in future budgets for capital indebtedness represents the amount exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

Summary of Long-Term Debt

The following is a summary of general obligation bond transactions of the Town for the year ended December 31, 2020:

Description	Issue Date	Maturity Date	Interest Rate	January 1, 2020	Issued	Payments	December 31, 2020
Special Revenue Fund							
Water Districts:							
Water District 269	1991	2030	6.75%	\$ 46,000	\$ -	\$ 4,000	\$ 42,000
Water District # 2	1999	2037	4.50%	180,000	-	10,000	170,000
Water District # 3	2002	2040	3.25%	491,100	-	16,600	474,500
Water District # 4	2002	2040	4.50%	1,015,000	-	40,000	975,000
Water District # 5	2006	2042	4.13%	397,300	-	10,200	387,100
Water District # 6	2009	2047	4.13%	233,300	-	4,400	228,900
Water District # 10	2010	2048	2.25%	305,000	-	8,000	297,000
Water District # 11	2013	2051	2.13%	46,000	-	1,000	45,000
Water District # 12	2016	2054	1.75%	382,000	-	8,000	374,000
Water District # 13	2016	2054	1.74%	323,000	-	7,000	316,000
Water District # 7	2020	2036	2.49%	-	79,170	-	79,170
Water District # 8	2020	2042	2.49%	-	148,115	-	148,115
Water District # 9	2020	2042	2.49%	-	77,715	-	77,715
Water District # 14	2020	2058	1.125%	-	334,000	-	334,000
Grand Total				\$ 3,418,700	\$ 639,000	\$ 109,200	\$ 3,948,500

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 7 - Long-Term Debt (Cont.)

Long-Term Debt Maturity Schedule

The following schedule sets forth the remaining annual maturities and annual interest payments on serial bonds at December 31, 2020:

Year	Principal	Interest	Total
2021	\$ 127,600	\$ 111,940	\$ 239,540
2022	133,800	104,773	238,573
2023	136,100	101,104	237,204
2024	137,500	97,378	234,878
2025	139,800	93,591	233,391
2026 - 2030	752,400	406,412	1,158,812
2031 - 2035	830,600	286,734	1,117,334
2036 - 2040	898,500	154,545	1,053,045
2041 - 2045	359,900	58,519	418,419
2046 - 2050	245,300	23,605	268,905
2051 - 2055	154,000	6,865	160,865
2056 - 2060	33,000	740	33,740
Total	\$ 3,948,500	\$ 1,446,206	\$ 5,360,966

Note 8 - Interfund Receivables, Payables and Transfers

Interfund receivables and payables at December 31, 2020 were as follows:

<u>Governmental Fund Types:</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Due From</u>	<u>Due To</u>
Water Fund	\$ 295,058	\$ 295,058	\$ 229,682	\$ -
Capital Fund	-	-	-	229,682
TOTAL	\$ 295,058	\$ 295,058	\$ 229,682	\$ 229,682

These transfers within the Water Fund are for interfund borrowing among the individual water districts.

The interfund receivables and payables are due to the closing of capital projects.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 9 - Fund Balance

Assigned Fund balances, which are constrained by the Town's intent to be used for specific purposes, are as follows:

Special Revenue - Highway Fund - Townwide	\$ 770,856
Special Revenue - Highway Fund - Outside	171,928
Special Revenue - Water Fund	667,615
Special Districts	91,071
TOTAL ASSIGNED FUND BALANCE	\$ 1,701,470

Restricted Fund Balances, which have external constraints, are as follows:

General - Townwide	\$ 20,462
Special Revenue - Highway Fund - Townwide	127,967
Special Revenue - Highway Fund - Outside	3,216
Special Districts	1,330
TOTAL RESTRICTED FUND	\$ 152,975

Non-spendable Fund Balances represents amounts that cannot be spent because it is legally or contractually required to be maintained intact. Non-spendable Fund Balances include prepaid expenditures and are as follows:

General Fund - Townwide	\$ 9,563
Special Revenue - Highway Fund - Townwide	2,790
Special Revenue - Highway Fund - Outside	2,790
Special Revenue - Water Fund	2,067
Special Districts	1,240
TOTAL NON-SPENDABLE FUND BALANCE	\$ 18,450

Note 10 - Contingencies

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

TOWN OF RIDGEWAY, NEW YORK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

Note 11 - Subsequent Events

The Town of Ridgeway has evaluated events and transactions for potential recognition or disclosure in the financial statements through May 27, 2021.

Subsequent to December 31, 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. In addition, global markets have seen significant declines. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impacts to the Town, there is a reasonable possibility that the impact on the Town's financial position and the results of future operations could be material.

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY INFORMATION**

TOWN OF RIDGEWAY, NEW YORK
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

ASSETS

	General Fund Town Outside Village	Sewer	Fire Protection	Special Grant	Lighting Districts	Total
<u>ASSETS</u>						
Cash and cash equivalents	\$ 79,629	\$ 76,285	\$ 55,541	\$ 5,005	\$ 9,783	\$ 226,243
Prepaid expenditures	1,240	-	-	-	-	1,240
TOTAL ASSETS	\$ 80,869	\$ 76,285	\$ 55,541	\$ 5,005	\$ 9,783	\$ 227,483

LIABILITIES AND FUND BALANCE

<u>LIABILITIES</u>						
Accounts payable	\$ 6,369	\$ -	\$ -	\$ -	\$ 2	\$ 6,371
TOTAL LIABILITIES	6,369	-	-	-	2	6,371
<u>FUND BALANCE</u>						
Non-spendable	1,240	-	-	-	-	1,240
Restricted	1,330	-	-	-	-	1,330
Assigned	-	76,285	-	5,005	9,781	91,071
Unassigned	71,930	-	55,541	-	-	127,471
TOTAL FUND BALANCES	74,500	76,285	55,541	5,005	9,781	221,112
TOTAL LIABILITIES AND FUND BALANCE	\$ 80,869	\$ 76,285	\$ 55,541	\$ 5,005	\$ 9,783	\$ 227,483

See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	General Fund Town Outside Village	Sewer	Fire Protection	Special Grant	Lighting Districts	Total
REVENUES:						
Real property taxes	\$ 52,642	\$ 15,965	\$ 191,945	\$ -	\$ 3,000	\$ 263,552
Non-property tax items	26,029	-	-	-	-	26,029
Departmental income	2,950	-	-	-	-	2,950
Licenses and permits	10,086	-	-	-	-	10,086
State aid	517	-	-	-	-	517
TOTAL REVENUES	92,224	15,965	191,945	-	3,000	303,134
EXPENDITURES:						
General government	2,500	-	-	-	-	2,500
Public safety	13,776	-	173,452	-	-	187,228
Health	1,400	-	-	-	-	1,400
Transportation	-	-	-	-	2,236	2,236
Culture and recreation	1,000	-	-	-	-	1,000
Home and community services	63,333	32,882	-	-	-	96,215
Employee benefits	11,166	-	10,493	-	-	21,659
TOTAL EXPENDITURES	93,175	32,882	183,945	-	2,236	312,238
Excess (deficiency) of revenues over expenditures	(951)	(16,917)	8,000	-	764	(9,103)
Fund balances - beginning of year	75,451	93,202	47,541	5,005	9,017	230,216
Fund balances - end of year	\$ 74,500	\$ 76,285	\$ 55,541	\$ 5,005	\$ 9,781	\$ 221,112

See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
WATER FUND
BALANCE SHEET BY DISTRICT
DECEMBER 31, 2020

ASSETS

	<u>WD 31E</u>	<u>WD 269</u>	<u>WD #2</u>	<u>WD #3</u>	<u>WD #4</u>	<u>WD #5</u>	<u>WD #6</u>
<u>ASSETS</u>							
Cash and cash equivalents	\$ 20,300	\$ 11,790	\$ 27,327	\$ 54,967	\$ 101,556	\$ 39,156	\$ 20,925
Accounts receivable	4,222	2,452	5,683	11,431	21,119	8,143	4,351
Due from other funds	-	194,982	-	-	-	-	-
Prepaid expenses	148	148	148	148	143	148	148
TOTAL ASSETS	\$ 24,670	\$ 209,372	\$ 33,158	\$ 66,546	\$ 122,818	\$ 47,447	\$ 25,424

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 2,439	\$ 1,417	\$ 3,283	\$ 6,604	\$ 12,202	\$ 4,704	\$ 2,514
TOTAL LIABILITIES	2,439	1,417	3,283	6,604	12,202	4,704	2,514

FUND BALANCE

Non-spendable	148	148	148	148	143	148	148
Assigned	22,083	207,807	29,727	59,794	110,473	42,595	22,762
TOTAL FUND BALANCE	22,231	207,955	29,875	59,942	110,616	42,743	22,910

TOTAL LIABILITIES AND FUND BALANCE	\$ 24,670	\$ 209,372	\$ 33,158	\$ 66,546	\$ 122,818	\$ 47,447	\$ 25,424
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See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
WATER FUND
BALANCE SHEET BY DISTRICT
DECEMBER 31, 2020

ASSETS

	WD #7	WD #8	WD #9	WD #10	WD #11	WD #12	WD #13	Total
<u>ASSETS</u>								
Cash and cash equivalents	\$ 10,384	\$ 16,318	\$ 8,823	\$ 28,498	\$ 4,060	\$ 31,621	\$ 26,859	\$ 402,584
Accounts receivable	2,159	3,393	1,835	5,926	844	6,576	5,585	83,719
Due from other funds	-	-	-	-	34,700	-	-	229,682
Prepaid expenses	148	148	148	148	148	148	148	2,067
TOTAL ASSETS	\$ 12,691	\$ 19,859	\$ 10,806	\$ 34,572	\$ 39,752	\$ 38,345	\$ 32,592	\$ 718,052

LIABILITIES AND FUND BALANCE

<u>LIABILITIES</u>								
Accounts payable	\$ 1,248	\$ 1,961	\$ 1,060	\$ 3,424	\$ 488	\$ 3,799	\$ 3,227	\$ 48,370
TOTAL LIABILITIES	1,248	1,961	1,060	3,424	488	3,799	3,227	48,370
<u>FUND BALANCE</u>								
Non-spendable	148	148	148	148	148	148	148	2,067
Assigned	11,295	17,750	9,598	31,000	39,116	34,398	29,217	667,615
TOTAL FUND BALANCE	11,443	17,898	9,746	31,148	39,264	34,546	29,365	669,682
TOTAL LIABILITIES AND FUND BALANCE	\$ 12,691	\$ 19,859	\$ 10,806	\$ 34,572	\$ 39,752	\$ 38,345	\$ 32,592	\$ 718,052

See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
WATER FUND
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	WD 31E	WD 269	WD #2	WD #3	WD #4	WD #5	WD #6
REVENUES:							
Real property taxes	\$ 296	\$ 7,277	\$ 18,274	\$ 33,093	\$ 70,163	\$ 27,160	\$ 14,329
Departmental income	22,427	13,025	30,191	60,726	112,196	43,259	23,117
Sale of property and compensation for loss	142	83	192	385	712	275	147
TOTAL REVENUES	22,865	20,385	48,657	94,204	183,071	70,694	37,593
EXPENDITURES:							
Home and community services	28,484	28,484	28,484	28,484	28,484	28,484	28,484
Employee benefits	1,009	1,009	1,009	1,009	1,009	1,009	1,009
Debt service - principal	-	4,000	10,000	16,600	40,000	10,200	4,400
Debt service - interest	-	3,105	7,875	15,691	28,681	16,178	9,624
TOTAL EXPENDITURES	29,493	36,598	47,368	61,784	98,174	55,871	43,517
Excess (deficiency) of revenues over expenditures	(6,628)	(16,213)	1,289	32,420	84,897	14,823	(5,924)
OTHER SOURCES AND (USES)							
Transfers in	-	205,659	-	-	-	-	-
Transfers out	(2,979)	-	(14,258)	(58,612)	(133,384)	(33,450)	(3,983)
TOTAL OTHER SOURCES AND (USES)	(2,979)	205,659	(14,258)	(58,612)	(133,384)	(33,450)	(3,983)
Excess of revenues and other sources over expenditures and other uses	(9,607)	189,446	(12,969)	(26,192)	(48,487)	(18,627)	(9,907)
Fund balance - beginning of year	31,838	18,509	42,844	86,134	159,103	61,370	32,817
Fund balance - end of year	\$ 22,231	\$ 207,955	\$ 29,875	\$ 59,942	\$ 110,616	\$ 42,743	\$ 22,910

See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
WATER FUND
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	WD #7	WD #8	WD #9	WD #10	WD #11	WD #12	WD #13	Total
REVENUES:								
Real property taxes	\$ 7,557	\$ 10,762	\$ 5,177	\$ 12,876	\$ 2,015	\$ 15,076	\$ 11,785	\$ 235,840
Departmental income	11,472	18,028	9,747	31,485	4,485	34,935	29,673	444,766
Sale of property and compensation for loss	73	114	62	200	28	222	188	2,823
TOTAL REVENUES	19,102	28,904	14,986	44,561	6,528	50,233	41,646	683,429
EXPENDITURES:								
Home and community services	28,484	28,484	28,483	28,483	28,483	28,483	28,484	398,772
Employee benefits	1,008	1,008	1,008	1,008	1,008	1,008	1,008	14,119
Debt service - principal	-	-	-	8,000	1,000	8,000	7,000	109,200
Debt service - interest	-	-	-	6,863	956	6,615	4,392	99,980
BAN - principal	5,300	6,665	3,035	-	-	-	-	15,000
BAN - interest	2,064	3,781	1,974	-	-	-	-	7,819
TOTAL EXPENDITURES	36,856	39,938	34,500	44,354	31,447	44,106	40,884	644,890
Excess (deficiency) of revenues over expenditures	(17,754)	(11,034)	(19,514)	207	(24,919)	6,127	762	38,539
OTHER SOURCES AND (USES)								
Transfers in	12,889	3,331	15,398	-	57,781	-	-	295,058
Transfers out	-	-	-	(13,737)	-	(21,151)	(13,504)	(295,058)
TOTAL OTHER SOURCES AND (USES)	12,889	3,331	15,398	(13,737)	57,781	(21,151)	(13,504)	-
Excess of revenues and other sources over expenditures and other uses	(4,865)	(7,703)	(4,116)	(13,530)	32,862	(15,024)	(12,742)	38,539
Fund balance - beginning of year	16,308	25,601	13,862	44,678	6,402	49,570	42,107	631,143
Fund balance - end of year	\$ 11,443	\$ 17,898	\$ 9,746	\$ 31,148	\$ 39,264	\$ 34,546	\$ 29,365	\$ 669,682

See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
SCHEDULE OF TOWN'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY
NYSLRS PENSION PLAN
DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Town's proportion of the net pension liability	0.0016090%	0.0017611%	0.0017702%	0.0016610%
Town's proportionate share of the net pension liability	426,078	124,780	57,132	156,074
Town's covered-employee payroll	656,549	614,167	555,991	576,041
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	64.90%	20.32%	10.28%	27.09%

See Independent Auditor's Report.

TOWN OF RIDGEWAY, NEW YORK
SCHEDULE OF THE TOWN'S CONTRIBUTIONS
NYSLRS PENSION PLAN
DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	75,655	76,745	75,558	67,906
Contributions in relation to the contractually required contribution	75,655	76,745	75,558	67,906
Contribution deficiency (excess)	-	-	-	-
Town's covered-employee payroll	656,549	614,167	555,991	576,041
Contributions as a percentage of covered-employee payroll	11.52%	12.50%	13.59%	11.79%

See Independent Auditor's Report.



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

Honorable Town Board
Town of Ridgeway
Ridgeway, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Ridgeway, New York, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town of Ridgeway, New York's basic financial statements, and have issued our report thereon dated May 27, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The information and use of management of the Town of Ridgeway, New York and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this communication is not suitable for any other purpose.

Allied CPA, P.C.

Tonawanda, New York
May 27, 2021

**SINGLE AUDIT
WITH
INDEPENDENT AUDITOR'S REPORT**



REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Town Board
Town of Ridgeway
Ridgeway, New York

Report on Compliance for Each Major Federal Program

We have audited the Town of Ridgeway's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Ridgeway's major federal programs for the year ended December 31, 2020. Town of Ridgeway's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town of Ridgeway's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Ridgeway's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable test basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Town of Ridgeway's compliance.

Opinion on Each Major Federal Program

In our opinion, the Town of Ridgeway complied, in all material respects, with the types of noncompliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

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Report on Internal Control Over Compliance

Management of the Town of Ridgeway is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town of Ridgeway's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town of Ridgeway's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Ridgeway, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town of Ridgeway's basic financial statements. We issued our report thereon dated May 27, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Allied CPAs, P.C.

Tonawanda, New York
May 27, 2021

TOWN OF RIDGEWAY, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>			
<u>Direct Program:</u>			
Water and Waste Disposal Systems for Rural Communities	10.760	N/A	<u>\$ 1,028,685</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,028,685</u>

The accompanying notes are an integral part of this schedule.
See Note 1 to the Town of Ridgeway, New York's Basic Financial Statements
With Independent Auditor's Report for the Year Ended
December 31, 2020 for the Summary of Significant Accounting Policies.

See Report on Compliance with Requirements Applicable to each Major Program
and Internal Control Over Compliance in Accordance with the Uniform Guidance.

TOWN OF RIDGEWAY, NEW YORK
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the Town of Ridgeway, New York under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Town of Ridgeway, New York, it is not intended to and does not present the financial position, changes in net position or cash flows for the Town of Ridgeway, New York.

Note 2 - Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Ridgeway, New York and is presented on the Modified Accrual Basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Federal grants received by the Town are subject to audit and adjustment. If any expenditure is disallowed by the grantor agencies as a result of such audit, the grantor agencies could make claims to reimbursement, which would become a liability of the Town of Ridgeway, New York.

Note 3 - Subrecipients

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the Town of Ridgeway, New York provided no federal awards to subrecipients.

TOWN OF RIDGEWAY, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Section I - Summary of Auditor's Results:

Financial Statements:

Type of Auditor's Report Issued:

Unqualified

Internal Control Over Financial Reporting:

Material weaknesses identified?

_____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses?

_____ yes X no

Noncompliance material to financial statements noted?

_____ yes X none reported

Federal Awards:

Internal Control Over Major Programs:

Material weaknesses identified?

_____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses?

_____ yes X none reported

Type of Auditor's Report issued on Compliance for Major Programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?

_____ yes X no

Identification of Major Programs:

CFDA Number

Name of Federal Program or Cluster

10.760

U.S. Department of Agriculture Water and
Waste Disposal Systems for Rural Communities

Dollar threshold used to distinguish between Type A and Type B Programs:

\$ 750,000

Auditee qualified as a low-risk auditee?

_____ yes X no

TOWN OF RIDGEWAY, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Section II - Financial Statement Findings:

As of and for the year ended December 31, 2020 the Town of Ridgeway, New York had no findings that were required to be reported in accordance with GAGAS.

Section III - Federal Award Findings and Questioned Costs:

As of and for the year ended December 31, 2020 the Town of Ridgeway, New York had no findings that were required to be reported in accordance with the Uniform Guidance.

TOWN OF RIDGEWAY, NEW YORK
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2020

There were no audit findings included in the prior audit's schedule of findings and questioned costs relative to federal awards.

TOWN OF RIDGEWAY, NEW YORK
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED DECEMBER 31, 2020

There is no Corrective Action Plan for the Town of Ridgeway, New York.